OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
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August 31, 2000

Re: Our file Number LR-00-177; Tax Exempt Purchases by a Contractor

Dear

This is in response to your inquiry concerning the sales tax exemption available to a contractor that has a contract with a county government in Oklahoma.

Although as a general rule, purchases by contractors are subject to sales tax in Oklahoma, one of the exceptions is for contractors that are making purchases pursuant to contracts with certain political subdivisions. One of those types of subdivisions is a county.

Please note that pursuant to Oklahoma Tax Commission Rule 710:65-7-6, your vendor may request that you provide a copy of the exemption letter issued to the county by the Oklahoma Tax Commission, a document showing that you have been awarded the contract and certification on the billing documents or the invoice issued to you by the supplier that the purchases are made pursuant to a contract with a county.

A copy of the rule is enclosed.

This response applies only to the circumstances set out in your request of August 28, 2000, 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.

Sincerely,

OKLAHOMA TAX COMMISSION

Michael G. Pillow
Tax Policy Analyst