



STATE BOARD OF EQUALIZATION

March 16, 1966

Dear: ---

I have checked into the --- --- --- --- publications and the question of whether they meet the requirements for the exemption allowed under section 6362 of the Sales and Use Tax Law and Ruling 50. A copy of the ruling is enclosed.

In 1950 the Attorney General issued an opinion on the question of exemption for sales of Advance Sheets of legal publications published regularly at average intervals not exceeding three months. The Advance Sheets are sold along with bound volumes, sometimes for a lump-sum price.

The charge for publications issued at average intervals is exempt, but the charge for bound volumes is not. The allocation of costs was also considered. The quotation by the publisher was accepted. It was pointed out that an allocation which is designed to avoid the imposition of sales tax would be disregarded.

It is our opinion that the Diary National Reports (United States Television Audience) issued each broadcast year for September, October, November, January, March, April/May and June/July qualify for content as well as the required frequency of publication. A reasonable allocation of charges for the "Diary" would be accepted as exempt.

The other publications, Day Part Summary, Television Market Analysis, Audience Profile Reports, Local Market Reports and Syndicated Program Analysis, are not issued at the required frequency to meet the test for exemption.

The term "periodical" as used in ruling 50 does not include books complete in themselves, such as book-of-the-month issues, Time-Life World Books, Reader's Digest Condensed Books, etc.

If ARB wants to segregate the charges for the exempt periodical (Diary National Reports) we suggest they inquire as to the reasonableness of a breakdown.

Sincerely,

Robert H. Anderson
Associate Tax Counsel

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