



STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION

September 27, 1955

REDACTED TEXT

Attention: REDACTED TEXT

Gentlemen:

You sell a meat-labeling machine. This machine prints from a roll of paper a label showing the weight of the package, the price of the item, the price per pound, and the cut and grade of the meat. You inquire concerning the application of tax to your sales of the rolls of paper to meat markets.

We enclose a copy of Ruling 49, Containers and Labels. Ordinarily, a label which is attached to the container of an item which is sold is not taxable. You will note from the last sentence of the ruling that a price tax is taxable. For the purposes of the Law, however, the only thing which is regarded as a price tag is one which is exclusively a price tag. As used, this particular meat label shows not only the price but also the cut and grade of the meat.

It is our opinion, therefore, that it is an exempt label, and that your sales of the paper from which the label is printed are not taxable.

Very truly yours,

Bill Holden
Associate Tax Counsel

BH:tj

Enclosure: Ruling 49

cc: Stockton - Auditing