OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
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January 28, 2005

Re: Our File No. LR-04-228

Dear

I am writing in response to your request regarding whether can purchase the items enumerated in your correspondence of November 17, 2004 exempt from sales and use tax pursuant to Section 1356(10) of Title 68. Section 1356(10) of Title 68, allows a contractor who has a public contract with a public school district and any subcontractors to that public contract, to make purchases of tangible personal property or services, which are necessary for carrying out the public contract, exempt from sales and use tax. The Division has not established a policy that line items the exemption acceptability of various equipment or transactions that might be involved in fulfilling a public contract. Instead, the specific language of the statute must be relied upon when making a determination if a particular purchase qualifies for exemption under 1356(10) of Title 68. Therefore, if the purchase of the enumerated items is necessary to complete construction of the then can purchase and rent those items exempt from sales and use tax.

This response applies only to the circumstances discussed in your request of November 17, 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 there has been no change in applicable law.

Sincerely,

OKLAHOMA TAX COMMISSION

Christy J. Caesar
Tax Policy Analyst