



STATE BOARD OF EQUALIZATION

May 4, 1965

Gentlemen:

This is in reply to your letter of April 26, 1965 concerning the application of local sales and use tax with respect to sales of bottled alcoholic beverages to an airline in Oakland, where delivery is made.

It is our opinion that the sale of alcoholic beverages is not exempt from local sales tax, either city or county. We do not regard such property as being "directly used in the transportation of persons", within the meaning of part I of Ruling 2205, or as "supplies and equipment used or consumed directly in the carriage of persons or property", with the meaning of part II of Ruling 2205.

Accordingly, regardless of the status of the airline, it is our position that the local tax exemptions are inapplicable.

Very truly yours,

E. H. Stetson
Tax Counsel

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Note:
Effective February 25, 1970, Reg. 1805 was adopted as a restatement of a portion of repealed Ruling 2205.