OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION
DAWN CASH, DIRECTOR

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April 15, 2009

Re: LR-09-040, Sales Tax Inquiry of Export

Dear

This is in response to your request for ruling as to whether need a sales tax permit for the transaction described in your letter. What follows is verbatim your facts and our response thereto.

Facts:

is an oil company with head offices in We are an overseas oil field operator and have never needed a sales tax permit. We just completed an interview with Brian Carter, in your Broken Arrow field office, confirming this.

We are beginning operations in and are purchasing equipment in Oklahoma on behalf of our current operator in All equipment and materials are being exported to We are being reimbursed for the materials by the current operator of the field and no profit is incurred.

We are experiencing difficulties with some of our vendors. They are insisting on a sales tax permit number before selling to us. None of the materials are coming to our Oklahoma location, but all are being transported directly to I spoke with Becky at one of your offices and she suggested I fax you and get a ruling so that we may provide our vendors with a statement from your office that a sales tax permit is not necessary.

Our Response:

Pursuant to Oklahoma Tax Commission Rules 710:65-13-90 a sale made within Oklahoma for export is exempt as a sale for resale if the conditions are met as outlined in the rule. Further, a vendor who makes a sale for export may relieve himself of liability if he follows

the requirements as set out in Commission Rule 710:65-13-90 and 710:65-7-8.1. See Commission rules on our website: www.oktax.state.ok.us.

This response applies only to the circumstances discussed in your request of January 15, 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

Brenda J. Sullivan

Brenda J. Sullivan
Tax Policy Analyst