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**STATE BOARD OF EQUALIZATION**

November 21, 1951

C--- C--- Corporation  
--- --- Avenue  
--- X, New York

Account - XXXXX

Gentlemen:

This is in answer to your letter of November 12 in which you enclosed a sample of the combination law tag and production ticket you sell to the E--- Co., Inc., which it claims should be 50% exempt from sales tax.

The excerpt of the letter you received from the E--- Company indicates that its basis for considering the combination tag and label partially exempt is that a part of it is attached to the mattress and a part is attached to the shipping container in which the mattress is packed. By its measurements the parts attached to the container and mattress approximate 49% of the combination tag and label.

Our examination of the combination tag and label indicates that the section marked "B" which is attached to the shipping container constitutes a shipping tag and is subject to the tax, as indicated by the last paragraph of Sales and Use Tax Ruling 49, copy enclosed. Consequently, the ratio forming the basis of your customer's contention appears incorrect.

Regardless of the uses of various parts of the combination tag and label it is our opinion that the tax applies with respect to the full sales price as the entire article is not purchased for resale, and we are unaware of any basis for classifying a part of the gross receipts received from such sales as nontaxable.

Very truly yours,

R. G. Hamlin  
Tax Counsel

RHG:jaa

cc: F--- T. L---