



STATE BOARD OF EQUALIZATION

December 30, 1954

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Dear Mr. ---:

We acknowledge your letter of December 27 in which you describe the activities of your client, ---, who builds architectural models under contracts with architects and designers.

In the event any written contracts between your client and the various persons for whom he builds models are available, we would appreciate the opportunity of examining one or more of such contracts. From what is said in your letter, however, it appears that --- transfers title to these models for a consideration and is, therefore, making a sale within the meaning of Section 6006 of the Sales and Use Tax law, and as the architects and designers apparently use these models rather than resell them, your client's sales are retail sales as defined in Section 6007.

As this activity of your client is engaged in by him for gain, benefit, or advantage, it appears that he is a retailer under Section 6015, and is, therefore, liable for payment of sales tax imposed under Section 6051. The fact that his work is primarily of a professional nature does not exempt his receipts from the sales tax.

Many retailers are professional people, such as photographers, artists, and the like, but who nevertheless transfer title to tangible personal property produced or created by them through their professional skill.

If, after reviewing the provisions of the Sales and Use Tax Law, you believe your client is not under an obligation to pay the sales tax to the State, we shall be very glad to have a further statement of your reasons for this conclusion.

Very truly yours,

H. H. Stetson  
Tax Counsel

EHS:ph  
cc: Los Angeles – Tax Administrator