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**STATE BOARD OF EQUALIZATION**

February 16, 1953

Mr. J. V. L---  
A--- L--- S--- and E--- Co.  
XXXX --- Avenue  
--- --- 6, California

Your letter of November 25,  
1952

Dear Mr. L---:

You state that, at the same place of business, you operated two businesses, a self-service laundry and a business of selling laundry equipment. Separate records were kept. In February of 1951 the self-service laundry was sold but you continued to operate the business of selling laundry equipment at the same place of business. You inquire whether the sales tax should apply to the sale of the laundry equipment, which had been used in the self-service laundry, and which was transferred when the self-service laundry was sold.

It is true that the sales tax does not apply to occasional sales. An occasional sale is defined, in part, under Section 6006.5(a) of the California Sales and Use Tax Law as a sale of property not held or used in the course of an activity for which a seller is required to hold a seller's permit, provided such sale is not one of a series of sales sufficient in number, scope and character to constitute an activity requiring the holding of a seller's permit. (See also Sales and Use Tax Ruling 81, copy enclosed.)

Since this equipment was apparently only used in connection with a separate service enterprise the first part of Section 6006.5(a) is satisfied. It is our opinion, however, that inasmuch as you hold a seller's permit for selling laundry equipment of the type sold, that we should regard the sale, not as an occasional sale, but as a taxable retail sale as one of a series of taxable sales of such personal property in accordance with the latter part of Section 6006.5(a).

Very truly yours,

W. W. Mangels  
Assistant Counsel

WWM:ja

cc: --- --- - Auditing