



STATE BOARD OF EQUALIZATION

October 22, 1951

Gentlemen:

In answer to your letter of August 25, we advise that, in our opinion, the provisions of Chapter 798, Statutes of 1951, effective June 1, adding to the Sales and Use Tax Law Section 6019 stating that, "Producers of X-ray films for the purpose of diagnosis are the consumers of materials and supplies used in the production thereof" refers to X-ray films produced for the diagnosis of conditions of the human body and does not relate to X-ray films produced for the inspection of metals and other similar purposes.

Accordingly, when X-ray laboratories furnish radiographs for such purposes of inspection, it is our opinion that the laboratory is the retailer and liable for payment of sales tax measured by the retail selling price of the radiographs. Of course, if a laboratory enters into a contract for the furnishing of an X-ray inspection service, there being no transfer of title to radiographs involved, charges for the performance of such an inspection service would not be taxable. We cannot determine from your letter whether you are engaged in such an inspection service or whether you are selling radiographs.

If you wish us to give you our opinion in this regard, we suggest that you forward to us a typical contract under which you carry on the operations referred to in your letter.

Very truly yours,

E. H. Stetson
Tax Counsel