600.0360

September 25, 1951

Attention:

Account No. F

Gentlemen:

This is in answer to your letter of September 5 requesting information as to whether certain listed items fall within the exemption from sales tax explained in Ruling 51.5.

As indicated in that ruling, the tax does not apply with respect to property becoming a component part of watercraft for use in commercial deep sea fishing operations outside the territorial waters of this State. You will note that property is regarded as becoming a component part of watercraft only if it is an integral part of the boat, affixed or attached in a substantial manner when in use.

It does not appear to us that the various types of covers listed in your letter fall within this category. Rather, we believe these are items of consumable nature, not becoming a component part of the vessels. For example, it would appear that a searchlight cover must be removed from the searchlight before the searchlight is in use. Apparently these covers are for the purpose of protection of the various articles when not in use.

If we are in error in our assumption concerning the use of these covers, we shall be very glad to have you explain to us the actual use made of the various articles listed.

Very truly yours,

E. H. Stetson
Tax Counsel

EHS:ph

cc: