OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION
DAWN CASH, DIRECTOR

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May 24, 2010

RE: LR-10-057, Sales tax inquiry.

Dear :

I am writing this letter in response to request regarding the sales tax application of Oklahoma Administrative Code 710:65-15-1. Set forth verbatim are the facts presented along with the question posed and the response thereto.

FACTS

I manufacture trusses, I roll form steel coil to manufacture corrugated siding and I repackage lumber from bulk purchases to sell building kits. I have wholesale customers who either pick up the building kit here or have us deliver it to the job site. As I understand 710:65-15-1- property sold in , going to another state is not subject to Oklahoma sales tax provided the seller personally delivers the property outside of Oklahoma or the property is moved by mail or common carrier outside of Oklahoma.

QUESTION

The question involves the word personally. As it is, I own the trucks, pay the drivers, pay for the fuel and am personally responsible to the DOT, IFTA, and the OTC for all phases of the trucking arm of this business. In the same way I end up being personally responsible for sales taxes, income taxes, withholding taxes etc. I know where the property is going on company trucks or I can't make the delivery, simply don't know where to take it.

If (the seller) delivers out of Oklahoma on a marked truck does that qualify as personally delivered? Or does personally delivered mean I get in the truck and drive it to the out of State location?

RESPONSE

If sells tangible personal property inside the state of Oklahoma and delivers it to the purchaser outside the state of Oklahoma in one of its company trucks or via common carrier, the sale is not subject to Oklahoma Sales Tax. Additionally, attached is a copy of Oklahoma

Administrative Code 710:65-13-152.1 which relates to the sales tax exemption for manufactured goods purchased from an Oklahoma manufacturer which are immediately transported outside of the state of Oklahoma for exclusive use in another state.

This response applies only to the circumstances discussed in your written request of March 29, 2010. 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