OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

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September 21, 2006

RE: File Number LR-06-109; Request for sales tax procedures for print shop owners

Dear

This is in response to your inquiry regarding sales tax procedures for print shop owners having a MLEC tax number on digital color presses and digital color printers.

There are no general procedures for particular machinery used by print shop owners with a MLEC except for Oklahoma Tax Commission Rules 710:65-19-265, 710:65-19-267 and 710:65-13-150.1. You may reference these rules on our website at www.oktax.state.ok.us/oktax/ruleindex.html Subsection (f) of Commission Rule 710:65-19-265 states that "Sales of materials, supplies and services to printers holding a current Sales/Manufacturers Permit, to be used in a manufacturing operation, are exempt from sales and use tax in the same manner as sales to other manufacturers." See 710:65-13-150.1.

Therefore, machines and supplies used in printing may be purchased exempt from sales and use tax when used directly in the manufacturing process. Please refer to Oklahoma Tax Commission Rules referenced in the above. If you have a specific question or transaction you want reviewed concerning your operation, please write us for a definitive letter ruling.

This response applies only to the circumstances set out in your request of June 30, 2006. 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

Brenda J. Sullivan
Tax Policy Analyst