



STATE BOARD OF EQUALIZATION

March 31, 1950

A--- C--- of S--- C---
P.O. Box XXX
XXXX – Xth Street
---, California

Attention: Mr. O. K. C---
District Manager

Gentlemen:

In answer to your letter of February 21, we advise that the California Sales and Use Tax Law imposes a use tax on the sales price of tangible personal property purchased for storage, use, or other consumption in this State whenever the sale of the property to the user is exempt from sales tax because the sale occurs outside this State, or is a sale in interstate commerce.

Thus, where a purchaser of an automobile purchase it outside the State for use in this State, the use tax applies, irrespective of the residence of the purchaser. Ordinarily, where the purchaser is a resident of this State, there is no doubt but that the use tax is applicable. On the other hand, if the purchaser is not a resident of this State, the tax may nevertheless be applicable if in fact the property was purchased for use in this State. If at the time of purchase the purchaser actually intends to use the car in this State and does so use it, the tax, in our opinion, applies. If, on the other hand, at the time of purchase the purchaser did not intend to use the car in this State, we will regard the tax as not applicable, even though through a subsequent change of intention the car is used in this State.

There is a presumption in the Sales and Use Tax Law (Section 6246) that tangible personal property shipped or brought to this State by the purchaser was purchased for storage, use, or other consumption in this State. It is, therefore, necessary for a purchaser who claims that he did not purchase the car for use in this State to overcome this presumption by satisfactory evidence such as affidavits, travel orders, or changes of assignment of duties that will reasonable establish that at the time of purchase the purchaser did not intend to use the car in this State.

This office is glad to be of assistance in doubtful cases in determining whether or not the tax is applicable. It is suggested that a full statement of the facts and circumstances be submitted on the basis of which we can make our determination.

Very truly yours,

E. H. Stetson
Tax Counsel

EHS:ph

cc: Mr. W. C. Shay