



BEFORE THE STATE BOARD OF EQUALIZATION
OF THE STATE OF CALIFORNIA

In the Matter of the Appeal of
MERRYMAN ESTATE COMPANY

Appearances:

For Appellant: D. E. Perkins of Feemster, Perkins &
McCormack; R. C. Merryman, Secretary of
Appellant
For Respondent: Chas. J. McColgan, Franchise Tax Commis-
sioner

OPINION

This is an appeal under Section 25 of the Bank and Corpo-
ration Franchise Tax Act (Chapter 13, Stats. 1929, as amended)
from the action of the Franchise Tax Commissioner in overruling
the protest of Merryman Estate Company against a proposed assess-
ment of an additional tax in the amount of \$1,685.47 for the
year 1931, based on Appellant's return for the year ended Decem-
ber 31, 1930. Merryman

Estate Company was incorporated under the laws of
the State of California on August 1, 1924. Following its organi-
zation, it acquired all of the stock of the Merryman Fruit Land
and Lumber Company, a corporation organized under the laws of
Wisconsin. The Appellant also acquired a certain installment
contract arising from the sale of timber lands, the balance owing
on which on January 1, 1930, was \$875,000.

Appellant contends that it is purely a family holding-corporo-
ration, all of its stockholders being members of the Merryman
family and consequently, that it is not to be considered as doing
business within the State of California and therefore not subject
to taxation under the Act.

The problem involved in this appeal is substantially the
same as that in the Appeal of the Union Oil Associates, decided
by us on this date. In accordance with our views therein ex-
pressed, we hold that the Appellant is to be considered, under
the terms of the Bank and Corporation Franchise Tax Act, as a
business corporation doing business in this State, and, conse-
quently, is required to pay a tax for the privilege of doing
business during the year 1931, measured by its net income for
the next preceding year.

ORDER

Pursuant to the views expressed in the opinion of the Board
on file in this proceeding, and good cause appearing therefor,

Appeal of Merryman Estate Company

IT IS HEREBY ORDERED, ADJUDGED AND DECREED, that the action of Chas. J. McColgan, Franchise Tax Commissioner, in overruling the protest of Merryman Estate Company, against a proposed assessment of additional tax under Chapter 13, Statutes of 1929, as amended, be and the same is hereby sustained.

Done at Sacramento, California, this 10th day of October, 1932, by the State Board of Equalization.

R. E. Collins, Chairman
Fred. E. Stewart, Member
Jno. C. Corbett, Member
H. G. Cattell, Member

ATTEST: Dixwell L. Pierce, Secretary