OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
FACSIMILE (405) 522-0063

October 30, 2000

Re: Our file number LR 00-225; Income Tax Withholding - Oil and Gas Royalties to Non-Resident Individuals

Dear

This is in response to your inquiry of October 30, 2000, regarding non-resident withholding for Oklahoma oil and gas royalties. Your specific question follows along with out response thereto.

Question:

Is it the intent of the State of Oklahoma that the "Federally Recognized Indian Tribe" exemption apply to individual members of recognized Indian tribes or does this exemption apply specifically to ownership held by the nations?

Response:

The exemption to Oklahoma income tax withholding for oil and gas royalty payments applies only to payments made to federally recognized Indian tribes, and does not apply if the payments are made to individual tribal members.

This response applies only to the circumstances set out in your request of October 30, 2000. Pursuant to Commission Rule 710:1-3-73(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 call me at (405) 521-3133.

Sincerely,

FOR THE OKLAHOMA TAX COMMISSION

Tony Mastin
Director