STATE BOARD OF EQUALIZATION

June 27, 1956

G---, M--- & Company
XXXX --- ---
--- --- XX, California

Attention: Mr. E. M. D--- -- - X - XXX
Treasurer

Gentlemen:

In your letter of June 7, you state that you buy pallets which are resold to your customers of brick along with the brick and that the pallets are non-returnable although if a customer wishes he may sell them back to you.

You state that our Los Angeles office has concurred in your opinion that the purchase of the pallets by you is a purchase for resale. We agree with this opinion upon the assumption that the pallets are not customarily returned by your customers to you for reuse. If they are customarily returned, it would be properly regarded as a returnable container under Section 6364 of the Sales and Use Tax Law and Ruling 49, copy enclosed.

Very truly yours,

E. H. Stetson
Tax Counsel

EHS:ds

Enclosure

cc: Glendale – Compliance