OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION
DAWN CASH, DIRECTOR

PHONE (405) 521-3133
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April 22, 2009

Re: LR-09-047, Sales Tax Inquiry on various transactions

Dear

This is in response to your request as to the tax status of the of Inc. fundraising event at the What follows is verbatim your facts and questions and our response thereto.

"On February 28, 2009 we held a fundraising event at the We are not sure on what portion of our profits we need to pay sales tax on. Below are the details of how are (sic) monies were raised at the event

Question 1. We charged admission of $7 at the door.

Our Response: Taxable. Tax Commission Rule 71:65-19-6.

Question 2 We held a silent & live auction consisting all of items donated by units on post, local businesses or individuals.

Our Response: Taxable. Oklahoma levies a sales tax on sales of tangible personal property and certain enumerated services that are not otherwise exempt. See O. S. Title 68 Section 1354 (A) (1) and Commission Rule 710:65-1-4.

Question 3. We had casino style gaming that night with chips we sold at a rate of $1 US = $4 Chips.

Our Response: You may address this question to the Attorney General Office, 313 NE 21st Street, Oklahoma City, OK 73105 and phone number (405) 521-3921. Also, the Office of the Oklahoma Attorney General is responsible for registering charitable organizations for fundraising purposes.

Question 4. Individuals were able to purchase items in our with their winnings in chip form only. All the items in the were donated by local businesses, individuals and

Our Response: Taxable. The sale of tangible personal property, unless specifically exempted by the provisions of the Oklahoma sales tax code, is subject to the levy of sales tax. 68 O.S. §1354(A)(1). Gross receipts, gross proceeds, or sales price is the base upon which sales tax is calculated. The terms are synonymous and are defined as "the total amount of consideration . . . for which personal property or services are sold . . . whether received in money or otherwise. . . ."

Question 5. All proceeds from the event are deposited into our account and awarded as [illegible] every May. We spent less than $500 on the event.

Our Response: This transaction is unclear. Please provide additional information describing the above transaction. If you are charging an admission for a special event similar to the transaction in question 1, the charge for admission is taxable. However, providing scholarships and grants are not subject to sales tax.

This response applies only to the circumstances discussed in your request of March 10, 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