

December 20, 2002

Re: Our File Number LR-02-226; Sales Tax Exemption for an Organization Supporting Wrestling.

Dear

This is in response to your inquiry about the subject referenced above.

The fact that the organization is recognized as being exempt from income tax by the Internal Revenue Service under Section 501(c)(3), does not mean that the organization is exempt from sales tax.

The sales tax rules do contain an exemption for sales made in connection with fundraising for certain school related organizations. However, in order to make purchases of the items to be sold by the organization, the organization must obtain an Oklahoma Sales Tax Permit. The sales tax permit is obtained by filling out a Business Registration Form, available from our web site or at the walk up counter on the first floor of the M.C. Connors building.

There is no sales tax exemption for items that are to be purchased by the organization that are not to be resold. Sales tax is due on them, even if they are to be given to the school or the athletes.

A copy of Oklahoma Tax Commission Rule 710:65-13-210 relating to the sales tax exemptions for schools and school related groups is attached.

This response applies only to the circumstances set out in your request of December 11, 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