

# OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION  
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April 11, 2003

Re: Our file Number LR-03-014; Tax status of parent-teacher organizations and/or band boosters, etc.

Please let this letter serve as an addendum to our letter dated February 12, 2003 regarding the exempt status of parent-teacher organizations. As stated in that letter, parent-teacher organizations and booster clubs are not exempt on their purchases of tangible personal property and that Section 1356 (13) a (6) of Title 68 exempts sales of tangible personal property made by parent-teacher organizations. However, in that same Section, subsection (13) b, exempts the "sales of tangible personal property made by or to nonprofit parent-teacher associations or organizations exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501 (c)(3)".

For parent-teacher organizations who receive recognition as a non-profit 501(c) (3) from the Internal Revenue Service, upon request, the Tax Commission will issue those organizations a letter confirming their statutory exemption. Please note Oklahoma Tax Commission Rule OAC 710:65-7-6 "Vendor's relief from liability and duty to collect sales tax" which contains the requirements to establish "properly completed documentation certified by the Tax Commission". Also, note Commission Rule 710:65-7-8 "Vendors' responsibility – sales for resale" and Rule 710:65-7-15 "Vendors' responsibility – sales to entities with other specific statutory exemptions." Copies are enclosed.

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 December 12, 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

Enclosure