



STATE BOARD OF EQUALIZATION

May 30, 1990

Dear [X]:

I am writing in response to your April 17, 1990 request for clarification as to the applicability of sales and use tax to "Power Bar" and "Exceed." You enclosed packaging from both products.

"Power Bar" appears to be a candy bar or cookie fortified with vitamins and minerals. As such, it is a tax exempt food product under Sales and Use Tax Regulation 1602 (enclosed).

"Exceed" appears to be a powder which, when mixed with water, constitutes a drink "for rapid replacement of energy, fluid and electrolytes." As such, sales of "Exceed" are subject to tax as a product in powdered form "which is described on its package or label as a ... dietary adjunct..." (Reg. 1602(a)(5).)

Please feel free to contact us again if you have further questions.

Sincerely,

Stella Levy
Tax Counsel