



STATE BOARD OF EQUALIZATION

August 12, 1981

This is to confirm the information given to you in our recent telephone discussion regarding the requirements of Revenue and Taxation Code section 6363.6 (c).

Section 6363.6 (c) provides that tax does not apply to the sale or use of meals and food products for human consumption furnished or served to and consumed by residents of:

Any house or institution supplying board and room for a flat monthly rate and serving as a principal residence exclusively for persons 62 years of age or older.

You wish to know whether section 6363.6 is applicable in situations where one or more employees, who are under 62 years of age, reside at the house or institution and consume meals.

We are of the opinion that a house or institution will be considered a principal residence exclusively for persons 62 years of age or older even though some employees who are under the age of 62 years of age and therefore the requirements of section 6363.6 will be considered to have been met. We note that tax will apply to the sale or consumption of meals served to the employees.

If you have further questions concerning this matter, please write this office.

Very truly yours,

Mary C. Armstrong
Staff Counsel

MCA: ba

Bc: Mr. D. J. Hennessy
Mr. Don Brady
San Francisco – District Administrator
Hollywood – District Administrator