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July 9, 1985

Mr. A--- S. B---  
Financial Manager  
California State University, Sacramento  
6000 J Street  
Sacramento, CA 95819-2694

Dear Mr. B---:

This is in response to your letter of March 29, 1985. You wondered whether "sales" of video tapes, slides, and computer program tapes by California State University, Sacramento campus, to other state university and college campuses, community colleges, and private colleges are subject to sales tax.

"Sale" is defined in Sales and Use Tax Law to include a transfer of title to tangible personal property for a consideration (Rev. & Tax. Code §6006(a)). Sales at retail in California are subject to sales tax measured by gross receipts (Rev. & Tax. Code §§6012, 6051). In order for title to pass and tax to apply, the transfer must be between separate legal entities. Here, such taxable transfers would occur between the California State University Sacramento campus and the community and private colleges (see Rev. & Tax. Code §6005) but would not occur between the Sacramento campus and its other sister campuses in the State College and University system since together these campuses comprise a single legal entity (See Cal.Educ. Code §§66,600 et.seq.).

Very truly yours,

E. Leslie Sorensen, Jr.  
Tax Counsel

ELS:rar

cc: Donald J. Hennessy