

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
FACSIMILE (405) 522-0063

October 8, 2001

Re: Our file Number LR-01-145; Sales taxability of revenue generated from the business operations of

Dear

This is in response to your inquiry as to whether revenue from your business operations as described in your letter are subject to Sales Tax. The operations result in the design and installation of storage areas in your client's homes.

A review of your business operations was made by a field auditor and the auditor determined that your company acts as a contractor rather than as a vendor. As a contractor your company is the consumer of the goods used to construct the storage systems and is not to charge sales tax on the price of the systems.

You should attach a copy of this letter to your sales tax permit and return it, with the notation on the reverse of the permit that you do not qualify as a vendor and that you are requesting that the permit be cancelled and provide the last date that you charged sales tax to your customers. The address to send it to is:

Taxpayer Assistance Division
Oklahoma Tax Commission
2501 N. Lincoln Boulevard
Oklahoma City OK 73194

You should also submit a final report and remit any sales tax that you have charged that has not been reported.

I have enclosed copies of Oklahoma Tax Commission Rules 710:65-1-7, 710:65-19-55 and 710:65-19-56 which relate to your business operations.

This response applies only to the circumstances set out in your request of September 8, 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

A handwritten signature in black ink that reads "Michael G. Pillow". The signature is written in a cursive style with a large, stylized initial "M".

Michael G. Pillow
Tax Policy Analyst