



STATE BOARD OF EQUALIZATION

September 26, 1956

L--- A--- D--- of W--- and P---
P.O. Box XXXX, --- ---
--- --- XX, California

-- XXXXXX
Now: SR -- XX XXXXXX

Attention: J--- P. B---

Gentlemen:

We have considered the petition for Redetermination and the information presented at the preliminary hearing with respect to the above matter.

In the past we have ruled that the sale of water meters in place as a part of the sale of a private water system is a sale of tangible personal property when the meters are on land not owned by the seller. Our ruling is based upon the fact that the seller has a right to remove the meters and the sale constitutes a constructive severance of the meters from the realty.

For this reason we will recommend to the Board that the tax be redetermined without adjustment. If you desire a Board hearing on this matter, please advise us within 30 days.

Very truly yours,

John H. Murray
Associate Tax Counsel

JHM:rc

cc: --- --- - Auditing