

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
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March 29, 2000

Re: Our File Number LR 00-65; Responsibility of vendor of parking services

Dear

This is in response to your request for a ruling for the definition of vendor based on the facts scenario that you presented for the business transaction between _____ and the parking facility owner. I have restated your questions below, followed by our response.

Question #1 Who is the vendor of the parking, the owner of the parking facility or the hotel?

Question #2 Who pays tax to the state of Oklahoma?

Response: The Oklahoma Tax Commission is unable to provide a definitive answer to your request without additional information. The specific responsibilities of the parties involved depend on how the sale is structured. "Vendor" is defined at Section 1352 (21), a copy of which is enclosed. Therefore, please furnish documentation, including but not limited to examples of billing statement, payment of document statement, the applicable contract or agreement that fully explains the arrangement between your customer, the _____ and the parking facility owner, and release forms, etc.

Upon receipt of the additional information we will again review your request and be able to make a more informed determination of the status of the transaction presented. If you should have any

questions or need additional information you may contact me at the above listed number

Additionally, Tax Commission Rule 710:65-19-105 was promulgated to administer the taxability of sales made by Financial Institutions and charges for providing parking a space for motor vehicles is listed as a taxable enumerated item pursuant to Section 1354 (7) of Title 68 which specifically levies sales tax upon the service of furnishing storage or parking privileges by auto hotels or parking lots. In this case and for other providers of parking privileges the sales would be taxable. For purposes of your scenario, a determination needs to be made as to who is the vendor based on the contractual agreement. Please submit the additional information as requested if you desire a more specific response.

Pursuant to Title 68 Section 1362, "the tax levied pursuant to the provisions of the Oklahoma Tax Code, Section 1350 et seq. of this title, shall be remitted or paid to the Tax Commission by the vendor of tangible personal property, services, privileges, admissions, dues, fees, or any other item subject to the tax levied pursuant to the provisions of the Oklahoma Sales Tax Code."

However, where taxable sales are made by the hotel, i.e. vendor, the hotel would be responsible for collecting and remitting the appropriate tax to the Tax Commission.

Sincerely,

Brenda J. Sullivan
Tax Policy Analyst

Enclosures