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**STATE BOARD OF EQUALIZATION**

April 8, 1965

Gentlemen:

In our telephone conversation of April 7 you asked for a clarification of an apparent conflict between a letter to you dated November 4, 1964 and a letter written by Mr. Stein of our New York office to your supplier, "X".

You are concerned with the application of local tax to your purchases of wire for use in your telephone business. All negotiations are with the New York office of your supplier and all orders are placed there. Some shipments are made to you from out-of-state stocks and some are made from California stocks.

It is our opinion that local sales tax applies to all sales where delivery is made to you from California stocks. Any implication to the contrary in the letter of November 4, 1964 should be disregarded.

Very truly yours,

John H. Murray  
Associate Tax Counsel

Of course, if the local sales tax is not applicable & the property is purchased for use in Cal. (i.e., the state use tax applies) the local use tax applies also.
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JHM:dse      [lb]