

Memorandum

330.2280

To: Los Angeles District – District
Principal Auditor (JTQ)

Date: May 19, 1969

From: Tax Counsel (LAA) Headquarters

Subject: Guard Dogs

Your memorandum of April 14, 1969, asked whether the business of placing guard dogs on a client's fenced premises at night is to be considered a rental of the dogs. The dogs have been trained to attack anyone (including the client) except their handler. The dogs are left on the premises at night after the client leaves and are picked up in the morning before the client arrives.

In my opinion, we would have difficulty finding this to be a lease or rental of the dogs. Whether "possession" is transferred is questionable, and the dogs certainly are not under the direction and control of the client (lessee).

The taxpayer's receipts, then, are not subject to tax.

LAA:ph

Cc: Van Nuys – Subdistrict Administrator