OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

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May 18, 2005

RE: Our file Number LR-05-064; Vehicle Rental Tax exempt status of a local church

Dea

This is in response to your request for verification as to whether churches with Oklahoma Sales Tax Exemption certificates are exempt from sales tax on the rental of vehicles from your company.

Please be advised that the Oklahoma Sales Tax Code provides a sales tax exemption for purchases by churches. Vehicle rental charges are covered by the exemption. However, Oklahoma Statutes provide no exemption for Vehicle Rental Tax for churches on their rental of vehicles. Therefore, church vehicle rental agreements less than 90 days are subject to the Oklahoma Vehicle Rental Tax. Additionally, see Commission Rule 710:60-8-3 for agreements excepted from the vehicle rental tax.

This response applies only to the circumstances set out in your request of April 26, 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
Tax Policy Analyst

Enclosure