

1632 Liquidation sale by executors and administrators assets

395.0880

October 24, 1952

Gentlemen:

We are enclosing in answer to your letter of October 20 a copy of Sales Tax General Bulletin 52-6 dealing with sales by executors and administrators.

It is our opinion that the sales mentioned in your letter are clearly sufficient to result in the accrual of sales tax liability, except as to those sales made to dealers, liquidators, or others for the purpose of resale. The fact that the sales are liquidation sales and not connected with a business carried on by a testator during his lifetime does not, in our opinion, affect the character of the actual sales made if sufficient in themselves to require the holding of a seller's permit and payment of sales tax on gross receipts from sales made to consumers. We do not believe that such sales fall within the exemption of occasional sales pursuant to Sections 6006.5 and 6367 of the Revenue and Taxation Code. As we have indicated, we believe the sales made and to be made are sufficient in number, scope, and character to require the holding of a seller's permit and, hence, are not occasional sales by the proviso in Paragraph (a) of Section 6006.5.

Very truly yours

E. H. Stetson

Tax Counsel

EHS:ph

cc: Santa Barbara - Tax Administrator