

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
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August 2, 2001

Re: Our file Number LR-01-104; Sales tax on purchases of natural gas and electricity for use in farming.

Dear

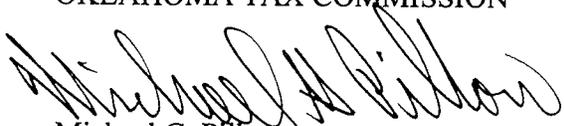
This is in response to your inquiry concerning the subject referenced above.

As the holder of a valid Agricultural Exemption Permit, _____ may make purchases of items to be used directly in its farming operations, exempt from sales tax. The exemption is extended to purchases of natural gas and electricity where these energy sources are used in the farming operations and not for a residence or a business office. This response is based on the language found at 68 O.S. Section 1358, paragraphs (5) and (6). A copy is enclosed.

This response applies only to the circumstances set out in your request of July 27, 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