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**STATE BOARD OF EQUALIZATION**

June 25, 1953

X-----

Your letter of March 27

Account No. X-----

Gentlemen:

You inquire concerning the application of sales tax to your charges for rebuilding batteries.

A customer brings to you his old batteries. You install all new material in the batteries, including plates, separators, spun glass insulation, and perforated rubber retention. The only parts of the old batteries which are reused are the wood or steel cases, rubber cell jars and rubber covers.

As indicated in Sales and Use Tax Rulings 15 and 26 (copies enclosed), charges for fabrication labor are subject to the tax while charges for repair labor are exempt. Fabrication is the creation of an essentially new item and repair is the restoration of property to its original condition.

It is our opinion that your rebuilding of batteries is the creation of a new battery rather than the repair of an old battery. Accordingly, your charges for both materials and labor are subject to the tax.

Yours very truly,

Bill Holden  
Junior Counsel

BH: ja  
cc: Pasadena - Auditing