

OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION
DAWN CASH, DIRECTOR



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

November 30, 2007

Re: LR-07-002
Sales & Use Tax Inquiry regarding internet based services.

Dear I

Please accept my apology for any inconvenience due to our delay in responding to your inquiry of January 04, 2007. You inquired if sales tax is applicable to your list of services / products.

Our response:

(1) Research Memberships:

In your letter you state all of your information and or access that you charge for is provided for on the internet. Therefore, these items are not subject to sales tax nor are any fees that you may charge for that access, so long as it is not charged with the other services that you provide as you have previously stated in your written request.

(2) Workshops:

If these workshops are through the use of the internet and you are not providing the actual location or equipment necessary for the workshop, any fees associated with them are not subject to sales tax. However if you are offering workshops for your clients to attend; I suggest that you examine 710:65-19-77. It states that "dues, fees, or any charge, payment, or contribution required as a condition precedent to membership in a club; or for access to the club establishment"; or for access to or use of facilities, equipment, services, or privileges are subject to sales tax."

(3) Benchmarking:

This is considered a non taxable service so long as it is billed separately from any tangible personal property. Pursuant to 710:65-19-46 paragraph b, sales of lists of names, statistics and other information in the form of cards, sheets or other tangible personal property are taxable.

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IT IS OUR MISSION TO SERVE THE PEOPLE OF OKLAHOMA BY PROMOTING TAX COMPLIANCE THROUGH QUALITY SERVICE AND FAIR ADMINISTRATION

(4) Advisory Consulting:

Consulting is a non taxable service and your fees are not subject to sales tax so long as they are billed separately from any tangible personal property (your written report that is on a tangible media is subject to sales tax if you are charging any fee or price for it). (See 710:65-19-46.)

This response applies only to the circumstances discussed in your written request of January 04, 2007. 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 there has been no change in applicable law.

If you should have any questions, please feel free to contact me.

Sincerely,

Oklahoma Tax Commission

Marc Morrison
Tax Policy & Research Division