

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
FACSIMILE (405) 522-0063

June 30, 2003

Re: Our File Number LR-03-074; Sales tax on the services of cleaning boilers and air handling equipment.

Dea.

This is in response to your inquiry concerning whether the provision of the service of cleaning boilers and related air handling equipment at coal fired power plants using the following three methodologies is subject to sales tax in Oklahoma:

1. High pressure water technology with pressures between 10,000 to 40,000 PSI to clean interior surfaces of the boilers.
2. Abrasive blasting technology to clean the air scrubber parts of the plants.
3. Industrial vacuum trucks to clean various areas in the plant.

The provision of the service of cleaning boilers and related air handling equipment at coal fired power plants is not a service on which sales tax is levied in Oklahoma. However, the provider of the service is the taxable consumer user of the tangible personal property or the taxable services used to perform the non-taxable services. Furthermore, as a non-resident contractor, your client will be required to register and post a Non-resident Contractors bond. Information concerning the bond requirements can be obtained by calling (405) 522-1572.

This response applies only to the circumstances set out in your request of April 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 contact me.

Sincerely,
OKLAHOMA TAX COMMISSION



Michael G. Pillow
Tax Policy Analyst