OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
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July 24, 2000

Re: Our file number LR-00-06; Taxability of Pay Per View Services

Dear

Your inquiry of December 16,1999, was forwarded to this office. I apologize for any inconvenience my delay in responding may have caused you.

This is in response to your request for an opinion as to whether Pay-Per View Services, that are available to hotel guests, are taxable.

Charges by the hotels for pay per view movies to hotel guests are not subject to sales tax. This type of service is not one of the enumerated services for which a sales tax is levied. The provider is considered to be the taxable consumer/user of the equipment and videotapes used in the provision of the service and should pay sales or use tax as may be appropriate when they are purchased.

This response applies only to the circumstances set out in your request of December 16, 1999 and may not be relied upon by any entity other than the addressee. In the event of any change in the facts surrounding the transaction described, this letter ruling would no longer be applicable. You are further advised that subsequent statutory or administrative rule changes or judicial construction of the statutes or rules upon which this advice is based may yield a different result from that which is expressed here.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

Brenda J. Sullivan
Tax Policy Analyst

cc: Jerry Webb