

**STATE BOARD OF EQUALIZATION**

1020 N STREET, SACRAMENTO, CALIFORNIA  
(P.O. BOX 942879, SACRAMENTO, CALIFORNIA 94279-0001)  
(916) 445-5550

July 11, 1968

Mr. T--- E. P---  
XXXX --- Street, #XXX  
--- ---, CA XXXXX

Dear Mr. P---:

Nonpermittee

In your letter of June 10, 1968, you inquire as to your liability under the California Sales and Use Tax Law. I understand that in the course of your business you engaged in two activities:

- (1) You prepare contract bid estimates based on blueprints supplied to you, and you prepare various types of manufacturing estimates.
- (2) Based upon architectural drawings supplied to you, you prepare detailed drawings for use in shop fabrication.

Tax is not imposed upon gross receipts derived from the first service performed by you.

Based upon information supplied in your letter, tax is imposed upon the gross receipts from your second activity. For the privilege of selling tangible personal property at retail, tax is imposed upon the gross receipts from such sales. Persons in the business of preparing blueprints and drawings are producing the end product desired. The gross receipts therefrom constitute a sale of tangible personal property subject to tax without any deduction for labor or service costs. Thus the entire receipts of your detailing service are subject to tax.

For assistance in complying with permit requirements and in collection procedures, I would suggest that you contact your local board office. The San Francisco district office is located at Room 2262, State Building, 350 McAllister Street, San Francisco 94102, telephone 557-1877.

Very truly yours,

T. P. Putnam  
Tax Counsel

By \_\_\_\_\_  
Gary J. Jugum

GJJ:ab

bc: San Francisco – District Administrator