OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
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August 29, 2004

Re: Our File Number LR-05-099; Sales tax exemption for cellular phones used in agricultural production

Dear

This is in response to your inquiry in which you request confirmation that the purchase of a cellular telephone and cellular communications service is exempt when sold to an agricultural exemption permit holder that uses the cellular phone and the cellular communication services solely for agricultural purposes.

Oklahoma Tax Commission Rule 710:65-13-15 (copy enclosed), at subsection (j)(2), specifically lists "Communication radios" as commonly being taxable, except when used directly in agricultural production.

A "cellular telephone" is a "communication radio". Therefore, your exclusive use of the cellular telephone in your agricultural production activities, as you have stated in your letter, qualifies the purchase of the cellular telephone and the cellular telephone service for an exemption from sales tax.

Vendors to whom you request exemption should obtain the information needed to allow them to be relieved of liability from charging sales tax pursuant to Oklahoma Tax Commission Rule 710:65-7-11, a copy of which is also enclosed.

This response applies only to the circumstances set out in your request of June 22, 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