

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
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July 29, 2005

Re: Our File Number LR-05-086; Franchise tax filing

Dear

This is in response to your inquiry concerning whether certain sales are to be listed on the Cooperative's franchise tax form.

Sales of assets located in Oklahoma should be shown as Oklahoma Sales on the franchise tax return. However, since at the date of the balance sheet, the cooperative will have no assets in Oklahoma, it may desire to choose "option 2" for reporting.

While the interest in the LLC will be an asset of the COOP, if it is controlled from , it will not be counted as an Oklahoma asset. This will result in a zero percentage of assets in Oklahoma and result in a tax due of the minimum tax of \$10. The \$100 registered agents fee will also be due.

This response applies only to the circumstances set out in your request of May 16, 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,
OKLAHOMA TAX COMMISSION

Michael G. Pillow
Tax Policy Analyst