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**STATE BOARD OF EQUALIZATION**

May 7, 1970

Attention:

Gentlemen:

We have given further consideration to your petition for redetermination in light of the information submitted with your letter of April 23. We have decided to revise our original report and recommend that the petition be granted.

We cannot agree with your conclusion that property qualifies as an exempt export merely because the certainty of the foreign destination is plain (see *Empresa Siderurgica v. County of Merced*, 337 U.S. 154). However, we do agree with your contention that once an export journey is begun it is not terminated by a delay in transit unless the delay is for a purpose independent of the transportation of the property. It would seem that an indefinite delay in transportation for the purpose of collecting other goods for shipment would represent such an independent purpose. In the instant case, we understand that the delay in shipment was for the purpose of consolidating the goods for shipment with other goods already collected and was not for an indefinite period. It is on this basis that we have revised our recommendation.

A reaudit will be conducted deleting the protested item from the measure of tax. In due course you will receive a notice of redetermination which will reflect the action indicated.

Very truly yours,

W. E. Burkett  
Tax Counsel

WBB:kc