OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

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January 5, 2000

Re: Our file Number LR-00-245; Subsidization of dealers of low point beer.

Dear

This is in response to your inquiry concerning subsidization of dealers of low point beer. I have set out your questions below followed by our responses:

- Does the wholesaler buying back product which has been damaged after the sale to the retailer constitute a violation of not selling on consignment or with the privilege of return?

Response: Yes

- Does using some of modern day banking technology of Electronic Funds Transfer, which requires a certain amount of passage of time beyond the day of sale to occur, constitute the extension of credit?

Response: No

This response applies only to the circumstances set out in your request of December 4, 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 contact me.

Sincerely,
OKLAHOMA TAX COMMISSION

Michael G. Pillow
Tax Policy Analyst