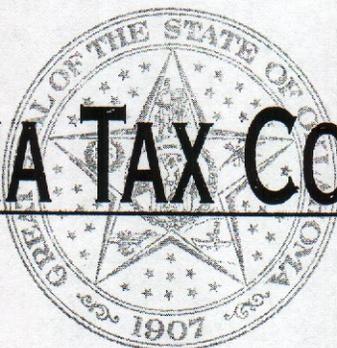


OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION
DAWN CASH, DIRECTOR

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



September 21, 2009

RE: Sales Tax Inquiry; Our File No. LR-09-112

Dear [REDACTED]

I am writing this letter in response to your request for confirmation that charges for a telephone-based time and attendance service are not subject to sales tax in Oklahoma. Set forth below are the facts presented along with the questions posed and the response thereto.

Facts

One of our companies is a technology company. One of our products is a telephone-based time and attendance service. We generate revenues for our telephone-based data collection service from our automated electronic system. The application is an automated collection service from our automated electronic system. The application is an automated system that incorporates telephone technologies into the data reporting process to monitor the arrival and departure times of off-site workers. The service is provided via the World Wide Web and the computer servers that support this application are not located in your state. A customer's off-site workers located in your state would log into the internet via a secured connection and would log in their hours. No product or service is delivered into your state.

Question

Are charges for the described service subject to sales tax in Oklahoma?

Response

The described telephone-based time and attendance service is not one of the enumerated transactions subjected to sales tax pursuant to Section 1354 of Title 68. Therefore, charges for this service are not subject to Oklahoma sales tax.

This response applies only to the circumstances discussed in your written request of May 28, 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

A handwritten signature in cursive script, appearing to read "Marc Morrison".

Marc Morrison
Tax Policy Analyst