

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

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

November 6, 2002

Re: Our File Number LR-02-197; Sales tax on a sale for resale.

Dear

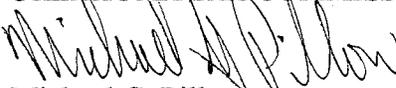
This is in response to your inquiry concerning sales tax due on a sale for resale to a Texas reseller where the goods were drop shipped to an Oklahoma sales tax permit holder. If the Texas reseller does not have a physical connection with Oklahoma, sufficient to be required to obtain an Oklahoma sales tax permit, it may make purchases exempt, for resale, so long as it is engaged in the business of selling the items purchased exempt.

A statement to the effect that it is making the purchases exempt, for resale, and that it is not a resident of Oklahoma is sufficient support that the sale is exempt. The fact that its customer has provided a copy of a sales tax permit is evidence that its purchase is being made for resale. This letter ruling is based on Oklahoma Tax Commission Rule 710:65-13-200. A copy is enclosed.

This response applies only to the circumstances set out in your request of October 31, 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

Enclosure (1)