This is in answer to your inquiry of February 9 concerning the application of the ice exemption to sales of ice which are, one, used in topping trailers of carrots which are allowed to stand for a day or two before processing and, two, placed into tanks of water as a cooling agent, which water is then used in keeping the products cool while processing.

Section 6359.5 exempts sales of ice used or employed in “packing and shipping or transporting” food products in interstate commerce. We believe that the ice used as above described is used in the processing of the food prior to packing and that, accordingly, the sale of such ice is not exempted by Section 6359.5. You refer to a note on page 137.3 of the California Tax Service referring to ice used in pre-cooling. The ice in question was used in pre-cooling after the car had been loaded and before forwarding. In our opinion this ice was used in packing or shipping in that it was used after a car in which the goods were shipped was loaded.

E.H. Stetson

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