

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

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



October 23, 2006

Re: Our File Number LR-06-129; Sales Tax on the Sales Shipped to Mexico

Dear

This is in response to your inquiry concerning whether sales tax is due on your sale of equipment on August 4, 2006 to _____ According to the documentation you provided, the equipment was put into the possession of a shipping company, _____ for delivery to _____ in _____

Since the purchaser did not receive possession of the machinery in Oklahoma, but instead possession of the machinery in Oklahoma was received by a shipping company, the sale will not be "sourced" to Oklahoma and therefore no Oklahoma sales tax will be due. Please see Oklahoma Tax Commission Rules 710:65-18-2 and 710:65-18-3, copies of which are enclosed.

This response applies only to the circumstances set out in your request of August 18, 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,
OKLAHOMA TAX COMMISSION

Michael G. Pillow
Tax Policy Analyst