OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION
DAWN CASH, DIRECTOR

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May 25, 2010

RE: LR-10-013; Sales Tax Inquiry

Dear

I am writing this response to your request regarding sales tax. Set forth verbatim are the facts presented along with the question posed and the response thereto.

Facts:

provides job search services to correctional facilities, state workforce centers, libraries, newspapers and colleges throughout the United States. These job search services are provided via job terminals which are installed and operated in public facilities by The terminals are not sold or leased by the public facilities. They are owned and operated by . The public facilities pay a monthly charge for the job search service provided via the terminals. The contracting public facility provides space for the terminal and electricity for its operation.

In the past 15 years, has provided this service to contracting public facilities, governmental agencies and corporations in 20 states. The job service has not been determined to be taxable in any of those states. files state tax returns in all of those states.

Question:

Are these services subject to Oklahoma Sales/Use Tax?

Response:

No, is not selling or renting the terminals nor is the sale of job search services one of the enumerated transactions subject to sales tax in Oklahoma. However, persons engaged in providing these services are considered consumer/users and should pay sales or use tax on materials, supplies and equipment purchased for use in their business. Oklahoma Administrative Code 710:65-1-7 & 710:65-19-309. (Copies enclosed).

This response applies only to the circumstances discussed in your written request of December 29, 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

Marc Morrison
Tax Policy Analyst