

**M e m o r a n d u m****425.0120**

To: Oakland – Auditing (SNS)

Date: April 10, 1964

From: Tax Counsel (EHS)

Subject: “R”

As a result of your memo of April 1, we have contacted counsel for the "c" and have written him a letter, copy enclosed. He was most cooperative and expressed complete willingness to advise his hospitals that tax exemption certificates should be furnished to vendors of oxygen and other medical or anesthetic gases.

There is attached hereto a suggested form of certificate which we included in our letter to "C". We believe that this should eliminate the difficulty which was explained in the letter to you of March 30 from "R".

We suggest that you contact "R", which wrote you on March 30, telling them that we are working on this problem looking toward having hospitals supply exemption certificates to vendors of medical and anesthetic gases. I would think that, pending completion of this arrangement, we would probably be justified in accepting sales of medical and anesthetic gases to hospitals as exempt without the necessity of further proof that the gases were not put to a nonexempt use.

EHS:o'b [lb]