

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
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February 26, 2000

Re: Our file Number LR-01-011; Applicability of the sales and use tax exemption for manufacturing to effluent pipelines.

Dear

This is in response to your inquiry concerning the applicability of the manufacturers' exemption to the purchase of materials needed to construct an effluent pipeline from the location of your factory in Oklahoma to

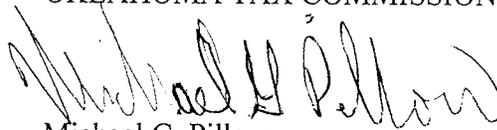
The Oklahoma sales tax code, at 68 O.S. Section 1359, exempts from sales tax, tangible personal property sold to a manufacturer for use in a manufacturing operation. The phrase "manufacturing operation", is specifically defined at 68 O.S. Section 1354(10) to exclude transportation.

Therefore, materials purchased by a manufacturer to build a pipeline to transport effluent to would be subject to Oklahoma sales or use taxes.

This response applies only to the circumstances set out in your request of February 5, 2001. 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