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**STATE BOARD OF EQUALIZATION**

September 26, 1968

Gentlemen:

In reply to your letter of September 19, it is our view that AB 460, which adds Section 6363.6 to the Revenue and Taxation Code and is operative on and after October 1, 1968, will exempt from sales or use tax the sale or use of meals served to patients or inmates of an institution of the kind referred to in the bill, regardless of whether a food service contractor serves the meals or sells the meals to an institution which serves them. No tax will apply to the sale to or use by the patients or inmates if the meals are served to the patients or inmates.

Very truly yours,

T. P. Putnam  
Tax Counsel

TPP:kc [1b]