June 2, 1967

Dear

Your letter of April 14 questions the taxability of inflatable life rafts and the survival equipment packaged with such rafts.

Our determination is that the type of inflatable life raft you described in your letter would have the same status as a life boat. Therefore, the sale of these inflatable rafts would be tax exempt.

However we have consistently held that items generally described as components of survival kits are not components of the life boat itself (or life raft in this case), and therefore do not enjoy a tax exempt status. Collateral use of the kit with the raft is not inconsistent with a determination that the kit is not a component part of the raft. Furthermore the price list of the vendor sets forth several optional survival packs which denoted their being considered a separate commodity.

If you have further questions in this area please feel free to write.

Very truly yours,

E.H. Stetson
Tax Counsel

By _____
A. Wells Peterson

AWP:lt
bcc: San Francisco - District Administrator