



STATE BOARD OF EQUALIZATION

October 16, 1972

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Dear Mr. X-----:

From your letter of October 5, 1972, we understand you are primarily interested in knowing under what circumstances the pamphlets and religious tapes that you transfer to various individuals constitute a sale for sales and use tax purposes.

The pamphlets and tapes are "given" away by you to anyone who asks. However, a suggested donation is printed on a piece of paper that you send with these pamphlets and tapes.

For sales and use tax purposes, we will regard the pamphlets and tapes as sold by you if a price is specified including a situation in which a minimum "donation" is required. In such a case tax will be measured by the price or minimum donation requested. An item will not be regarded as sold if there is merely a request for a donation without in any way suggesting a minimum or that a "donation" is required as a condition of obtaining or keeping the item.

We have checked the pertinent case law of the various states and have been unable to find any court cases that have dealt with this problem.

Very truly yours,

Glenn L. Rigby
Tax Counsel

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