



STATE BOARD OF EQUALIZATION

April 27, 1990

To: Mr. Jack Warner
Out-of-State District Principal Auditor

From: Gary J. Jugum
Assistant Chief Counsel

This is in response to your memorandum of April 25, 1990.

You inquire as to whether pickups are to be properly classified as mobile transportation equipment, when they are to be used on a Navy base.

Pickups are classified as mobile transportation equipment under our Regulation 1661. The pickups in question are designed to carry property a substantial distance. The fact that the Navy may chose to use the vehicles within a restricted physical area does not change the classification for sales and use tax purposes.

A lessor of pickups would not be in a position to know what use the lessee might make of the vehicles. Application of the tax cannot be dependent on events which mayor may not occur subsequent to the time the equipment is leased.

GJJ:sr
cc: Mr. Donald J. Hennessy