OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION
DAWN CASH, DIRECTOR

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

April 09, 2008

RE: LR-08-030
Sales Tax

Dear

You have inquired if should be charging sales tax to a reseller that has no physical location in Oklahoma?

Our Response.

If the reseller in question does not have a physical location in the state of Oklahoma, and has purchased tangible personal property from you in Oklahoma. Then the reseller must remit consumer use tax. **(Pursuant to 710:65-21-4, Use tax on out-of-state purchases)**
(a) Tangible personal property bought outside this State either by an Oklahoma user or consumer or out-of-state user or consumer in such a way that the vendor need not collect sales tax in that State, and brought into this State for storage, use, or other consumption is subject to the use tax. Use tax must be reported and paid by the purchaser on forms prescribed by and available from the Commission.
(b) If the purchaser buys such tangible personal property from an out-of-state vendor who is authorized or required by the Use Tax Code to collect report and remit use tax, the purchaser should pay the use tax to such vendor. Vendors who are required to collect use tax are those who maintain places of business both within and without Oklahoma. [**See:** 68 O.S. §§1402, 1405-1406]

This response applies only to the circumstances discussed in your written request of February 12, 2008. 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.

If you should have any questions, please feel free to contact me.

Sincerely,

Oklahoma Tax Commission

Marc Morrison
Tax Policy & Research Division

cc: Stephen Bryant, TPA