

Memorandum

315.0300

To: Santa Barbara – Auditing

Sacramento
September 2, 1955

From: Headquarters – Sales Tax Counsel (BH)

Account No. --- --- ---

This is in reply to your letter of May 18 and August 22.

A patient will bring a pair of new shoes to the taxpayer. The taxpayer furnishes leg braces and attaches them to the shoes. The taxpayer claims that the labor of attaching the braces to the shoes is exempt.

This is a close question. Basically, the problem is whether the brace constitutes a finished product separate from the shoe, or whether there is simply a single finished product, namely, a shoe-with-brace.

It is our opinion that a brace constitutes a separate finished product and that the labor of attaching the brace to the shoe is exempt installation labor rather than taxable fabrication labor.

Bill Holden

BH:tj