



STATE BOARD OF EQUALIZATION

(916) 445-6493

July 25, 1988

Reprints of periodical advertisements

Dear ---:

In your June 24, 1988 letter to Mr. Gary Jugum, Assistant Chief Counsel, you write:

“Annotation 385.1240 provides for the exempt sale of reprints from periodicals by the original publisher. Does this exemption also apply to reprints of advertisements sold by the publisher of a newspaper or periodical back to the customer who placed the advertisement in that newspaper or periodical?”

Our opinion is that "tax applies to the sale by a publisher of a reprint of an advertisement which appeared in the publisher's newspaper or periodical, whether or not the sale is to the customer who placed the advertisement. In order to qualify as a periodical exempt from sales and use taxes, a publication must meet the tests established by Regulation 1590(a) (2). A publisher's reprints of advertisements for the customer would clearly not meet these tests. Nor would the publisher's reprints of articles appearing in the original exempt periodical, unless the reprinted articles themselves were issued as part of a series at stated intervals not exceeding three months.

The legal opinion you mention, Annotation 385.1204 (4/15/82), states:

“Reprints of exempt periodicals by the original publisher are also exempt periodicals”

This annotation interprets the periodical exemption to also apply to later reprintings of the same periodical which was originally tax exempt. We do not feel this annotation can be interpreted to mean that reprints of a portion of the periodical must also qualify as exempt.

Please feel free to contact me if you have any further questions or comments about this letter

Sincerely,

John Abbott
Tax Counsel

JA:jb