

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

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January 14, 2004

Re: Our File Number LR-03-187.1; Exempt status of sales made at
student union food courts

Dear

This is in response to your request for clarification of several points in my letter dated November 4, 2003. I have restated your questions below, followed by our response.

"Can we assume the following:

1. The statute does not provide a percentage of non-public use to negate the exemption. Can we assume as long as food is served primarily to the students, faculty and staff, the exemption would apply?

Our response: Yes.

If not, can you please provide a percentage of public sales that will cause all sales to become taxable?

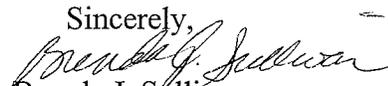
Our response: The statutes and rules are silent as to the exact percentage, however, primarily would have its ordinary and usual meaning.

2. Can we further assume the hours of operation have no bearing on the taxability of the food sales as long as sales are primarily to students, faculty and staff?"

Our response: Yes.

This response applies only to the circumstances set out in your request of November 10, 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