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**STATE BOARD OF EQUALIZATION**

February 1, 1951

Attention: Mr. [X]

Gentlemen:

This is in answer to your letter of December 6 with respect to the application of the state sales tax to your sale of printed hand bills and prize drawing tickets to the [X] Company and to your sale of packing list envelopes to the [Y] Company.

You are advised that the tax does apply to the retail sale of printed hand bills and prize drawing tickets. It appears, however, from the resale certificate stamped on the seller's permit and the memo dated November 20, 1950, issued to you by the [X] Co., that it purchased this merchandise for the purpose of resale. Therefore, the tax will not apply to your sale of the merchandise to this purchaser.

The claim of exemption by the [Y] Co., is based on its statement that the packing list envelopes constitute shipping supplies which are not taxable, apparently on the basis that the envelopes are containers, within the meaning of Ruling 49, copy enclosed. However, we regard the shipper of tangible personal property as the consumer of the packing list which is enclosed with the merchandise and of the envelope in which the packing list is enclosed. Accordingly, the sale of packing list envelopes is not exempt under Ruling 49, and it is our opinion that you correctly regarded your sale as subject to the tax.

Very truly yours,

R.G. Hamlin  
Associate Tax counsel

RGH:HB