



505.0720

STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION

March 4, 1955

Gentlemen:

You inquire concerning the application of sales tax to your sales to a California National Guard unit when the sale is paid out of the unit fund. The money to the National Guard is obtained from the national Government and may be spent only for purposes specified by the Federal Government.

The California National Guard is a part of the government of this State and its commanding officer is appointed by the Governor. Accordingly, a sale to a California National Guard unit is a sale to this State rather than to the United States. Although the money from the unit fund once belonged to the United States, it has been transferred to this State, and the sale is therefore taxable. The control exercised by the federal Government over disbursements from the fund is immaterial.

For your information, we are also writing to REDACTED TEXT, Comptroller of the California National Guard, who recently asked us the same questions. As requested, we send you three extra copies of our letter.

Very truly yours,

Bill Holden
Assistant Counsel

cc: San Francisco – Auditing