



TOMÁS J. ARAGÓN, MD, DrPH
 Director and State Public Health Officer

State of California—Health and Human Services Agency
 California Department of Public Health



GAVIN NEWSOM
 Governor

Microenterprise Home Kitchen Operation Adjusted Gross Annual Sales Limit

Assembly Bill 1325- **Microenterprise Home Kitchen Operations** made an adjustment to the gross annual sales limit for Microenterprise Home Kitchen Operations. The new annual sales limits will continue to be adjusted annually based on the California Consumer Price Index (CPI). The California Retail Food Code Section below is the reference. As the CPI percent changes annually this information will be updated.

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(a) “Microenterprise home kitchen operation” means a food facility that is operated by a resident in a private home where food is stored, handled, and prepared for, and may be served to, consumers, and that meets all of the following requirements:

(8) The operation has no more than one hundred thousand dollars (\$100,000) in verifiable gross annual sales, as adjusted annually for inflation based on the [California Consumer Price Index](#).

Below is the historical annual sales allowances and the current allowance prescribed by AB 1325:

Effective Year	Based on average adjustment rate of CPI	Consumer Price Index Percent	Total Sales Allowance
January 1, 2019	N/A	N/A	\$50,000
January 1, 2020	2018-2019	2.5	\$51,250
January 1, 2021	2019-2020	1.7	\$52,121
January 1, 2022	2020-2021	4.2	\$54,310
January 1, 2023	2021-2022	7.3	\$58,275
July 21, 2023	AB 1325 Gross income adjustment		\$100,000

