

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

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July 9, 2002

Re: Our File Number LR-02-082; Sales tax on the sale of computer network monitoring services

Dear

This is in response to your inquiry concerning whether the sale of computer monitoring services is subject to sales tax in Oklahoma.

According to your letter, the services your company provides consist of monitoring your customers' networks for:

1. Intrusion attempts and actual penetrations by hackers
2. Service updates and updates to network software
3. Updates to virus scan patterns

These services are performed from an out of state location and no software is provided to your customers.

The provision of these services is not subject to sales or use tax in Oklahoma.

This response applies only to the circumstances set out in your request of May 29, 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