

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
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September 22, 2003

Re: Our File Number LR-03-176; Applicability of sales tax on hostess purchases and gifts given to hostess

Dear

This is in response to your request for a ruling on the transactions described in your correspondence pertaining to your client's direct selling company. Please be advised that sales tax is due on the retail value or sales value on both transactions and before credits earned.

This response applies only to the circumstances set out in your request of September 2, 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,



Brenda J. Sullivan
Tax Policy Analyst