OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION
DAWN CASH, DIRECTOR

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

June 25, 2008

RE: LR-08-058
Sales tax inquiry.

Dear

We received your questionnaire regarding the applicability of sales taxes for school lunches, text books, and food purchases with WIC vouchers. Listed below are our responses for the State of Oklahoma:

Questions 1 & 2:
The sale of school lunches sold to students and employees subject to sales tax?

Our response:

Sales of food in cafeterias or lunchrooms of elementary schools, high schools, colleges or universities which are operated primarily for teachers and pupils are exempt from taxation when the cafeteria or lunch room is not operated primarily for the public or for profit. Management companies operating for a profit who contract with a school, college or university to operate a lunchroom or cafeteria will be denied the exemption. Also, sales of food made on school premises but not in a cafeteria or lunchroom do not fall within the exemption provided by statute.

Questions 3 & 4:

Are textbooks exempt from sales tax when sold to students by a local school board, private-non-profit, and private-for-profit post-secondary institutions when sold by the school or by a private vendor?

Our response:

The sale of textbooks sold to students from a local school board would be exempt from sales tax under 68 O.S. § 1356 (1) (4).

The sale of text books by a public post secondary school are subject to sales tax when sold by the school or by a private vendor.

The sale of text books by a non-profit post-secondary school are subject to sales tax when sold by the school or by a private vendor.

The sale of text books by a private-for-profit post-secondary school are subject to sales tax when sold by the school or by a private vendor.

Question 5:

Food purchased with women, infants, and children (WIC) vouchers?

Our response:

No, sales tax is not charged for food purchased under (WIC).

This response applies only to the circumstances discussed in e-mail request of May 01, 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.

Sincerely,

Oklahoma Tax Commission
Marc Morrison
Tax Policy & Research Division