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**STATE BOARD OF EQUALIZATION**

August 6, 1965

Gentlemen:

This is with reference to your client's petition for redetermination of tax liability and the preliminary hearing held on the matter last May 19.

We are recommending that there be an adjustment to delete from the measure of tax the sums of money collected by your client and labeled surcharge.

The adjustment is contingent upon your client's having formally notified its patrons of the surcharge, the amount collected, and the return of the surcharge receipts to the club or organization for whom it was collected. Also, the functions during which the collections were made were not open to the general public.

We note that your client has paid the tax in question. Therefore, our recommendation will have the effect of recommending a refund of tax on any amounts deleted from the measure of tax. Your letter of April 6, 1965 to Mr. R. N. Zambelich, includes a petition for redetermination and a claim for refund. Thus, it will not be necessary to resubmit a claim following the above recommended adjustment.

Very truly yours,

Robert H. Anderson  
Associate Tax Counsel

RHA:dse [lb]