

# CALIFORNIA SALES TAX EXEMPTION FOR TELEPRODUCTION

---

State Rev & Tax Code Section 6378 allows a partial (5.25%) sales tax exemption for the purchase of teleproduction and post production equipment to businesses primarily engaged in teleproduction and post production activities when that property is used 50 percent or more in those activities (as described in Code 512191 of the North American Industry Classification System Manual.) This exemption is taken by the seller and passed on to the buyer of the equipment at the point of purchase.

Most major vendors should be familiar with the procedures for filing for the exemption. If you find a vendor that is not, you may try one of the following steps:

1. A buyer can provide a copy of Regulation 1532 (attached), which interprets and expands on Section 6378.
2. The buyer could suggest to the seller that they call the Board of Equalization information line (1-800-400-7115) and speak to a representative about Regulation 1532.
3. The buyer could write a letter to the Board of Equalization describing their business and use of equipment that they intend to purchase and ask for an opinion as to whether the Teleproduction exemption applies to their purchases. Assuming they respond in the affirmative, the buyer could then show this letter to the skeptical seller. \*
4. It would also help if the buyer prints out the exemption certificate located at the end of regulation 1532 on their letterhead. This might lend credence to the authenticity of their request for the partial exemption.

\*If you choose number 3) above, addresses to the local Board of Equalization offices are listed below. Letters should be addressed to the attention of the District Principal Auditor (it's not necessary to provide a name). As a guideline for taxpayers in the L.A. area, those in the San Fernando Valley should write to the Van Nuys office, those in the San Gabriel Valley should write to the West Covina office, those on the Westside should write to the Culver City office, those downtown and points south should write to the Norwalk office. Orange County taxpayers should write to the Santa Ana office. If the taxpayer writes to an incorrect district – the letter will be re-routed to the correct district. Letters should include a description of their business activities, permit number (if any – a seller's permit is not required in order to use the exemption), a description of the property being purchased, and how that property will be used.

## **BOARD OF EQUALIZATION OFFICES**

Sacramento Headquarters

Address: 450 N Street, PO Box 942879, Sacramento 94279-0001 Phone: 916-445-6464

**SALES TAX FIELD OFFICE LOCATIONS** <http://www.boe.ca.gov/info/phone.htm>

**FOR MORE INFORMATION** Call 800-400-7115, TDD/TTY 800-735-2929

If you are unable to resolve a disagreement through normal channels, contact the Taxpayers' Rights Advocate at 888-324-2798 or 916-324-2798.

Limited services are available in Eureka. Call Santa Rosa office for more information 707-576-2100.

We recommend you call the office before visiting. Unless otherwise noted all offices are open from 8 a.m. to 5 p.m. Monday-Friday, excluding state holidays.