OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

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August 25, 2004

Via Fax to

Re: Our File Number LR-04-174; Exemption on purchases by organizations in conjunction with the construction of local public libraries.

Dear Ms. Custer:

This is in response to your inquiry concerning an exemption that was passed this past legislative session. Senate Bill 1121 amended 68 O.S. Section 1356. The amendment, which becomes effective November 1, 2004, exempts from sales tax:

> "Sales of tangible personal property or services on or after January 1, 2003, to an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C. Section 501(c)(3) that is expending monies received from a private foundation grant in conjunction with expenditures of local sales tax revenue to construct a local public library."

You have provided us with a copy of your letter from the Internal Revenue Service that shows that your organization is exempt pursuant to 26 U.S. C. Section 501(c)(3). If you will fill out and return the "Application for Sales Tax Exemption" that is being transmitted with this letter, it will be processed by the Taxpayer Assistance Division and an exemption card or letter will be issued.

I am also sending to you a copy of the form used to request refunds. As noted on the reverse of the form, supporting documentation must be attached. The exemption, and therefore the refund, is available only on purchases made by the organization.

This response applies only to the circumstances set out in your request of August 24, 2004. 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,
OKLAHOMA TAX COMMISSION

Michael G. Pillow
Tax Policy Analyst

cc: Jerry Kirton
Tony Mastin