OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION

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

July 11, 2011

Re: LR-10-050; Sales Tax Inquiry

Dear

This is in response to your request for updated letter regarding the sales taxability of labor services performed in the installation and maintenance of telecommunications equipment.

Installation of telecom service (such as wiring or equipment) is not taxable as a telecommunications service but is taxable as a telecommunications nonrecurring charge which means "an amount billed for the installation, connection, charge or initiation of telecommunications services received by a customer." 68 O.S. § 1354(5). Certain telecommunications nonrecurring charges which include the installation, connection, charge or initiation of telecommunication services which are not associated with a retail consumer sale are exempted from the sales tax levy pursuant to 68 O.S. § 1357(18)(g).

This response applies only to the circumstances discussed in your request of April 1, 2010. Pursuant to Oklahoma Administrative Code 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