



STATE BOARD OF EQUALIZATION

June 7, 1961

P. I. S--- Corporation
XXXXX South --- Street
--- --- X, California

Attention: Mr. V. A. R---
Office Manager

Gentlemen:

We have reviewed your letter of May 11 and the enclosure in connection with the proper status for sales and use tax purposes of Jetway units.

As these units are in effect and in operation a part of, or at least extensions of, a structure and constitute corridors for passenger use similar to any other hallway or corridor in a building, we believe the Jetways may be regarded as a part of the structure and thus constituting "materials" within the meaning of Ruling 11, copy enclosed.

Notwithstanding the fact that the Jetways are movable and have a telescopic action, they are nevertheless, as we understand it, permanently attached at one end to the building. They are somewhat analogous to ramps, raised and lowered from docks to the decks of a vessel. They differ from elevators and conveyors in that their function is not to transport passengers by actual movement, as in the case of an elevator, but simply to provide a stationary hallway for the use of passengers traveling between the main airport structure and the planes. Accordingly, we believe that the installing contractor is the consumer of the materials which it uses in making these installations, and tax applies with respect to the sale to the installing contractor of the steel and other materials which are incorporated into the finished Jetways.

With reference to your statement that all materials for these items are bought for "stock resale", we suggest that if it is known at the time of purchase that these materials are to be used rather than resold, they should not be purchased under a resale certificate. To so purchase them would be contrary to the provisions of the Sales and Use Tax Law, which authorizes purchases under a resale certificate only when the purchaser at the time of purchase intends to sell the property

Mr. ---

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May 25, 1970
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or is unable to ascertain at the time of purchase whether it will be resold or used for some other purpose.

Very truly yours,

E. H. Stetson
Tax Counsel

EHS:tl
Enc.

cc: Los Angeles - Administrator