



STATE BOARD OF EQUALIZATION

August 6, 1992

Dear --- ---

This is in reply to your June 29, 1992 letter regarding the application of sales tax to your charge for videotaping properties for --- and the City of Oakland after the Oakland fire.

I have discussed the case with Mr. --- of --- Mr. --- notes that the videotape is provided to the City of Oakland to document the cleanup work performed after the fire. The videotape will be used by the City to document to the federal government and to the public how the cleanup funds were expended.

Based on this further information, we conclude that your charge for the videotape is a nontaxable charge for a qualified motion picture, since the videotape was produced for a commercial or industrial purpose. (Sales and Use Tax Reg. 1529, Motion Pictures, subd. (b) (1).) Further, the definition of qualified motion picture includes "[m]otion pictures produced for ... state and local governments." (Reg. 1529, subd. (b) (1) (A)3.)

You are the consumer of and should report and pay tax on the cost to you of tangible personal property you consume in producing qualified motion pictures. (Reg. 1529, subd. (a) (1).)

If you have any further questions regarding this, feel free to contact me directly.

Very truly yours,

Ronald L. Dick
Senior Tax Counsel

RLD:sr