

M e m o r a n d u m**325.1080**

To: San Diego - Auditing

Date: September 28, 1964

From: Tax Counsel (GAT). - Headquarters

Subject:

This is in reply to your letter of September 14 regarding the application of tax with respect to the sale of merchandise by Mr. ---.

It is our understanding that Mr. --- is an employee of the United States Embassy in Bangkok, Thailand. He evidently ordered by mail certain art work from Mr. --- lakeside. Pursuant to the order Mr. --- mailed the art work to Mr. --- following address: U. S. Embassy, APO 146, San Francisco, California. We understand that this is the mailing address of the United States Embassy in Bangkok, Thailand.

Although the provisions of paragraph (a) (3) (A) of ruling 55 deal specifically with respect to sales to persons in the Armed Forces, it appears to us that the provisions contained therein are applicable with respect to sales of tangible personal property to overseas employees of the United States Embassy who receive their mail through the Army Post Office in San Francisco. It is, therefore, our opinion that the sale of art work by Mr. Stephen to Mr. --- pursuant to which the seller mailed the merchandise to an APO address in San Francisco from which the merchandise was forwarded to the purchaser overseas, was a sale in foreign commerce and exempt from sales tax.

GAT:lar