

State of California
BOARD OF EQUALIZATION
SALES AND USE TAX REGULATIONS

Regulation 1548. RETREADING AND RECAPPING TIRES.

Reference: Section 6006, Revenue and Taxation Code.

(a) RETREADING AND RECAPPING CUSTOMER'S OWN TIRES. Tire retreaders and recappers are the retailers of the tangible personal property furnished to consumers and tax applies to sales of such property. If a lump-sum charge is made for retreading or recapping, 75 percent thereof is considered to be the sales price of the property.

(b) SALES OF RETREADED OR RECAPPED TIRES GENERALLY. Tax applies to sales of retreaded or recapped tires, the sales price of which includes any amount allowed for the customer's old tires or other merchandise traded in (see Regulation 1654, Barter, Exchange, Trade-ins). If the method of retreading or recapping tires involves the commingling of old tires delivered to the retreader or recapper with similar property so that the customer receives retreaded or recapped tires which may not be the identical tires delivered to the retreader or recapper, but which are similar to those delivered, the tax applies to the amount charged by the retreader or recapper for the tires.

History: Effective August 1, 1933.

Adopted as of January 1, 1945, as a restatement of previous ruling.

Amended and renumbered October 29, 1971, effective December 3, 1971.

Regulations are issued by the State Board of Equalization to implement, interpret or make specific provisions of the California Sales and Use Tax Law and to aid in the administration and enforcement of that law. If you are in doubt about how the Sales and Use Tax Law applies to your specific activity or transaction, you should write the nearest State Board of Equalization office. Requests for advice regarding a specific activity or transaction should be in writing and should fully describe the facts and circumstances of the activity or transaction.