LR-07-062

OKLAHOMA TAX COMMISSION

STATE OF OKLAHOMA

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OFFICE OF THE GENERAL COUNSEL

June 25, 2007

RE: Your letter dated March 8, 2007; OTC Legal Division File No. LR-07-010.

Dear :

In the referenced correspondence, you question whether , a Texas limited liability company, would be required to collect Oklahoma sales tax on the installation of equipment at the homes of its Oklahoma customers. "The Standard Installation includes the labor and material provided by to install a standard antenna with no modifications or height extensions, with a one wireservice drop consisting of one 50 foot cable going through one customer premises wall to one room to one computer or device. (last visited June 20, 2007).

Normally, the Office of General Counsel, Oklahoma Tax Commission responds to inquiries of this type in the form of a Letter Ruling. A Letter Ruling from the Office of General Counsel is discretionary and defined as an "informal written statement of policy or treatment of specific fact situations under Oklahoma law." (OTC Rule No. 710:1-3-73(e)). Further, Letter Ruling requests from an individual taxpayer or groups of taxpayers will be honored by the Commission, at its discretion, and taking into consideration time and resources available to respond to such request. (OTC Rule 710:1-3-73(f)).

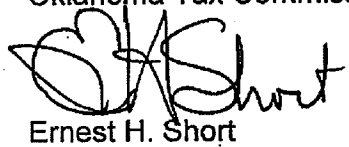
Because you do not provide sufficient detail about a specific fact situation or identify the taxpayer(s) involved, the Office of General Counsel respectfully declines to respond to your inquiry in the form of an official Letter Ruling. However, the transactions you describe appear to be controlled by the provisions

of the Oklahoma Use Tax Code. 68 O.S. § 1401 et seq. Unless otherwise exempted, 68 O.S. § 1402 levies upon "every person storing, using, or otherwise consuming within this state, tangible personal property purchased or brought into this state, an excise tax on the storage, use, or other consumption in this state of such property at the rate and four and one-half percent (4.5%) of the purchase price of such property." Exemptions from the provisions of 68 O.S. § 1401 et seq. are provided by 68 O.S. § 1404. Specifically, the provisions of 68 O.S. § 1402 do not apply "to the use of any article of tangible personal property on which a tax, equal to or in excess of that levied by Section 1401 et seq. of this title [68], has been paid by the person using such tangible personal property in this state, whether such tax was levied under the laws of this state or some other state of the United States." 68 O.S. § 1404(3).

For purposes of complying with the Oklahoma Tax Code, the permanent rules of the Oklahoma tax commission should be helpful in determining the appropriate treatment of the transactions you contemplate. The permanent rules of the Oklahoma Tax Commission, interpreting and applying Oklahoma tax statutes, are codified at Title 710 of the Oklahoma Administrative Code (OAC). Also, you may access the rules of the Oklahoma Tax Commission at http://www.tax.ok.gov/rules/rules.html.

Respectfully,

Oklahoma Tax Commission



Ernest H. Short
Assistant General Counsel

EHS\ljm
cc: Dawn Cash, Director, Tax Policy