



# Excise Tax Advisory

Excise Tax Advisories are interpretive statements authorized by RCW 34.05.230.

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## Sale of Tangible Personal Property by a Joint Venturer to the Joint Venture

Is the sale of tangible personal property by an investor in a joint venture to the joint venture exempt from retail sales tax under WAC 458-20-106 (Rule 106)?

Where a joint venture investor transfers equipment to the joint venture in exchange for cash a sale occurs.

A “sale” is “any transfer of the ownership of, title to, or possession of property for a valuable consideration.” RCW 82.04.040(1). The sale of tangible personal property to a joint venture by an investor in the venture is not exempt from the retail sales tax. See Rule 106.

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