

State Board of Equalization August 2007

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For additional information you may download forms and publications from our website or you may call our Information Center to talk to a Board of Equalization representative.

For assistance, please call

800-400-7115

TDD/TTY 800-735-2929.

Board website and Member contact information:

[www.boe.ca.gov](http://www.boe.ca.gov)

BOARD OF EQUALIZATION

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Buying and Selling Dogs,  
Cats, and Other Non-food  
Animals

This tax fact sheet is designed to help you understand how sales or use tax

applies on sales or purchases of dogs, cats, and other non-food animals.

Sales tax generally applies to sales of animals, birds, reptiles, and insects

that do not meet the definition of “food animals”, whether they are used

for working stock, breeding, pets, or other purposes.

Please see Regulation

1587, Animal Life, Feed, Drugs and Medicines.

Pet sellers generally need a seller’s permit

Generally, you must register with the Board of Equalization (Board) for a seller's permit if you are engaged in the business of selling dogs, cats, or other animals which are considered non-food animals in California.

There are some exceptions:

- If you sell no more than two pets or other non-food animals during a twelve-month period, you are not required to hold a seller's permit.
- Cities, counties, or other local government animal shelters or nonprofit animal welfare organizations—those that primarily prevent abuse, neglect, or exploitation of animals—are not required to collect sales tax for charges related to the adoptions of pets.

Non-food animals defined

Non-food animals are animals commonly kept as pets or companions, and are not sold for food (human consumption).

Non-food animals include animals such as:

Dogs and Cats Horses

Tropical fish Pet birds

Monkeys Chinchillas and Mink

Earthworms Llamas

Rodents such as guinea pigs, rats, hamsters, and mice

Reptiles such as iguanas, lizards, or snakes

Applying tax to sales of pets or other non-food animals in California

If you sell more than two pets or other non-food animals

in a twelve-month period, you must obtain a seller's permit, and report and pay sales tax to the Board. The rate of sales tax will depend on the location of the sale. (See publication 71, California City and County Sales and Use Tax Rates.)

**Purchasing pets from out-of-state**

If you purchase a pet or other non-food animal from outside California, you are generally liable for use tax on your purchase. If you hold a seller's per-

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mit, you must pay use tax on line two of your sales and use tax return in a timely manner. If you do not hold a permit with the Board, you may report your use tax on an out-of-state purchase by entering the transaction on your annual California state income tax return or on the Board's publication 79-B, California Use Tax.

**Purchasing food for pets or other non-food animals**

If you sell pets, other non-food animals, and breeding stock, you may purchase their food without tax by issuing

a resale certificate to the vendor at the time of the purchase. Conversely, purchases of food for pets or other non-food animals that are not held by you for sale in the regular course of business are subject to sales or use tax.

Purchasing drugs or medicines for pets or other non-food animals

Sales of drugs or medicines for pets or other non-food animals are subject to tax, regardless whether or not the animals are being held for sale in the regular course of business. These drugs or medicines can be administered orally, hypodermically, topically or externally as injections, implants, drenches, repellents, or pour-ons to pets or other non-food animals. See Regulation 1587(c)(1) for more information.

However, tax does not apply to the sale or use of such drugs or medicines when added to feed or drinking water for pets or non-food animals held for sale. If you buy drugs or medicines which are mixed with the feed or drinking water of pets or other non-food animals for resale, you may issue an exemption certificate to the vendor. See Regulation 1587(d)(2)(C).

Purchases of pet care or non-food animal supplies  
When you purchase pet care and animal-related products such as tack, cages, kennels, bedding, and pet supplies, they are taxable. If you purchase these items from out-of-state without tax, you must report and pay use tax to the Board on your purchase.

Additional information available from our Information

Center or our website.

## Publications

18 Tax Tips for Nonprofit Organizations

36 Tax Tips for Veterinarians

42 Resale Certificate Tips

51 Guide to Board of Equalization Services

66 Tax Tips for the Agricultural Industry

70 Understanding Your Rights as a  
California Taxpayer

71 California City and County Sales and  
Use Tax Rates

73 Your California Seller's Permit

79-B California Use Tax

107 Do You Need a California Seller's  
Permit?

## Regulations

1587 Animal Life, Feed, Drugs and  
Medicines

1595 Occasional Sales—Sale of a Business—Business  
Reorganization

Sales and use tax law sections (Revenue and  
Taxation Code)

6010.40 "Sale" and "purchase"; pet  
adoptions

## Taxpayers' Rights Advocate

Call toll-free for help with problems you have not been  
able to resolve through normal channels:

888-324-2798

Note: The statements in this fact sheet are general and  
are current as of August 2007. The sales and use tax law  
and regulations

are complex and subject to change. If there is a conflict

between this publication and the law or regulations,  
decisions will be  
based on the law and regulations.  
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