

**For Immediate Release**  
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## **BOE Preparing to Help Businesses Determine Whether They Qualify for New Tax Exemptions**

**Sacramento** – The California State Board of Equalization (BOE) is eager to help businesses determine whether they qualify for partial sales and use tax exemptions for manufacturing and bio-technology equipment. This partial exemption and other incentives in [Assembly Bill 93](#) (as amended by [Senate Bill 90](#)) signed by the Governor yesterday, and which take effect July 1, 2014, provide for up to \$750 million in tax benefits for California businesses.

Based on BOE analysis, the sales and use tax exemption of 4.1875 percent under AB 93 (as amended by SB 90) will result in an immediate savings of about \$41.88 for every \$1,000 in purchases of qualifying equipment made on or after July 1, 2014. The exemption applies to the state sales and use tax rate which is currently 7.5 percent.

Before this partial exemption takes effect, BOE staff expects the agency will initiate the rule making process to provide guidance on how it will be applied. A regulation will include an exemption certificate form and instructions for properly using it. BOE staff will also develop more information to help taxpayers determine whether they are eligible for the exemption, and what types of purchases qualify.

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The five-member California State Board of Equalization (BOE) is a publicly elected tax board. The BOE collects more than \$53.7 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes. For more information on other taxes and fees in California, visit [www.taxes.ca.gov](http://www.taxes.ca.gov).

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