



STATE BOARD OF EQUALIZATION

October 18, 1956

[U]
XXXX --- ---
--- --- XX, California

Attention: Mr. [M], Vice President -- - XXXXX

Gentlemen:

This is in answer to your letter of October 4 concerning the possibility of exemption from state-administered local sales tax with respect to sales to private and contract carriers whose headquarters are located outside this State. These carriers come into the County of Los Angeles to pick up merchandise which they will transport to other states for use in other states.

The exemption from local tax with respect to common carriers is explained in local sales and use tax ruling 2205, copy enclosed. The Bradley-Burns Uniform Local Sales and Use Tax Law which authorizes county sales taxes provides for an exemptions with respect to sales to common carriers but the law explicitly limits the exemption to sales to common carriers. It would, therefore, require an amendment to the law to extend this exemption to apply to sales to private or contract carriers. As an extension of the exemption is, of course, a legislative matter this Board is without power to waive payment of the tax with respect to sales in this State to private or contract carriers.

As you know, there is an exemption from the State sales tax of sales to common carriers under certain circumstances. This exemption does not, however, apply to sales to private or contract carriers. The section to which we refer is Section 6385 of the Sales and Use Tax Law.

Very truly yours,

E. H. Stetson
Tax Counsel

EHS:ds

Enclosure

cc: Inglewood - Compliance