

M e m o r a n d u m**190.1620**

To: Marysville – Tax Administrator

Sacramento, California
January 12, 1953

From: Headquarters – Sales Tax Counsel

Subject: --- ---

Account No. XX-XXXXXX

This is in reply to your memoranda of December 3, 1952, and January 8, 1953. It appears that, while the customer sometimes installs the electrically operated garbage disposal units sold to him by this account, in other cases the customer also asks for installation. In these latter cases the installation is performed by a plumbing concern with whom the retailer has made installation arrangements. The seller then adds a \$40.00 installation charge to the customer's contract and remits his own check to the plumbing concern.

As you correctly indicate, we regard electrically operated garbage disposal units as "fixtures" under Ruling 11. We would also regard Mr. Murphy as the retailer for sales tax purposes inasmuch as the plumbing concern does not furnish as well as install the disposal units. The sales price of the fixture is, of course, governed by Ruling 11. If the \$40.00 added is separately stated, the amount of tax applicable would apparently be the same as where the unit is not installed, inasmuch as the parties would have actually set out an agreed retail selling price. If the additional \$40.00 charge is not separately stated, it would appear that we would have a lump-sum construction contract and the special provisions outlined in Ruling 11* would apply.

*Now Regulation 1521. DJH.

W. W. Mangels

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