

**CITY OF LOS ANGELES
OFFICE OF FINANCE
TAX AND PERMIT DIVISION
CITY CLERK'S RULING NO. 10 (NEW SERIES):
EMPLOYEE RETENTION, DEMONSTRATION AND DISPLAY OF GOODS,
WARES OR MERCHANDISE**

Reference: Section 21.192 Los Angeles Municipal Code.

Persons engaged in business as sellers of goods, wares, or merchandise and taxed under Sections 21.166 or 21.167 of the Los Angeles Municipal Code who for a charge furnish goods, wares or merchandise, of the kind held for sale, to their bona fide employees for retention, demonstration and display by such employees, are not by reason of such charges the lessors of tangible personal property within the meaning of Section 21.192 Los Angeles Municipal Code. The receipts derived from the charges made for the furnishing of such goods, wares or merchandise shall be included, if done in connection with a wholesale business, in the measure of the wholesale tax, or, if done in connection with a retail business, in the measure of the retail tax.

I, Rex E. Layton, City Clerk of the City of Los Angeles, pursuant to the authority granted me in Section 21.15(h) of the Los Angeles Municipal Code, as amended by Ordinance No. 115,044, do hereby adopt and promulgate the foregoing rule and regulation as a restatement and continuation of Office of Finance's Ruling No. 10 adopted on June 25, 1953, and revised on August 9, 1956 and September 14, 1960 pertaining to the collection of Los Angeles Business Taxes and the enforcement of Article 1, Chapter 2 of the Los Angeles Municipal Code.

s/Rex E. Layton

REX E. LAYTON, CITY CLERK

APPROVED:

ROGER ARNEBERGH, CITY ATTORNEY

By s/Thomas C. Bonaventura

Assistant City Attorney

Date September 24, 1970