OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION
DAWN CASH, DIRECTOR

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December 4, 2007

Re: Our File No. LR-07-194

Dear

I am writing in response to your inquiry directed to regarding the The facts presented, the questions posed and the response thereto are set forth as follows:

The is a Title 60 Public Trust whose beneficiary is the The purpose of the Trust was to renovate, repair and construct among other things the as a interpretive center. The Trust obtained a grant from ODOT, and renovation was completed. There are still some renovations occurring. The grand opening was . The Center has a gift store and charges an admission price of $5.00 per person, $4.00 per senior or child. The is owned by the City and leased to the Trust for one dollar a year. This process began in 2002. A 501(c)(3) organization- accepted donations and then donated this money to the to help with construction cost. All the gift store and admission ticket sales are deposited into the Trust operating account. The first two sales tax reports were reported on Permit number for the

1. Shouldn't the sales tax be reported on a trust sales tax report?

Since Chandler Community Development Trust Authority is making sales in this State it should hold an Oklahoma sales tax permit (68 O.S. Section 1364) and report and remit the tax due on the sales made pursuant to its permit (68 O.S. Sections 1363 and 1365).

2. Are admission tickets subject to sales tax on a Title 60 Public Trust?

Sales of tickets for admission to or voluntary contributions made to places of amusement, sports, entertainment, exhibition, display or other recreational events or activities, and free or complimentary admissions which have a value equivalent to the charge that would have otherwise

been made, are subject to sales tax unless specifically exempted by statute. 68 O.S.§ 1354(13). Currently, the Sales Tax Code does not contain a provision exempting all sales for admission made by Title 60 Public Trusts. However, Section 1356(38) of Title 68 provides a sales tax exemption for the amount of any surcharge, separately stated on an admission ticket, which is imposed, collected, and used for the sole purpose of constructing, remodeling, or enlarging facilities of a public trust having a municipality or county as its sole beneficiary. Oklahoma Administrative Code 710:65-13-550.

3. Are the gift store sales subject to sales tax on a Title 60 Public Trust?

Section 1354(A)(1) of Title 68 levies a sales tax on sales of tangible personal property not otherwise exempted in the Oklahoma Sales Tax Code. Although there are numerous provisions in the Sales Tax Code setting forth specific kinds of entities which are exempt from sales tax, absent from the Code is a provision which exempts sales of tangible personal property by a Title 60 Public Trust. Without such a provision, the sale of merchandise by the
at its gift store is subject to sales tax.

Copies of the referenced statutory and administrative code provisions are enclosed.

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

Sincerely,

OKLAHOMA TAX COMMISSION

Christy J. Caesar

Christy J. Caesar
Tax Policy Analyst