

May 15, 1959

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ARIZONA ATTORNEY GENERAL**

Goldstein, Kramer & Smith
Certified Public Accountants
2221 East Broadway
Tucson, Arizona

Attention: Mr. David Kramer

Gentlemen:

Receipt is acknowledged of your letter of
May 13, 1959.

It is the opinion of this office that the sale by your client of postage stamps through vending machines is subject to the state 2 per cent transaction privilege tax. A.R.S. §2-1312 levies such a 2 per cent tax upon the gross income of every person engaging or continuing within this state in the business of selling any tangible personal property whatever at retail. There is no exemption thereunder or anywhere else in the excise revenue act for the sale of postage stamps.

Further, regulation 2.24 of combined privilege sales and use tax regulations, issued September, 1953, specifically covers all vending machine sales and makes no exemption for the vending of said postage stamps. It is axiomatic in the field of taxation that the exemption of some different product or item from the general field of taxation covering such items, must be spelled out with reasonable clarity. This is not the case here in regard to postage stamps.

Therefore, as previously stated, it is the opinion of this office and the opinion of the State Tax Commission of Arizona that the sales by your client of said postage stamps through his vending machines are subject to the 2 per cent transaction privilege tax.

Yours very truly,

WADE CHURCH
The Attorney General

cc: Tax Commission
SZG:lmh

STANLEY Z. GOODFARB
Assistant Attorney General