

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
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September 19, 2000

Re: Our File Number LR-00-040; Sales tax on the commercial railroad equipment.

Dear

This is in response to your inquiry concerning the sales tax applications of the purchase of commercial railroad equipment in Oklahoma.

If the purchases are made outside of Oklahoma and are shipped or are brought into Oklahoma, such that use tax rather than sales tax is applicable, the exemption from use tax for equipment purchased by commercial airlines or railroads would apply.

Oklahoma Tax Commission Rule 710:65-15-1 sets out when a sale is considered to be made in this state and subject to sales tax, with other sales being subject to use tax. The exemption for railroads from use tax is set out in Oklahoma Tax Commission Rule 710:65-19-291. Copies are enclosed.

This response applies only to the circumstances set out in your request of February 8, 2000. Pursuant to Commission Rule 7101-3-73(e), this Letter Ruling may be generally relied upon **only** by the entity to whom it is issued, assuming that all pertinent facts have been accurately and completely stated, and that there has been no change in applicable law

If I can be of further assistance, please feel free to contact me.

Sincerely,
OKLAHOMA TAX COMMISSION


Mike Pillow
Tax Policy Analyst