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STATE BOARD OF EQUALIZATION

April 16, 1957

J---n I. H---  
XXXX --- ---  
--- XX, Calif.

Attention: Mr. A. J. J---

S- -- XX-XXXXXX

Gentlemen:

In your letter of March 22 you inquired whether your purchases of lumber and other materials, used in packing hops for export, are subject to sales tax.

Tax does not apply to purchases of non-returnable containers which are resold together with their contents. Under Ruling 49, a copy of which is enclosed, wrapping and packing materials are classified as non-returnable containers. If the lumber is used to make crates for the hops, it is exempt. However, if the lumber is used as car strips or for bracing the packages of hops while in transit, it is not exempt. See Ruling 60, copy enclosed.

E. H. Stetson  
Tax Counsel

GAT:rc