

# OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION  
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133  
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February 6, 2003

Re: LR-02-227.1; Exemption for Manufactures and Resale permits

Dear

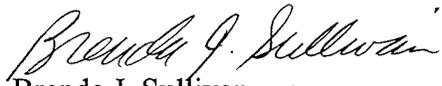
This is in response to your request for clarification of the exemption afforded Manufactures and Resale tax permits.

Please be advised that Manufacturers and Resale tax permit holders are afforded an exemption under Commission Rules 710:65-13-150.1-Manufacturing exemption; taxable and exempt transactions and 710:65-13-200-Exemption on sales for resale, respectively. Also, see Oklahoma Statutes, Title 68, Sections 1359 and 1363.

However, in order for a vendor to be relieved of liability to collect sales tax proper documentation to substantiate the exempt status of the organization must be retained in the vendor's records. Please note that Tax Commission Rules 710:65-7-6 , 710:65-7-8 and 710:65-7-9, copies of which are enclosed, "Vendor's relief from liability and duty to collect sales tax", describe in detail the requirements needed to establish "properly completed documentation certified by the Tax Commission".

Copies of the statutory references and rules are enclosed. If I can be further assistance, please write or contact me at (405) 521-3133.

Sincerely,

  
Brenda J. Sullivan  
Tax Policy Analyst

Enclosures