

# OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION  
TONY MASTIN, DIRECTOR

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

January 9, 2003

Re: Our File Number LR-02-203; Taxability of advertising services and corresponding fees

Dear

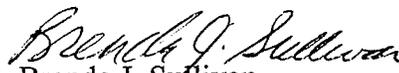
We are redrawing our letter ruling of December 12, 2002 stating that the separately stated charges for "Media Price" and "Data-Analysis" are not subject to sales tax. Based on the additional information that you relayed in our recent telephone conversation and pursuant to the relevant statutes and commission rules, these fees appear to be a feature of the advertising services and a part of the selling price of the decals.

Pursuant to Commission Rules 710:65-19-158 and 710:65-19-159 and based on our conversation, "Media Price" and "Data-Analysis" represents part of the gross receipts rather than charges that are separable from the gross receipts. Therefore, "Media Price" and "Data-Analysis" are subject to sales tax and should be included in the total cost billed for Advco advertising services.

Please find enclosed the above referenced rules. If I can be of further assistance, please feel free to contact me.

This response applies only to the circumstances set out in your request of November 6, 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,

  
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