

**STATE BOARD OF EQUALIZATION**

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March 30, 1990

REDACTED TEXT

Dear Sir or Madam:

The Franchise Tax Board has sent to the State Board of Equalization legal staff a copy of a January 23, 1990 letter to you from Mrs. M. L. Ciranni, Regional Budget Director of Region 9 of the United States General Services Administration.

The letter states that, "the office of Former President Ronald Reagan is considered to be a Federal entity and therefore exempt from all Federal, State and Local taxes." We assume that you wish an opinion as to whether sales tax applies to sales of equipment to the office of former President Ronald Reagan.

We have discussed the facts of the sale with Mrs. Cirianni. The funds used for purchasing property for the office of a former president are provided by the General Services Administration pursuant to subsection (c) of Public law 85-745, August 25, 1958, 72 Stat. 838, as amended, and section 4 of the Presidential Transition Act of 1963, as amended. Each of the statutes are set out as notes under Title 3, United States Code section 102.

The provisions of the Act of August 25, 1958, other than subsections (a) and (e), are not effective with respect to a former president until six months after the expiration of the term of office as president. Until that time, section 4 of the Presidential Transition Act of 1963 provides that the administrator of General Services is authorized to provide the former president with necessary services and facilities. Mrs. Cirianni notified us that the funding for the offices of former presidents is appropriated by Congress; payment for the facilities and equipment is made by checks drawn on the U. S. Treasury.

It is our opinion that, since under the federal statutes cited above, the General Services Administration purchases the property for the office of former President Ronald Reagan, the sale is exempt from sales tax pursuant to Revenue and Taxation Code section 6381.

If you have any questions regarding this, feel free to contact me.

Very truly yours,

Ronald L. Dick
Tax Counsel

RLD:sr