



IRA A. JACKSON
COMMISSIONER

The Commonwealth of Massachusetts

Department of Revenue

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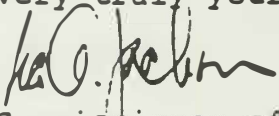
Inc. manufactures the "Chief E.Z-Liner", a machine which is used to straighten the frames and bodies of damaged automobiles and small trucks. You inquire about the application of the Massachusetts sales tax to the sale or rental of these machines in Massachusetts.

Massachusetts General Laws Chapter 64H, Section 2, imposes a sales tax on the retail sales of tangible personal property by any vendor. A "retail sale" is defined as the sale of tangible personal property for any purpose other than resale in the regular course of business. (G.L. c. 64H, s. 1(13)). "Sale" includes lease or rental. (G.L. c. 64H, s. 1(12)).

Sales of machinery used directly and exclusively in an industrial plant in the actual manufacture, conversion or processing of tangible personal property to be sold are exempt from the sales tax. (G.L. c. 64H, s. 6(s)). The "Chief E.Z-Liner" does not fall within this exemption.

Based on the foregoing it is ruled that sales and rentals of the "Chief E.Z-Liner" frame straightening equipment are subject to the Massachusetts sales tax.

Very truly yours,


Commissioner of Revenue

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LR 83-40