



---

**STATE BOARD OF EQUALIZATION**

June 17, 1953

Mr. J. B. G---  
XXXX --- Boulevard  
--- X, California

Dear Mr. G---:

You inquire concerning the taxability of charges for nickel, chrome and alumulite plating. You state that the plating process is applied to fittings supplied by the customer, such as faucets, top pieces, valves, automobile bumpers, hub caps, handles, grills, etc. You add that the value of the materials (plating solution, etc.) applied is insignificant in relation to the total charge.

Section 6006(c) of the California Sales and Use Tax Law provides that, for sales tax purposes, a "sale" includes the fabricating or processing of tangible personal property for a consideration for consumers who furnish the materials used in the fabricating or processing. (See also Sales and Use Tax Ruling 15, copy enclosed.) We regard the plating of tangible personal property as taxable fabrication labor under section 6006(c) of the Law and Ruling 15 where the plating is performed on a new personal property furnished by a consumer. Therefore, your entire charge for such fabrication labor is subject to the tax. Where you perform the plating for persons who will resell the article plated the tax does not apply to your charges since section 6006(c) only applies where the fabrication is performed for a consumer.

Where you replating used tangible personal property so as to repair or recondition such property, repair labor rather than fabrication labor is involved. The application of the tax to repair labor is governed by Ruling 26, copy enclosed. Assuming that the value of the plating materials and other materials furnished is insignificant in relation to your total charge, and further assuming that no separate charge is made for the materials, you are regarded as the consumer of such plating materials. (See the second paragraph of Ruling 26.)

Our records do not indicate that you hold a seller's permit. Since it appears that you are engaged in performing taxable fabrication labor and since such activity requires the holding of a seller's permit, you should apply for the same at our --- district office at XXXX --- Street, telephone number Templebar 24282.

Mr. J. B. G---

-2-

June 17, 1953  
435.1220

We suggest that you explain in detail the nature of your activity to a representative of that office who will then be in a position to explain to you how the tax is computed, reporting requirements, and other matters pertaining to compliance with the California Sales and Use Tax Law.

Very truly yours,

W. W. Mangels  
Assistant Counsel

WWM;tj

cc: --- – Compliance

Enclosure:  
Rulings 15 and 26