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**STATE BOARD OF EQUALIZATION**

February 18, 1957

Mr. L--- D. W---  
Attorney at Law  
XXXX West --- Street  
--- --- XX, California

Re: B--- B. R---  
A--- W--- & E--- Co.  
Account -- - XXXXX

Dear Mr. W---:

We have made a complete review of the facts as found in the file, as developed at the preliminary hearing and as further supplemented in your letter of February 7.

It appears that in one transaction substantially all the property of petitioner was transferred to two corporations, a portion to each. It further appears that the corporations to which the property was transferred were completely ultimately owned by petitioner inasmuch as he was the sole shareholder of both corporations. The staff now takes the position that a transfer such as outlined above is an occasional sale such as defined in Section 6006.5(b) of the California Revenue and Taxation Code and therefore exempt under Section 6367 of the code. Accordingly, we shall recommend to the Board that the 831,716.54 transaction be deleted from the measure of your client's liability.

Very truly yours,

Warren W. Mangels  
Associate Tax Counsel

WWM:cl

cc: --- - Auditing