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May 11, 1993

X-----

Re: Taxability of Paint Processing

Dear Ms. X-----:

This office has received a letter from you dated April 15, 1993, in which you questioned the sales tax imposed by a paint manufacturer for processing paint.

You state in your letter that X----- County has a recycling program in which individuals sometimes drop off unwanted paint at a county facility. The paint is then mixed with other paint obtained from different donors and sent to a paint manufacturer. The paint manufacturer reprocesses the paint removing impurities, etc., and bills the county for this procedure. The paint is returned to the county where it is either used by the county or given to individuals. You ask if the charge to process the paint is subject to tax.

California Revenue and Taxation Code section 6006(b) defines "sale" to include the "producing, fabricating, processing, printing, or imprinting of tangible personal property for a consideration for consumers who furnish either directly or indirectly the materials used in the producing, fabricating, processing, printing, or imprinting."

California Sales and Use Tax Annotation 435.1280 (4/7/50) provides that the purification of beeswax is not a taxable processing, but if the reconditioning involves commingling of wax furnished by several customers, tax applies to the charge made.

Since your office has paint obtained from many sources reprocessed by the paint manufacturer, the charge for processing the paint is subject to tax.

Very truly yours,

Thomas J. Cooke  
Tax Counsel

TJC:sr