

**STATE BOARD OF EQUALIZATION**

1020 N STREET, SACRAMENTO, CALIFORNIA  
(P.O. BOX 942879, SACRAMENTO, CALIFORNIA 94279-0001)  
(916) 445-5550

August 2, 1967

Mrs. F--- J. J---  
dba T--- C---  
XXX --- Street  
---, CA XXXXX

SR -- XX-XXXXXX

Dear Mrs. J---:

In your letter of July 20, 1967, you ask whether candles which you partially burn, are subject to tax.

The facts, as we understand them, are that you purchase candles for resale. However, to show the designs such candles will form after they have been burned, you partially burn some yourself. According to your letter, the candles that you burn are "left on display."

Section 6244 of the Sales and Use Tax Law exempts from use tax merchandise purchased for resale that is used for demonstration or display while holding it for sale in the regular course of business. Since you keep the partially-burned candles for display only, you are no longer holding them for sale in the regular course of business and, therefore, you are considered to have consumed the property.

Line 2 on your report would be the proper place to report such a use. Should you have further questions, please feel free to write.

Very truly yours,

T. P. Putnam  
Tax Counsel

By \_\_\_\_\_  
A. Wells Petersen

AWP:dse