

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
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August 9, 2002

Re: Our File Number LR-02-139; Sales Tax Documentation on sales to either the City of _____ or the _____ Municipal Authority.

Dear _____

This is in response to your inquiry as to whether a letter signed by the Mayor of the City of _____ is sufficient to exempt, from sales tax, sales to be used in a waterline project.

Although _____ (“BRB”) appears to be the contractor on the job, the letter is not specific as to whether the contract is with the City of _____ or the _____ Municipal Authority. If the contract is between “BRB” and the _____ Municipal Authority, BRB may not make purchases for use in the contract exempt from sales tax. However, if the contract is with the City of _____ the exemption found at 68 O.S. Section 1356(10) would apply.

If the contract is between the City of _____ and “BRB”, _____ should obtain a copy of a letter showing this relationship and a copy of the City of _____ letter of exemption from the Oklahoma Tax Commission. Each invoice will also need to be certified in accordance with the statute and Oklahoma Tax Commission Rule 710:65-7-13.

This response applies only to the circumstances set out in your request of August 5, 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