

April 01, 2009

RE: LR-09-033  
Sales Tax

Dear

Per your request, I am writing this request to you inquiry regarding the tax exempt purchase of store fixtures from your distributor in Oklahoma.

Facts:

Currently, your company purchases store fixtures from your distributor and they ship the fixtures to their distribution center in Oklahoma so that they may be delivered to your Oklahoma distribution center for storage, in your own vehicles and later distributed to various locations inside and outside of Oklahoma.

Question:

Once you ascertain where you are going to ship the store fixtures that you purchase from your distributor and put them in service, you accrue the use tax based on the destination. It is your understanding that can continue this practice using a standard resale certificate. Since the state of Oklahoma does not have a standard state resale certificate, you will use the standard uniform sales and use tax certificate, multijurisdictional form.

Our Response:

Providing the standard uniform sales and use tax certificate, multijurisdictional form to your distributor will not make the sale exempt from sales tax, unless you are actually reselling these store fixtures to other customers. Since the sale of these store fixtures

occurs inside the state of Oklahoma, and delivered to your own distribution center inside Oklahoma in your own vehicles, the sale of these fixtures will be subject to Oklahoma sales tax and sourced at the location of the pick-up point of the fixtures. If you use your standard uniform sales and use tax certificate, multijurisdictional form, or Oklahoma sales tax permit to exempt these sales from sales tax and if your distributor accepts this as a sale for resale purposes, then you will be responsible for remitting the sales tax for any sale that is not for resale purposes or consumed by you as a withdrawal from inventory as described in Oklahoma Tax Commission rule 710:65-1-7 (copy enclosed for your convenience).

This response applies only to the circumstances discussed in your written request of March 19, 2009. 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