OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION
DAWN CASH, DIRECTOR

PHONE (405) 521-3133
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March 10, 2008

Re: LR-07-133

Dear

I apologize for any inconvenience my delay in responding may have caused you. This is in response to your correspondence wherein you asked if rentals of manufacturing equipment are non taxable.

Oklahoma Tax Commission Rule OAC 710:65-13-150.1 provides a sales tax exemption for manufacturing. Subsection (b)(D) contains a list of manufacturing equipment and machinery eligible for the exemption when purchased by a manufacturer which include "Forklifts." Please be advised that rentals and leases are included in the definition of a sale and as such the rental of the forklift would be considered exempt when used in a manufacturing operation.

This response applies only to the circumstances set out in your request of July 15, 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 that there has been no change in applicable law. If I can be of further assistance, please feel free to contact me.

Sincerely,

OKLAHOMA TAX COMMISSION

Brenda J. Sullivan

Brenda J. Sullivan
Tax Policy Analyst

Enclosure