OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
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February 5, 2003

Re: Our file number LR 03-011; Withholding - Annuity Payments

This is in response to your inquiry of January 7, 2003 wherein you requested guidance concerning the appropriate withholding for annuity payments.

Oklahoma Tax Commission Rule 710:90-1-13 requires Oklahoma income tax withholding on annuity payments in some instances. One of the exceptions to the requirement to withhold is when the recipient has elected to have no withholding. This election is available for both periodic and non-periodic payments. I have enclosed a copy of the aforementioned rule for your review.

This response applies only to the circumstances set out in your request of January 7, 2003. 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 call me at (405) 521-3133.

Sincerely,

FOR THE OKLAHOMA TAX COMMISSION

Michael C. Kaufmann
Tax Policy Analyst

Cc: Dawn Cash, General Counsels Office.