

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
FACSIMILE (405) 522-0063



October 19, 2005

Re: Red Cross Debit Cards

Dear

I am writing in response to your recent inquiry regarding whether sales tax is due on purchases made with the Red Cross debit cards issued to victims of Hurricane Katrina. Purchases of tangible personal property and services by Hurricane Katrina evacuees pursuant to a Red Cross debit card are exempt from sales tax as sales to a federal instrumentality.

The Red Cross client assistance debit cards are issued by _____ and are MasterCard branded. The Red Cross debit cards are embossed with "RED CROSS CLIENT" and bear the symbol of the Red Cross and the designation "American Red Cross". The Red Cross client assistance debit cards will all carry the same bank identification number,

A vendor, in order to properly document the exempt nature of the purchases made with the described debit card, must obtain either a copy of the debit card or the purchaser's name and the number referenced on the face of the Red Cross debit card used to make the purchase.

Sincerely,

OKLAHOMA TAX COMMISSION

Christy J. Caesar
Tax Policy Analyst