

Sales of electronic data processing services to others are exempt from sales tax. For purposes of this Chapter, "electronic data processing services" means the processing of another's data, including all processing such as key punching, keystroke verification, rearranging, or sorting of previously documented data for the purpose of data entry or automatic processing, and changing the medium on which data is sorted, and also the providing of access to computer equipment for the purpose of processing data or examining or acquiring data stored in or accessible to such computer equipment.

In accordance with OAC 710:65-19-86 the charges for the above described transactions are not subject to sales tax in Oklahoma except for any transactions which relate to the transfer of duplicate copies of data on tangible media. Furthermore, any tangible personal property used to provide the described services is subject to sales or use tax when purchased by the service provider. OAC 710:65-19-86(b).

This response applies only to the circumstances discussed in your request of November 26, 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

A handwritten signature in cursive script that reads "Christy J. Caesar".

Christy J. Caesar
Tax Policy Analyst