

M e m o r a n d u m**410.0060**

To: Downey – Subdist. Admin.

Date: April 16, 1964

From: Tax Counsel (EHS)

Subject: “W”

Enclosed is a copy of a letter from the owner of a building used for rummage sales. Apparently, the owner was told that she would be liable for the tax on sales by the various charitable organizations using the building.

I do not think that a mere landlord is subject to the provisions of Ruling 79 holding a retailer liable for tax on sales made by concessionaires. Perhaps the writer of the letter did not correctly state the facts. In any event, please look into this matter and take any necessary action to require the payment of tax by the actual sellers, unless the sales are exempt under Ruling 40, or are insufficient to constitute engaging in business.

EHS:fb [lb]