



STATE BOARD OF EQUALIZATION

December 4, 1964

Dear Mr. X-----,

I regret the delay in responding to your letter of August 24, 1964. It appears from the information contained therein and its enclosures that the items listed in the letter of X-----, Business Manager, as follows:

- a. Bibliographical description of the book for classification purposes.
- b. Assignment of, or verification of, the Library of Congress classification number to each book.
- c. Inspection and verification of book card, pocket label and Library of Congress catalogue cards."

constitute nontaxable professional library services.

Item (d), "Application of classification label, card pocket and college name stamped in book," appears, however, to be a mechanical processing which we believe is included within the definition of "sale" in section 6006(0) of the Sales and Use Tax Law, and the price paid therefor as included within the definition of "gross receipts" in section 6012.

There must be a segregation made in the records of the X----- of its receipts from the taxable and nontaxable portions of its contracts in order for the company to claim a deduction for the nontaxable portion of its receipts.

Very truly yours,

E. H. Stetson
Tax Counsel

EHS:fb

cc: Inglewood - Subdistrict Administrator
New York District Administrator