

Mike Pillow

From: Mike Pillow [mpillow@oktax.state.ok.us]
Sent: Friday, May 03, 2002 8:46 AM
Subject: Our File Number LR-02-048; Sales tax on billings for Local Area Network cabling

May 3, 2002

Re: Our file Number LR-02-048; Sales tax on billings for running Local Area Network ("LAN") cabling.

Dear

This is in response to your inquiry concerning the need for your company to charge sales tax on the separately stated amounts of materials used in the installation of "LAN" cabling.

Based on our telephone conversation, _____ is not billing for making an improvement to real property, rather it is billing for the installation of tangible personal property, and as such, it is required to charge sales tax on the separately stated charges for the cable. Please refer to Oklahoma Tax Commission Rule 710:65-19-52, a copy of which is attached.

This response applies only to the circumstances set out in your requests of April 2, and April 17, 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

Michael G. Pillow
Tax Policy Analyst