

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

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November 20, 2003

Re: Our File Number LR-03-171; Sales tax on banquet charges

Dear

This is in response to your inquiry concerning the taxability for other conference charges. I have read both draft letter and the draft letter prepared by the

Sales tax was due on the total charge for the room paid by the participants, including the charge for a "conference fee" that was included in the charge for the room since the "conference fee" was not separately stated from the charge for the room.

According to the letters, a portion of the room charge was held and was allowed as a credit against the charges owed by the. Sales tax was applied against the credit allowed the by based on the fact that the credit allowed came from the individuals not from the University itself.

In view of the fact that once it was agreed that would hold a portion of the room charges for the use of the University, the funds were the same as funds from the University and purchases made with those funds were exempt from sales tax in the same manner as purchases would be exempt if made with funds paid directly by the University to

Since the sales tax has been paid to the Oklahoma Tax Commission, should file an amended sales tax report for the period in which the tax was paid and show a deduction for the amount of the sales that were paid by the credit allowed the University under the "other deduction" line on the reverse of the form and attach a copy of this letter to explain the deduction.

This response applies only to the circumstances set out in your request of August 22, 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