



STATE BOARD OF EQUALIZATION

March 16, 1951

Dear Sir:

Through inadvertence your letter of September 14, 1950, was misplaced and went unanswered. Please accept our apologies.

It appears that the walk-in boxes are properly regarded as "materials" within the meaning of sales and use taxes ruling 11, copy enclosed, in which case [A] as the contractor or subcontractor is the consumer of the lumber, insulation material, and other materials from which these boxes are constructed in the building. It is also our opinion that the contractor is the consumer of the tubing which is installed in conduits or laid in the concrete. Therefore, the tax applies with respect to the lumber, insulation material, and tubing upon the cost thereof to the installing contractor. It is properly reported as self consumed at cost by [A] unless that company has purchased it on a tax-paid basis.

It appears that the compressors, condensing units, and evaporative condenser are properly regarded as "fixtures" within the meaning of ruling 11. Thus, the installing contractor is the retailer thereof and should return the tax upon the retail selling price as determined by the provisions of ruling 11 under the heading of "Fixtures Furnished and Installed by Contractors."

Very truly yours,

E. H. Stetson
Tax Counsel

EHS:ph

cc: Mr. John B. Evans

See Annot. 190.0270 – walk-ins generally classified as fixtures.