

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

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

October 3, 2002

Re: Our File Number LR-02-167; Sales tax on "Load and Leave" software in Oklahoma.

Dear Sir or Madam:

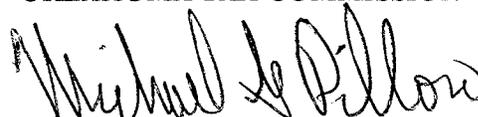
This is in response to your inquiry concerning whether the sale of "Load and Leave" software is subject to sales tax in Oklahoma. "Load and Leave" software is software where the vendor travels to the customer's site and personally installs the software on the customer's computer. The vendor does not transfer the tangible medium used to load the software, instead the vendor retains the medium to be used in subsequent transactions.

Such sales of software are subject to sales tax in Oklahoma. The levy of the sales tax on software is not conditioned on the transfer of tangible personal property. Instead, any sale of software in Oklahoma is subject to sales tax. Please refer to 68 O.S. Section 1354, paragraph 8. Also see *Globe Life and Acc. Ins. Co. v Oklahoma Tax Comm'n, Okla., 832 P.2d 848 (1992)*.

This response applies only to the circumstances set out in your request of August 9, 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