

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
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October 15, 2002

Re: Our file number LR 02-135: Income Tax - 538 S Credit (Sales Tax Relief)

Dear

This is in response to your inquiry of August 2, 2002 wherein you inquired as to the applicability of claiming a loss in determining eligibility for the 538 S Credit (Sales Tax Relief).

Under 68 O.S. § 5011 et seq., the Sales Tax Relief Credit is available to qualifying households. In the example you provided, you had a household with no children. In that scenario, they would be eligible for the Sales Tax Relief Credit if the *gross* household income was not in excess of \$20,000. (68 O.S. § 5011(C) (1)). Your example showed wage income of over \$28,000, making the household ineligible for the credit. I have enclosed the applicable statute for your review.

This response applies only to the circumstances set out in your request of August 2, 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 call me at (405) 521-3133.

Sincerely,

FOR THE OKLAHOMA TAX COMMISSION



Michael C. Kaufmann
Tax Policy Analyst