

# OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION  
TONY MASTIN, DIRECTOR

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December 12, 2002

Re: Our File Number LR-02-215; Tax status of the sale of equipment  
based on a credit for trade-in

Dear

This is in response to your question as to whether sales tax should be calculated on the sales price of the sale of a new Laser System or based on the \$10,000.00 credit that is given to a customer on a trade-in of their old system.

Please be advised that Oklahoma does not allow for trade-in when calculating sales tax on the sale of tangible personal property, other than the exception found at Section 1352 (7) (e) of Title 68 and Commission Rule 710:65-19-72.

Therefore, sales tax is due on the sales price of the new Laser System.

Enclosed is a copy of the above Commission Rule. Should you have further questions or if I can be of further assistance please feel free to contact me.

Sincerely,



Brenda J. Sullivan  
Tax Policy Analyst