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**STATE BOARD OF EQUALIZATION**

November 6, 1952

Gentlemen:

As indicated in Sales and Use Tax Ruling 50 (copy enclosed) sales tax does not apply to sales of tangible personal property which becomes an ingredient or component part of any periodical regularly issued at average intervals not exceeding three months. It is our opinion that "the First Presbyterian" falls within this exemption and the amounts which you pay for paper and printing are therefore exempt from sales tax.

As indicated in Ruling 50, programs are not regarded as newspapers or periodicals. It is our opinion that the single sheet which gives hymns, sermon topic, etc., for the morning service would be considered a program and therefore not a periodical because of its lack of any substantial news content. Sales tax will apply, therefore, to the amounts you pay for paper and printing of it. In reaching our opinion we have assumed that two separate publications are involved inasmuch as there is considerable duplication in content.

Legally speaking, the sales tax is imposed on the retailer and the amount which the purchaser pays as "sales tax" is merely an increase in the purchase price. Since the retailer is the taxpayer, only the retailer may claim a refund of taxes erroneously paid. The retailers from whom you obtain the paper and printing for The First Presbyterian may therefore submit a claim for refund of sales taxes erroneously paid.

Yours very truly,

W. W. Mangels  
Assistant Counsel

NBH: ja  
cc: Long Beach - Auditing