



STATE BOARD OF EQUALIZATION

June 22, 1950

Gentlemen:

This is in answer to your letter of June 17 in which you ask whether or not the use of a caravan permit issued by the Department of Motor Vehicles for transporting a truck or trailer out of the State of California exempts the sale from the state sales tax.

You are advised that the application of the state sales tax to sales in interstate commerce is governed by Sales and Use Tax Ruling 55, copy enclosed. Unless the requirements of this ruling are complied with, we do not regard the sale of tangible personal property in this state as an exempt sale in interstate commerce even though the property is removed from the state. Thus, as indicated by Section A-2-(b) of said ruling, the tax applies to sales of property which is sold and delivered to the purchaser or his representative in this state, except under the conditions stated in paragraph A-1-(e) thereof, whether the disclosed or undisclosed intention of the purchaser is to transport the property outside the state and whether or not the property is actually so transported. The mere fact that the purchaser may transport the vehicle to a point outside this state under a caravan permit does not exempt the sale from tax as a sale in interstate commerce.

Very truly yours,

R. G. Hamlin
Associate Tax Counsel

RGH:hb