

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

September 25, 2003

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

Re: Our File Number LR-03-175; Sales and Tourism tax on sales at recreation centers

Dear

This is in response to your inquiry wherein you ask for clarification of whether or not the City of Wagoner is subject to sales and tourism tax on admission and snack sales (prepackaged/canned) at its city pool.

Cities and towns, by virtue of 11 O.S. § 31-07 "may establish, provide, maintain, construct, set apart and conduct, ...parks, playgrounds, recreation centers, athletic fields or grounds, swimming pools, etc." As indicated in your correspondence, the City of building of a city pool, designated as is consistent with the power given to it to conduct a city pool or recreation facilities and activities, and the City is thereby afforded the sales tax exemptions found in the Sales Tax Code.

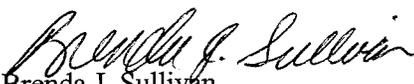
Pursuant to Oklahoma Statute Title 68 Section 1356 (23), and Commission Rules 710:65-19-77 (4) and 710:75-1-4 (b) (2), admission fees charged by the City of Wagoner to its city pool; Wagoner Water Park are exempt from sales and tourism tax.

Whether snack sales (prepackaged/canned) are subject to Tourism Tax is dependent on the manner of the "preparation" of food and if the establishment is required to hold a license as referenced in Commission Rule 710:75-1-2. Also, see Commission Rule 710:75-1-10 Examples and applications.

Please find enclosed copies of the above Statute and Commission Rules referenced. If I can be of further assistance, please contact me.

This response applies only to the circumstances set out in your request of September 8, 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.

Sincerely,


Brenda J. Sullivan
Tax Policy Analyst

Enclosure
cc: Jenny Bagley/TPA

2501 NORTH LINCOLN BOULEVARD • OKLAHOMA CITY • OKLAHOMA 73194

IT IS OUR MISSION TO SERVE THE PEOPLE OF OKLAHOMA BY PROMOTING TAX COMPLIANCE THROUGH QUALITY SERVICE AND FAIR ADMINISTRATION