

Memorandum

435.1320

To: Mr. H. P. Kerrigan (JPG)

Date: February 2, 1951

From: R. G. Hamlin

Subject: Rebuilding of Cabin on Pleasure Boat

In your memorandum of January 25, you ask whether a complete rebuilding of a cabin on a pleasure boat constitutes a fabrication of tangible personal property.

It is our opinion that the rebuilding of a cabin on a pleasure boat constitutes a repair or reconditioning operation, if the boat remains a pleasure boat following the completion of the operation. The fact that the rebuilt cabin is larger and that sleeping facilities have been added does not, in our opinion, constitute the work a conversion of the boat so that it may be said to be the fabrication of a new and different vessel. Therefore, the tax will apply only to the sales price of the parts and materials used in repairing the boat.

RGH:HB