

# OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION  
TONY MASTIN, DIRECTOR

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April 18, 2002

Re: Sales tax on the sale of telecommunications services  
Our file Number LR-02-039

Dear

This is in response to your inquiry concerning sales tax on the sale of telecommunications services. For the purposes of this letter it is assumed that the telecommunications services are being supplied to a customer at a service address in Oklahoma.

In Oklahoma, sales of telecommunications services are subject to the sales tax, whether the sale is of local or long distance service, or whether the sale is a sale of intrastate or interstate service.

Because all sales in Oklahoma of telecommunications services are subject to sales tax, for questions one and two of your letter, all charges would be subject to sales tax without regard to whether the charges were broken down into intrastate and interstate segments.

For question three, you have made an incorrect assumption that interstate charges are exempt from sales tax in Oklahoma. They are not. As with questions one and two, it is not relevant to the sales taxability of the charges whether the charges are bundled or unbundled.

For question four, since all charges are subject to sales tax, it is not relevant whether any subset of charges are "incidental" in value.

These responses are based on Oklahoma Tax Commission rule 710:65-19-330.

This response applies only to the circumstances set out in your request of March 26, 2002. 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, appearing to read "Michael G. Pillow". The signature is written in a cursive style with a large, stylized initial "M".

Michael G. Pillow  
Tax Policy Analyst

cc: June Cavendish