

# OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION  
DAWN CASH, DIRECTOR

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



November 30, 2007

RE: LR-07-013  
Sales Tax Inquiry

Dear

Please accept my apology for any inconvenience our delay in responding to your inquiry of January 24, 2007. You inquired if you should be charging sales tax on Oxygen and Acetylene cylinders to farmers and ranchers that have valid agriculture exemption permits (SMX ID #'s).

Our response:

You should not charge sales tax on the sale or lease of Oxy/Acetylene cylinders to people that have valid and up to date agriculture exemption permits. You had underlined "Welding rod, oxygen, acetylene are exempt, providing welding machine with which they are used is qualified for the exemption" under 710:65-13-15. What you had underlined does not pertain to the vendor; instead it pertains to the holder of the exemption permit.

## **710:65-7-11. Vendors' responsibility - sales for agricultural purposes**

In the case of a claimed agricultural exemption, the vendor must obtain the items of information set out in this Section:

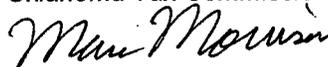
- (1) A **copy** of the agricultural exemption permit card; and,
- (2) In the circumstances defined in (A) and (B) of this subparagraph, certification on the face of the invoice or sales ticket is required:
  - (A) From any person purchasing feed for horses, mules, or draft animals used directly in the production and marketing of agricultural products; **or**
  - (B) From any person who is making purchases of materials, supplies, or equipment to be used in the construction of livestock facilities, including facilities for the production and storage of feed, pursuant to a contract with an agricultural permit holder. [See: 68 O.S.Supp.1995, § 1358(8) and 710:65-13-17]

This response applies only to the circumstances discussed in your written request of January 24, 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

A handwritten signature in cursive script that reads "Marc Morrison".

Marc Morrison

Tax Policy & Research Division