OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION
DAWN CASH, DIRECTOR

PHONE (405) 521-3133
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May 3, 2007

RE: Our File Number LR-06-222; Taxability of mobile storage units lease payments for manufacturing process

Dear

This is in response to your inquiry wherein you asked if lease payments of mobile storage units are exempt from sales due to the manufacturing exemption of your customer.

Please be advised that equipment used by a manufacturer at a "manufacturing site", in a manufacturing operation, may be purchased or leased by the manufacturer, exempt from sales tax provided the manufacturer holds an Oklahoma Manufacturer's Sales Exemption Permit. See Commission Rule 710:65-13-150.1 Manufacturing exemption; taxable and exempt transaction and Commission Rule 710: 65-7-9 Vendors' responsibility – sales to a manufacturer.

You may reference Oklahoma Tax Commission Rules listed as well as forms and publications for Packet D-Sales Tax Vendor liability Notice, Rules and Forms Packet at our website: www.oktax.state.ok.us

This response applies only to the circumstances set out in your request of December 8, 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
Tax Policy Analyst