

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

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July 10, 2002

Re: Our File Number LR-02-100; City sales tax on the sale of advertising in directories.

Dear

This is in response to your inquiry concerning city sales tax on advertising sold in directories. Your two scenarios are set out below and each is followed by our response:

Your Question: A business customer, who lives outside of the city of _____, wants to advertise in the _____ directory. He is either called or visited at his place of business. Does this customer incur _____ city tax or tax from his location?

Our Response: If the customer is called by telephone, then state, City of _____ and county taxes are due. If he is visited by a directory sales representative, state tax is due and the point of sale for the imposition of city and county sales tax is the place where the contract is approved by _____ if the buyer does not have the right to accept or reject the delivery of the advertising service.

Your Question : Another business customer, who lives in Nebraska, also wants an advertisement in the _____ directory. He is called at his place of business in Nebraska. Does he incur any Oklahoma tax - state, city or county?

Our Response: Since the sale is made via the telephone, Oklahoma state tax is due and the point of sale for the imposition of the local taxes is the place of delivery of the telephone books, therefore _____ city and Leflore county sales taxes would be due.

Our responses are based on Oklahoma Tax Commission Rule 710:65-17-1. A copy is attached.

This response applies only to the circumstances set out in your request of June 18, 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

Attachment
CC: Jerry Webb