

560.0120

Memorandum

To: San Diego – Auditing (SJG)

Date: January 24, 1956

From: Headquarters – Sale Tax Counsel (BH)

Subject: Public Housing Administration

This is a comment on your letter of January 13 to Mr. Mangels.

From an examination of the statutes and executive orders, we have concluded that the Public Housing Administration is an incorporated instrumentality of the United States. Accordingly, a purchase from the Public Housing Administration is subject to use tax whether surplus property or not.

You state that some sales by the Public Housing Administration are of buildings “in place”. If the purchaser is to use the building at its existing location under a lease, the sale is exempt as a sale of real property. Any equipment included would, of course, be taxable.

BH:tl