

**PADDS REGULATION REFERENCE TEXT
SEQUENCE: REGREF CLAUSE TEXT**

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PAGE: 1

**REGULATION
CODE:** LS7200

**REGULATION
REFERENCE:** 52.229-4000

DATE: 08/01/2001

TITLE: CALIFORNIA SALES AND USE TAX (USAAMCOM)

TEXT

If this contract contains either the clause at FAR 52.245-2, Government Property (Fixed-Price Contracts), or 52.245-5, Government Property (Cost- Reimbursement, Time-and-Material, or Labor-Hour Contracts), California sales tax on the purchase of any tangible personal property for the performance of this contract is not an allowable cost. Such purchases can be made tax-free by giving California vendors resale certificates, the form for which is prescribed by California tax authorities. This California sales tax exemption does not apply to the purchase of any property to be incorporated into real property located in California.

(End of Provision)