OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION
DAWN CASH, DIRECTOR

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

October 12, 2009

Re: LR-09-114; Exempt status of meeting room rental and service charge/gratuity

Dear :

This is in response to your request for advice on whether your company, a new hotel owner in the state of Oklahoma, needs to collect and remit sales tax on certain hotel guest charges set forth as follows:

1. Meeting Room Rental Charges

Our Response: Oklahoma Administrative Code 710:65-19-143 states in subsection (a) "The furnishing of rooms, except meeting rooms, by a hotel, apartment hotel, cottage camp, or lodging house open to the public is subject to sales tax.

Therefore, meeting room rental charges are not subject to sales tax.

2. Meeting Room Service Charge/Gratuity

Our Response: Please see Oklahoma Administrative Code 710:65-19-111 and 710:65-19-112. However, if there is a specific transaction you want reviewed for a letter ruling, please describe the transaction fully and furnish documentation, including but not limited to, any applicable contract or agreement that fully explains the arrangement between your customers, etc.

This response applies only to the circumstances discussed in your request of June 5, 2009. Pursuant to Oklahoma Administrative Code 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
Tax Policy Analyst