State of California Board of Equalization

Memorandum

565,1190

To: Mr. Glenn A. Bystrom

Date: January 14, 1992

From: Gary J. Jugum

Subject: U. S. Government Supply Contracts – Retail Canned Software Media Packages

This is in response to your memorandum of December 31, 1991. We understand that government contractors may purchase canned software programs for use in the performance of U. S. government contracts. These U. S. government contracts typically contain accelerated title clause provisions. It is our opinion that these accelerated title clause provisions would apply to canned software packages, notwithstanding recitals issued by the software publisher concerning end user limitations. Accordingly, the items may be purchased for resale by U. S. government contractors and would be considered to be sold to the U. S. prior to any use by the contractor.

GJJ:sr

Cc: Mr. Ronald L. Dick

Mr. David H. Levine Mr. John L. Waid