



---

**STATE BOARD OF EQUALIZATION**

March 12, 1982

Mr. W--- O. H---  
---, --- & ---  
XX --- ---  
--- ---, CA XXXXX

Dear Mr. H---:

Re: [X] Corporation  
S- -- XX-XXXXXX

This is in response to your letter of February 4, 1982. You have requested an opinion regarding the correct application of tax to your client's sale of wheelchair lift adaptations to busses.

As we understand it, your client, [X] Corporation is in the business of manufacturing and selling busses. A substantial portion of its business is the manufacture and sale of mass transit busses to urban and suburban transit authorities in California.

[X]'s standard base bus does not include a wheelchair lift. A wheelchair lift, if ordered by the customer, is a separate option and the sales price of such wheelchair lift can be separately identified on [X]'s pricing sheet.

In [X]'s production process, the installation of the wheelchair lift requires a different front stepwell configuration and different wiring and control connections. Although a wheelchair lift can be retro-fitted and installed on almost any bus, such retro-fitting would require additional modification of the bus. The wheelchair lift is not just a "bolt-on" accessory.

Your client requests a formal opinion that the portion of the sales price of the bus attributed to the wheelchair option is exempt from tax under Revenue and Taxation Code section 6349.4.

We are of the opinion that the portion of the sales price of the busses sold by [X] which is attributable to the price of a wheelchair option is exempt from tax under section 6349.4. Sales and Use Tax regulation 1591(l) provides, in part, that the exemption provided for in section 6349.4 extends to items and materials used to modify a physically handicapped person or persons. The term "vehicle" includes vehicles used in the public or private transport of physically handicapped persons. As such, tax will not apply to that portion of the sales price applicable to the wheelchair lift option on busses sold by your client, [X] Corporation.

We are enclosing a copy of regulation 1591, "Prescription Medicines," for your reference. If you have further questions concerning this matter, please write this office.

Very truly yours,

Mary C. Armstrong  
Staff Counsel

MCA:ba