

STATE BOARD OF EQUALIZATION

OFFICE CORRESPONDENCE

440.0550

Sacramento
July 30, 1942

To: Mr. Burnett Sheehan

From: E. H. Stetson

Re: L--- - M---, Inc.
XXXX --- ---
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California

Your memorandum of July 20:

Permit

B-XXXX

It appears from your memorandum that the calcium hydroxide and calcium chloride are used only for the purpose of providing calcium which unites with pectic acid in the fruit to form calcium pectate, which "sets" or "firms" the fruit. Although you state that one-half of the calcium pectate remains in the fruit, the remainder being discarded in the brine, it appears that the portion discarded serves no purpose at all, and that the sole or at least the primary purpose of purchasing calcium hydroxide and calcium chloride is to provide calcium which remains in the fruit in the form of calcium pectate. It appears therefore, that the calcium hydroxide and calcium chloride are purchased for the purpose of resale.

The other chemicals appear not to be purchased for resale as you state they are used to provide chemicals to arrest fermentation and bleach the fruit, and are entirely discarded in the brine at the end of the process.

It is suggested that you advise taxpayer of our conclusions.

EHS.j