OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION
DAWN CASH, DIRECTOR

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

October 28, 2008

RE: LR-08-141
Fuel & Sales Tax Inquiry

Dear

I am writing this letter in response to your inquiry regarding Motor Fuel Excise Tax and Sales Taxes.

Facts:

owns and operates in Oklahoma. is a not-for-profit facility but is subject to sales tax and it operates an ambulance service that serves and the surrounding areas, but the ambulances are owned by County and all maintenance and fuel are the expense of the hospital.

Your Question:

Is the hospital exempt from sales tax on the fuel purchased for the ambulances based upon Oklahoma Tax Commission rule 710:65-13-180?

Our Response:

Sales Tax is due on the sale of fuel that is exempt from Motor Fuel Excise Tax; your hospital is not exempt from sales tax. Therefore, Sales Tax is due on your purchases of fuel for its ambulance services.

This response applies only to the circumstances discussed in your written request of September 30, 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