

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
FACSIMILE (405) 522-0063

August 22, 2002

Re: Our file Number 02-146; Tax status of place of business conducting yard sales

Dear

This is in response to your inquiry wherein you asked if you need a sales tax permit to conduct indoor yard sales.

Section 1354 (1) of Title 68 specifically levies a sales tax "upon all sales, not otherwise exempted in the Oklahoma Sales Tax Code. "Sales" means the transfer of either title or possession of tangible personal property for a valuable consideration regardless of the manner, method, instrumentality, or device by which the transfer is accomplished in this state, or other transactions as provided by this subsection,."

Please be advised that persons engaged in the business of sales of tangible personal property are vendors, and are, therefore, required to hold sales tax permits and collect, report and remit the sales tax measured by the gross receipts from such sales. This includes persons conducting yard sales (new or used items), sales on consignment of goods and auctioneers.

Sales tax would be due on the "gross receipts" or "gross proceeds" which means the total amount of consideration for the sale of any tangible personal property, but not limited to any amount for which payment is charged, deferred, or otherwise to be made in the future, regardless of the time or manner of payment." 68 O.S. Section 1352(7)(b).

A registration form, which needs to be completed in order to obtain a sales tax permit has been forwarded to you. Also, please find enclosed rules 710:65-19-10 and 710:65-19-54 that may prove helpful. If I can be of further assistance, please contact me.

Sincerely,

Brenda J. Sullivan
Tax Policy Analyst

Enclosures

2501 NORTH LINCOLN BOULEVARD • OKLAHOMA CITY • OKLAHOMA 73194

IT IS OUR MISSION TO SERVE THE PEOPLE OF OKLAHOMA BY PROMOTING TAX COMPLIANCE THROUGH QUALITY SERVICE AND FAIR ADMINISTRATION