

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
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July 20, 2000

Re: Our File Number LR-00-130; Taxability of items removed from inventory given as gifts.

Dear

Please be advised that the bridesmaid dresses, shoes, and veils withdrawn from inventory that are given away toward customer purchases are subject to sales tax on the "sales value". Enclosed are copies of Commission Rule 710:65-1-2 for "Sales value" and 710:65-3-4 explaining "Contents of monthly sales report".

Sincerely,

Brenda J. Sullivan
Tax Policy Analyst

Enclosure