



---

**STATE BOARD OF EQUALIZATION**

October 22, 1956

Dear Mr. \_\_\_\_\_,

Your letter of August 15, 1955, was mislaid among some other papers and only now discovered. We greatly regret any inconvenience this might have caused you.

Your letter asked for our opinion concerning the application of sales tax to the sale of gasoline service station coupon booklets to the public for \$2.00 each. The booklets contain coupons which entitle the purchaser to various gasoline station services at no charge. For example, a free lubrication.

It is our opinion that the sale of the booklets to the general public at \$2.00 each would not be regarded as a sale of tangible personal property. Rather, it would be regarded as a sale of an intangible, namely the right to receive the various services listed in the coupon.

Accordingly, your client should pay sales tax to the printer on the cost of printing the coupon booklets, but no sales tax would be due upon your client's sales of the booklets to the public.

Very truly yours,

Bill Holden  
Associate Tax Counsel