



STATE BOARD OF EQUALIZATION

June 14, 1966

Attention: _____
 Manager

Gentlemen:

This is in reply to your letter of May 31, 1966, addressed to our Modesto office, and referred to the undersigned by Arthur B. Skaggs, Districts Tax Administrator, Sacramento, who has conferred with me regarding the problem.

Whenever tangible personally property is sold and delivered to the purchaser or to the purchaser's representative in this state, sales tax applies even though the purchaser intends to and does immediately transport the property to another state where it will be used. The sales tax in California is imposed upon the retailer and is measured by gross receipts from retail sales in this state. The disposition of the property made by the purchaser is not a controlling factor in the application of the tax.

There is a specific exemption applicable under specified conditions to certain vehicles purchased from a dealer located outside this state for use outside this state, and delivered by the manufacturer to the purchaser within this state who drives or moves the vehicle to a point outside this state within 30 days. This exemption is provided for in § 6388 of the Sales and Use Tax Law, copy enclosed. The section describes the vehicles eligible for the exemptions and sets forth the evidence required to support such an exemption.

While a fire truck would no doubt qualify for the exemption if the necessary circumstances were present, it does not appear in your case that the sales are made by a dealer located outside this state. You are a dealer located in this state and the sales are made by you through your salesmen, except as to the dealer in fire truck accessories in the State of Washington who, according to Mr. Skaggs, takes orders for fire trucks in that area. We believe that this dealer may be regarded as a dealer located outside this state so that if the other conditions specified in § 6388 are present, your delivery of the fire trucks to the purchaser in this state will be exempt.

In the last paragraph of your letter you ask whether it makes a difference that a fire truck delivered to your customer in this state is delivered on your dealer's license plates or upon license plates supplied by our customer. This would make no difference in the application of the tax, except that for the exemption under § 6388 to apply, it is necessary, from paragraph (a) of that section, that the vehicle delivered in this state have out-of-state registration. In the event §

6388 is not applicable, the tax applies if the truck is delivered to the buyer or his representative in this state whether or not delivery is made on dealer plates or on the purchaser's plates.

Very truly yours,

E. H. Stetson
Tax Counsel

EHS:fb
Enclosure

cc: Sacramento – District Administrator