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**STATE BOARD OF EQUALIZATION**

December 4, 1950

Dear Mr. L---:

This is in answer to your letter of October 23 with respect to the application of the State sales tax to your activities in the general sign-painting business.

As you have indicated, we do not regard the tax as applicable to your charges for lettering signs on [new or used] trucks and automobiles. Accordingly, you are the consumer of paint so used. If the materials have been purchased by you for the purpose of resale, under Sales and Use Tax Ruling 68, copy enclosed, the cost price of such material should be reported on line 2 of your own sales and use tax return as self-consumed merchandise.

Under Ruling 30, copy enclosed, the tax does not apply to charges for repainting or refinishing used articles. Therefore, the tax does not apply where a customer's sign is repainted, or used luggage is lettered. Accordingly, you will also be regarded as the consumer of materials used in repainting or lettering in those instances.

As indicated in Ruling 21, copy enclosed, the tax applies to charges for painting or otherwise finishing tangible personal property in connection with the production of a finished product for consumers, whether the article to be finished is supplied by the customer or by the finisher. Therefore, the tax applies to charges for lettering on new luggage.

In general, the tax appears to apply only where the personal property painted or lettered is new, in conformity with Rulings 21 and 30. Rulings 21, 25, 30 are specific applications of the general rule stated in Ruling 15, copy enclosed.

As stated in Ruling 25, the tax does not apply to your charges for painting or lettering on real estate. Accordingly, you will also be regarded as the consumer of materials used to paint signs on walls or windows of a building, or to paint signs attached thereto. In general, we regard mailboxes as attached to realty, unless the facts of the particular case warrant a contrary conclusion. As fixtures and attached property are treated as realty in the law, it is our opinion that the tax would not apply to charges for lettering mailboxes in place, whether the latter are new or used.

Very truly yours,

R. G. Hamlin  
Associate Tax Counsel

RGH:HB

Cc: W. R. Thomson