

**STATE BOARD OF EQUALIZATION**

May 3, 1950

Amended 9/16/87

Dear Mr. REDACTED TEXT:

This will advise you that we have now received a report from our San Diego district office with respect to its requirement that finance companies obtain a seller's permit in connection with transactions involving financing of automobiles.

Our San Diego office indicates that they have required finance companies to obtain seller's permits only in those instances in which the finance companies make sales of tangible personal property of sufficient number, scope, and character to require such a permit. It appears that certain finance companies in that area make their own repossessions and resell the repossessed property. In these cases it seems that our district office has properly required the finance companies to obtain seller's permits.

If you have any question concerning the propriety of requiring a particular company to obtain a seller's permit, we shall be pleased to go into the matter further with you.

Very truly yours,

R. G. HAMLIN
Associate Tax Counsel

RGH:HB

9/16/87

This annotation will be amended to remove the references to banks, which are obsolete, since banks are now required to hold seller's permits and pay sales tax as explained in Regulation 1567 and Annotation 135.0130. The amended annotation will read as follows:

"Finance companies which make their own repossessions and resell the repossessed property are required to hold seller's permits."

DJH:rar