



Sales and Use Tax Exclusion (STE) Program Emerging Strategic Industries List¹

Updated: December 13, 2024

Product ²	NAICS	Effective Date
Lithium compounds	325180	January 1, 2022
Geothermal steam	221330	January 1, 2022
Batteries for electric vehicles, home and commercial energy storage, or grid scale energy storage ³	335911	January 1, 2025
Batteries for electric vehicles, home and commercial energy storage, or grid scale energy storage ⁴	335912	January 1, 2025
Leading-edge, current-generation, or mature-node semiconductors or components used in the semiconductor supply chain ⁵	334413	January 1, 2025
Semiconductor manufacturing equipment	333242	January 1, 2025
Research and Development in NanoTech	541713	January 1, 2025

*Please note that Applicants must also meet the basic eligibility requirements outlined for Alternative Source, Advanced Transportation, Recycled Feedstock, or Advanced Manufacturing **and** meet the minimum points threshold as outlined [here in the California Code of Regulations Title 4, Division 13](#).

¹ California Code of Regulations Title 4, Division 13, Section 10031(m)

² **Not all facilities with the corresponding NAICS codes may be eligible. For example, makers of batteries for consumer electronic devices such as cell phones that do not contribute to a reduction in greenhouse gas emissions are not classified as Emerging Strategic Industries even if they operate under NAICS 335911 or 335912.**

³ Could include technologies to store heat to offset use of fossil fuels, convert heat stored in batteries to electricity (e.g. thermophotovoltaics) and EV, hybrid and plug-in hybrid vehicles, and stationary batteries, including lithium, sodium-ion, iron-air, or other emerging battery technologies.

⁴ Ibid.

⁵ Semiconductor means an integrated electronic device or system most commonly manufactured using materials such as, but not limited to, silicon, silicon carbide, or III-V compounds, and processes such as, but not limited to, lithography, deposition, and etching.