OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

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May 14, 2001

Re: Our file Number LR-01-059; Sales tax on the installation of vinyl siding and windows.

Dear

This is in response to your inquiry which reads:

> " intends to install vinyl siding and windows on existing and new construction. This could include primary residences to apartments. Sales tax will be paid on all materials when purchased. It is my understanding that no additional sales tax would be due on any contracts entered. Sales tax already been paid and none due on labor."

You are correct in your statements concerning siding, that no sales tax should be charged since you are acting as a contractor and are therefore the taxable consumer of items used to complete the contract, with no tax being due on your gross receipts from the property owner.

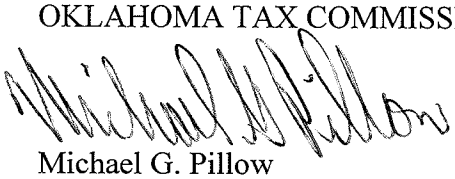
However, regarding the windows, the question of whether your company is acting as a contractor, and is therefore the taxable consumer of the windows used to complete the contract, or is instead, a vendor and is required to hold a sales tax permit and charge sales tax on the sale of the windows is based on the terms of the transactions, and is to be determined by Oklahoma Tax Commission Rule 710:65-19-370. If the company is a vendor of the windows, as set out in the rule, then it is required to obtain a sales tax permit and charge and remit the tax in accordance with the rule. A copy of the rule is enclosed.

This response applies only to the circumstances set out in your request of May 10, 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