



STATE BOARD OF EQUALIZATION

July 24, 1952

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Attention: Mr. [H]
Secretary

Gentlemen:

Mr. Harry L. Say, Sales Tax Administrator, has requested me to reply to your letter of July 18 regarding the statute of yeast under the Sales and Use Tax Law.

Sales and Use Tax Ruling 52, Food Products, includes "yeast cakes" within the illustrative list of items considered to fall within the definition of food products set forth in Section 6359 of the Sales and Use Tax Law. The same ruling sets forth the further provision of Section 6359 that "preparations in liquid, powdered, granular, tablet, capsule, lozenge, and pill form sold as dietary supplements or adjuncts" are not included within the definition of food products.

When yeast is prepared in dried, flaked, powdered, or tablet form it is our understanding that it is sold primarily as a dietary supplement or adjunct that is pasteurized and the live yeast cells are killed in the process. While some yeast in this form may be used in food preparation, it is our view that if yeast in such form is sold primarily for use as a dietary supplement or adjunct it must be regarded under the statute and regulation as other than a food product for human consumption as therein defined.

Very truly yours,

E. H. Stetson
Tax Counsel

EHS:ph

cc: Mr. Burnett Sheehan