



STATE BOARD OF EQUALIZATION

January 6, 1953

E--- S--- Company
XXX --- Street
--- --- X, California

Attention: Mr. Wm. T. M---

Account No. -- - XXXXXX

Gentlemen:

We acknowledge your letters of October 14 and December 5 and regret the delay in replying thereto.

The determination of when a sale is exempt from sales tax as an export sale is not an easy matter and is the subject of litigation presently pending in the Courts.

Upon review of the facts set forth in your letters and the sample purchase order attached thereto from K--- R--- D--- A--- L--- we are able to state that, in our opinion, the tax does not apply where, pursuant to the purchase order, you mark the goods or the shipping case in which they are packed for export, the foreign destination being shown thereon, and deliver the goods to a carrier provided by the purchaser for the purpose of receiving the goods for shipment abroad without further processing or packaging. It appears that under these circumstances delivery by you to the carrier furnished by the purchaser marks the first step in the exportation of the goods, thus bringing the transaction within the rule of the United States Supreme Court decision in *Richfield Oil Company v. State Board of Equalization*, 329, U. S. 69.

Very truly yours,

E. H. Stetson
Tax Counsel

EHS:ph

cc: --- --- - Tax Administrator