

**STATE BOARD OF EQUALIZATION**

**OFFICE CORRESPONDENCE**

**110.0960**

Sacramento  
January 9, 1951

To: Mr. W. S. Freeland

From: R. G. Hamlin

Re: J. B. H--- Co.  
XXX --- ----  
---, Calif.

Acct. D-XXXX

You have inquired as to the application of the tax to retail sales of the above company's product known as H---. You state that the company has taken the view that a percentage of the total selling price is subject to the tax in the proportion that the non-feed ingredients bear to the total ingredients.

It is our opinion that the product must be classified in its entirety, for purpose of the sales tax, as a feed or vermicide by determining the purpose for which it is sold. An examination of the label indicates that it is to be used to treat poultry and that it is to be fed to the poultry for one day only.

In discussing this product with th Department of Agriculture we have been informed that the product is required to be registered as an economic poison and that it is used primarily as a vermicide for the control of cecal and round worms. The vermicidal ingredients are combined with the feed for the purpose of obtaining a convenient and effective means of administering the vermicide to the poultry.

In view of the above, it appears that the product is sold primarily as a vermicide and incidentally only as a feed. It is our opinion, therefore, that the tax applies to its sale at retail.

RHB:HB