

December 3, 1956

Re:

Dear :

I discussed this problem last Friday with Assistant Attorney General . and Deputy Attorney General . Upon reviewing the facts, the conclusion was reached that the transaction is exempt from sales tax under Section 6006.5, paragraph (b) of the Sales and Use Tax Law.

Even though after the transfer the property transferred was owned by four corporations instead of one, there was but a single transfer from the vendor corporation which owned all of the stock of the transferee corporations. We shall accordingly revise our audit to eliminate this transaction from the measure of the tax.

Very truly yours,

E. H. Stetson
Tax Counsel

EHS:es