

**STATE BOARD OF EQUALIZATION**

1020 N STREET, SACRAMENTO, CALIFORNIA  
(P.O. BOX 942879, SACRAMENTO, CALIFORNIA 94279-0001)  
(916) 445-5550

March 7, 1972

Mr. S--- -, W---  
Assistant Secretary  
C--- R--- P---  
Company  
P. O. Box XXXX Terminal Annex  
--- ---, CA XXXXX

SR – XX XXXXXX

Dear Mr. W---:

Your letter of February 29, 197X addressed to Mr. John T. Quick has been referred to us for direct reply to you.

You request a ruling with regard to the tax liability under a lump-sum contract, entered into with O---, Inc. Under the contract O--- Inc., is to furnish and install four 190' trick scales, six computer controlled weightmaster consoles and a mini computer to control the weightmaster consoles with a communications link tying together the scale assemblies, consoles and mini computer. According to our telephone conversation of March 6, 197X, we understand that the scale platforms are delivered to the jobsite in 20' sections and are installed in place. The 16 load cell columns also are bolted in place on concrete foundations. The platform sections are then welded to the load cell columns and the sections welded together, after which you install reinforcing bars and pour the concrete into the scale platform.

Under the above facts, it is our opinion that the contractor installing the load cell columns and the sections of the scale "pan" in place is the consumer of the "materials" under ruling 11.

It is our opinion that the computer controlled consoles and the mini computer which are interconnected to the scales by the cable constitute "fixtures" which are an accessory to the

scales and part of the integrated operations. The cables interconnecting all units, in our opinion constitute "materials."

Should you have any further questions, feel free to write to us.

Very truly yours,

Joseph Manarolla  
Tax Counsel

JM:smb

bc: Los Angeles Dist. - District Admin.  
Downey - Subdist. Admin.

Note: Los Angeles - (JTQ) It is felt that the "refinery rule" should not be extended to apply to this type of installation.