



STATE BOARD OF EQUALIZATION

December 4, 1961

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XXX --- ---  
--- ---, X, California

Attention: Mr. R. M. P--- -- - XXXXXX

Gentlemen:

It has been called to my attention that I mistakenly classified one item in my letter to you of November 10, 1961. Under Item 14, I said stainless steel sinks fastened to wooden casework are materials. We have consistently ruled that sinks of all types are fixtures and my statement in the letter to you was in error. Sinks are "fixtures"; however, counter tops also referred to under Item 14 are "materials."

In case you misunderstood my comments regarding transportation costs, I would like to point out that in stating transportation charges should be excluded in setting the market price of fixtures which you manufacture, I only was considering your costs of hauling the fixtures from your plant to the jobsite. Transportation charges for bringing the materials from which the fixture is manufactured to your plant may not be deducted. Also, where you purchase a completed fixture which you resell in a lump-sum construction contract, the transportation costs from plant to jobsite are not included under Ruling 11 in the measure of tax. The cost of the fixture to you is the measure of tax, but this does include freight charges connected with transporting the fixture from the manufacturer to your place of business.

Very truly yours,

E. H. Stetson  
Tax Counsel

By \_\_\_\_\_  
John H. Knowles

JHK:o'b

cc: --- --- - Auditing