

M e m o r a n d u m**570.1100**

To: San Diego - Auditing

July 24, 1957

From: Headquarters - Tax Counsel (WWM:GAT)

Subject: W. P. W---
XXXX --- Lane
--- ---, CA

It is our understanding, based on statements of taxpayer, and the Report of Field Audit, that taxpayer purchased a building, for removal, from the Public Housing Administration in San Diego. He received a notice of determination informing him that he owed use tax.

According to his letter of July 1, 1956, the building was dismantled and moved outside this state within 60 hours of purchase from the Public Housing Administration and it was moved to Lake Mohave, Arizona. He states that the foregoing can be confirmed by C--- E. R---, Superintendent, L--- M--- National Recreation Area, --- ---, N---.

Under Section 6009.1 of the Sales and Use Tax Law, taxable "storage" and "use" do not include the keeping, retaining or exercising of any right or power over tangible personal property for the purpose of subsequently transporting it outside the state for use solely outside the state.

If taxpayer moved the building to Arizona for his own use there or if he sold it and title passed outside this state, his retention of the property in this state comes within the terms of Section 6009.1 and is not subject to use tax.

Please investigate and determine if the building in question was purchased and used in the manner described.

Enclosed is a copy of taxpayer's letter to this office for your information.

GAT:rc
Enclosure