This is in reply to your memo of August 31 concerning the question of whether the above company is “engaged in business in this state” under Section 6203.

As we understand it, the company makes interstate sales of advertising materials to various manufacturers. It maintains its design department at Los Angeles. This office handles design work and art work which is obtained from Illinois and referred back to Illinois when completed. There is no direct sales activity; orders from California customers are solicited by mail or through magazine advertising.

It is our opinion that “P” is “engaged in business in this state” within the meaning of section 6203(a). The definition contained therein is entirely independent of the definition contained in paragraph (b). Hence, an out-of-state retailer who maintains an office or other place of business in California can be required to register with the Board even though such office or other place of business is not maintained “for the purpose of selling, delivering, or the taking of orders.” In other words, when such a “nexus” exists between the retailer and the state, it is unnecessary to find any relationship between the local office and the sales activity.