OKLAHOMA TAX COMMISSION

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September 17, 2007

RE: Your letter dated July 16, 2007; Legal Division File No. LR-07-017.

Dear :

In the referenced inquiry, you requested clarification as to whether is required to continue collecting and remitting Oklahoma sales tax on transactions where , an Oklahoma printing company, accepts printing orders from a Texas Corporation for delivery to an Oklahoma customer of the Texas Corporation. prints and delivers the material to the Oklahoma customer, using Federal Express or its own delivery trucks. bills the Texas Corporation for the order.

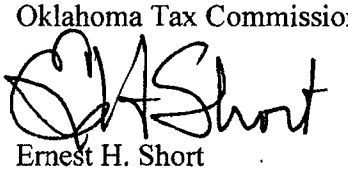
Oklahoma levies an excise tax "upon ***all sales, not otherwise exempted*** in the Oklahoma Sales Tax Code", 68 O.S. § 1350 et seq. (68 O.S. § 1354(A)) (Emphasis added). The tax is levied on each sale of tangible personal property, except newspapers and periodicals. (68 O.S. § 1354(A)(1)) The tax is also levied on each sale of "[p]rinting or printed matter of all types, kinds, or character and ... any service of printing or overprinting...." (68 O.S. § 1354(A)(5) A "sale" is defined as "the transfer of either title or possession of tangible personal property for a valuable consideration ***regardless of the manner, method, instrumentality, or device by which the transfer is accomplished in this state***...." (68 O.S. § 1352(15)) (Emphasis added). "The statutory definition of the word sale is very 'comprehensive.'" *Magnolia Petroleum Co. v. Oklahoma Tax Commission*, (1958 OK 124, 326 P.2d 821, 824) "'Tangible personal property'" means personal property which may be seen, weighed, measured, felt, or touched or which is in any other manner perceptible to the senses." (68 O.S. § 1352(17) The phrase 'tangible personal

property', as used in the Oklahoma Sales Tax Code, is all inclusive and cannot be limited except by specific exemption. *Magnolia Petroleum Co.*, 326 P.2d at 823.

A review of the Oklahoma Sales Tax Code reveals no exemption from the levy of sales tax for the scenario you present. is required to collect and remit sales tax on the transactions you describe.

Respectfully,

Oklahoma Tax Commission



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