# OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
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January 6, 2004

Re: Our File Number LR-03-269; Taxability of statellite dish transfer from out-of-state for installation

This is in response to your request for a ruling of the taxability for the above subject. I have scanned your scenario and question into this letter, followed by our response.

"I am requesting a letter ruling. We provide satellite training to many locations nationwide. If a local customer signs up for our service, we ship a dish to an installer near them, who installs the dish at their physical location. There are no lease or rental fees; the dish remains our property and the customer only pays for the satellite training service which is net taxable in OK. If the customer cancels the service, we de-install the dish - it either remains in the area to be installed at another customer site or it is returned to TX or in some cases, we abandon the property as it is worthless. Consumers use tax is not paid to TX due to vs state of TX. Is Consumers use tax due to OK for the dishes installed and used within the state? "

Oklahoma use tax would be due. Use tax is levied on a transfer of title or possession of tangible personal property purchased out of state and subsequently brought into Oklahoma for storage, use or consumption pursuant to Title 68, Section 1402 of the Oklahoma Statutes. For consumer use tax purposes see Commission Rule 710:65-1-4.

This response applies only to the circumstances set out in your request of November 25, 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

Brenda J. Sullivan
Tax Policy Analyst