

# OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION  
TONY MASTIN, DIRECTOR

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August 17, 2001

Re: Our file Number LR-01-123; Sales tax on the gross proceeds of charter aircraft flights.

Dear

This is in response to your inquiry concerning the subject referenced above. I have set out your fact situation and question below. It is followed by our response.

## **Your Facts**

Company A is involved in the business of providing chartered aircraft services to the general public. Company A provides the pilot for such charters and in addition will arrange for ground transportation if required by the customer. Company A is qualified under "Part 135" of the Federal Regulations to provide the charter service.

## **Your Question**

Is Company A required to collect Oklahoma sales tax on the aircraft charter services?

## **Our Response**

Company A is not required to collect Oklahoma sales tax on the aircraft charter services. This position is based on the fact that 49 USCA Section 40116 preempts certain state and local taxation of "air commerce" as defined in the federal code.

This response applies only to the circumstances set out in your request of August 15, 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. Pilfow  
Tax Policy Analyst