OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

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May 25, 2006

Re: Our File Number LR-06-001; Sales tax on Rolling Stock Purchase Transactions

This is in response to your inquiry concerning the transactions referenced above. I have set out your questions below and each is followed by our response. I have also noted our response for each item on the enclosed "Taxability Guidelines" based on Oklahoma's sales and use tax codes, even though there are not exemptions in those codes specifically for motor vehicle common carriers.

1. Does your State provide an exemption from sales/use tax on the purchase of tractors and trailers registered as interstate common carriers? What are the requirements for the exemption?

Our Response: ***Oklahoma does not have an exemption on the purchase of tractors and trailers registered as interstate common carriers. Instead, it has an exemption for all tractors and trailers on which the separate motor vehicle excise tax has been paid.. The exemption is found at 68 O.S. Section 1355.***

2. Does your State have a rolling stock exemption that includes tractors and trailers registered as interstate common carriers?

Our Response: No.

3. On the basis of the fact pattern provided above, do Company Y's tractor and trailer purchases and operations qualify for your interstate common carrier and/or rolling stock exemption? If no, why not?

Our Response: No, one does not exist.

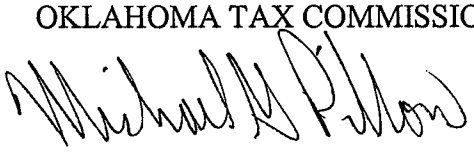
4. What type of documentation is required (for audit purpose) to support that vehicles qualify for your exemption?

Our Response: None.

This response applies only to the circumstances set out in your request of December 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



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