



## INDUSTRY NOTICE

# Important Industry Update

New Assessment Requirements for Toll Processors & Custom Millers

EFFECTIVE: 2026–2027 HARVEST SEASON

The Olive Oil Commission of California wants to make sure all toll processors and custom millers are aware of recent changes to California law that directly affect your operations and assessment obligations.

### WHAT'S CHANGING

Toll processors and custom millers are now formally classified as Handlers under California law. This means if you process or mill olives into olive oil on behalf of a producer, you are subject to the same assessment collection and remittance obligations as any other handler.

*Cal. Food & Agr. Code §§ 79818, 79824 – Effective January 1, 2026*

### DOES THIS APPLY TO YOU

This applies to you if you toll process or custom mill olives on behalf of a **producer whose oil results in 5,000 gallons or more** during the marketing season (July 1 – June 30). Producers below the 5,000-gallon threshold are not subject to assessments.

*Cal. Food & Agr. Code § 79821 – Producer Definition & Threshold*

### YOUR OBLIGATIONS AS A HANDLER

- ▶ Collect the per-gallon assessment from qualifying producers and remit those funds directly to the OOC at the time and manner prescribed by the Commission.
- ▶ You are personally liable for remitting assessments — even if a producer fails to pay. Failure to collect does not exempt you from your obligation
- ▶ Penalties for late or unpaid assessments include a 10% penalty on the amount due, plus 1.5% interest per month on the unpaid balance.

*§ 79871 – Assessment Rate*

*§ 79875 – Collection & Remittance*

*§ 79876 – Handler Liability*

*§ 79878 – Penalties*