OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION
DAWN CASH, DIRECTOR

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

August 15, 2007

Re: Sales and Tourism Tax Inquiry; LR-07-108

Dear

I am writing in response to your recent inquiry regarding the sales and tourism tax treatment of sales of certain food and non food items at a small retail store at camp

A restatement of the facts, the question posed and the response thereto is set forth below:

> is a religious 501(c)(3) non profit which operates a non-denominational camp with an educational ministry. They operate a small retail store on their campsite which sells both food, such as can soda, candy bars, chips and other packaged snack food, and non food items, such as t-shirts, soap, and shampoo, to their campers who stay there for the week. They have collected sales tax for the food and non food items in the past but have not collected any tourism tax. When I spoke to someone at the tax commission office they explained to me that sales tax is collected on the non food items only and the tourism tax is collected on the food items only. They said that the only tax for the food items would be the tourism tax.

Could you provide a written explanation on how to correctly report and collect these taxes? I do understand that the tourism tax is no longer an issue beginning July 1, 2007.

The sale of tangible personal property, unless specifically exempted by the provisions of the Oklahoma sales tax code, is subject to the levy of sales tax. 68 O.S. §1354(A)(1). Additionally, there is no general sales tax provision exempting the referenced sales. Therefore the sale to campers of food such as can soda, candy bars, chips and non food items such as t-shirts, soap and shampoo is subject to sales tax.

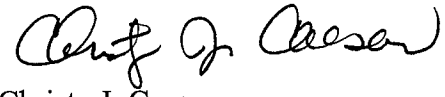
Prior to July 1, 2007 the retail store on the campsite was not subject to tourism tax since it did not prepare food and/or drinks and the campsite was not the type of entity listed as a "Private tourist attraction" subject to the tax. See OAC 710:75-1-2, 710:75-1-4 and 710:75-1-10, copies enclosed.[1]

Should you have any additional questions, do not hesitate to contact me.

This response applies only to the circumstances discussed in your request of August 2, 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.

Sincerely,

OKLAHOMA TAX COMMISSION



Christy J. Caesar
Tax Policy Analyst

[1] Revoked effective July 1, 2007.