OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

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June 17, 2004

Re: Our File Number LR-04-079; Exempt status of sales made at student cafeteria and snack bar

Dear

This is in response to your request for a sales tax exemption for the food sales made on the campus of in the student cafeteria and snack bar. I have scanned your fact scenario into this letter, followed by our response.

> a state owned college, has a Student Union on campus. Inside the Student Union is a cafeteria and snack bar, which is not operated for profit, but for the students, staff and faculty on campus. At times, visitors to the College may utilize the cafeteria and snack bar, but it is primarily for the use of students, staff and faculty. The College Food Service and the Student Union is operated by the College. The students who are living in the dorms purchase a meal plan each semester which allows them to utilize the cafeteria. The snack bar is utilized by commuting students and also students living on campus. Although the Student Union is open to the general public, this is not its primary purpose.
>
> We are asking for a sales tax exemption for this operation as permitted in **Oklahoma Statutes, 1991, Title 68 Revenue and Taxation, Article 13 Sales Tax Code, Section 1356."**

Based on the above scenario, it is my understanding that the College Food Service and the Student Union is operated by the College and does not contract with any outside management company for a profit. Although, the public utilizes the student cafeteria and snack bar, it is operated primarily for students, staff and faculty.

Therefore, pursuant to O. S. Title 68 Section 1356 (5) and Commission Rule 710:65-13-210 (i), copy enclosed, food sales in the Student Union cafeteria and snack bar are exempt from sales tax.

This response applies only to the circumstances set out in your request of May 5, 2005. 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

Enclosure