

**STATE BOARD OF EQUALIZATION**

1020 N STREET, SACRAMENTO, CALIFORNIA  
(P.O. BOX 942879, SACRAMENTO, CALIFORNIA 94279-0001)  
(916) 445-6450

April 21, 1987

Mr. D--- P. E1---  
Director of General Services  
S--- M--- C--- C--- College District  
XXXX --- Drive  
--- ---, CA XXXXX

Dear Mr. E---:

This is in reply to your March 10, 1987 letter regarding the application of sales tax to sales of printed matter in light of recently enacted section 6379.5 of the Revenue and Taxation Code, which provides:

“There are exempted from the taxes imposed by this part the gross receipts from the sale of, and the storage, use, or other consumption in this state of catalogs, letters, circulars, brochures, and pamphlets consisting substantially of printed sales messages for goods and services printed to the special order of the purchaser and mailed or delivered by the seller, the seller’s agent, or a mailing house, acting as an agent for the purchaser, through the United States Postal Service or by common carrier to any other person at no cost to that person who becomes the owner thereof.”

Specifically, you asked whether your College Class Schedules and Community Education Brochures qualify as consisting substantially of printed sales messages for goods and services.

The Board’s staff has taken the position that, for purposes of section 6379.5, “printed sales messages” is limited to those messages which principally advertise or promote the goods or services to which the printed matter relates. Applying such criterion to school catalogs, those catalogs which are generally reference materials, i.e. comprehensive listings of class offerings, do not qualify as printed sales messages. On the other hand, those catalogs which generally advertise a school to solicit prospective applicants for a fee do qualify as printed sales messages.

Without a copy of the brochures to which you refer, we are unable to give you an answer as to whether the content of the printed matter qualifies as consisting substantially of printed sales messages under the statute. However, if you will send a copy of each of the brochures, we will be glad to provide you an opinion.

For your further information, we are enclosing a copy of proposed Sales and Use Tax Regulation 1541.5, Printed Sales Messages. Although the regulation has not yet been adopted by the Board, it does reflect the staff's views on how tax applies to sales of printed sales messages.

Very truly yours,

R. L. Dick  
Tax Counsel

RLD:sr

Enc.



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1020 N STREET, SACRAMENTO, CALIFORNIA  
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(916) 445-8485

May 13, 1987

Ms. L--- H---  
P--- E--- Institute  
P.O. Box XXX  
--- ---, CA XXXXX

Re: SR -- XX-XXXXXX

Dear Ms. H---:

This is in response to your request for an opinion concerning whether sales of brochures advertising engineering review courses, if printed in California and mailed directly from a mailing house, would qualify for exemption from sales tax pursuant to Revenue and Taxation Code section 6379.5, which provides:

There are exempted from the taxes imposed by this part the gross receipts from the sale of, and the storage, use, or other consumption in this state of catalogs, letters, circulars, brochures, and pamphlets consisting substantially of printed sales messages for goods and services printed to the special order of the purchaser and mailed or delivered by the seller, the seller's agent, or a mailing house, acting as an agent for the purchaser, through the United States Postal Service or by common carrier to any other person at no cost to that person who becomes the owner thereof.

We have determined in the past that circulars or brochures which advertise a specific course for a fee, may qualify as printed sales messages.

After reviewing a copy of your brochure, we are of the opinion that the brochure advertises a specific course for a fee and therefore qualifies as a printed sales message. You state that the brochures are mailed directly from a mailing house. We note that in order to satisfy the mailing requirement of section 6379.5, the printer must deliver the brochures directly to the mailing house. If the brochures are delivered to you and you in turn deliver them to the mailing house to be mailed,

the sales of the brochures would be subject to tax. Therefore, if the printer delivers the brochures directly to the mailing house to be mailed to prospective students and the students receive the brochure at no cost, the sale of the brochures qualify as tax exempt printed sales messages.

Very truly yours,

E. L. Sorensen, Jr.  
Tax Counsel

ELS:md