OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION
DAWN CASH, DIRECTOR

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December 16, 2010

Re: LR-10-166; Sales Tax Inquiry

Dea

This is in response to your request regarding the Oklahoma resale exemption. Set forth are the facts presented in your inquiry of December 15, 2010 along with the questions posed and the responses thereto.

> Our client has a gas marketing company who is not permitted in OK; the company makes no sales into OK. However, the company is buying inventory in OK for immediate export and resale in other states.
>
> We are trying to determine the proper documentation for the client to make the purchase tax-free for resale. We were originally told by the OTC that the company could issue a Multi-Jurisdictional Sales and Use Tax Certificate and list the states where they hold permits.
>
> The client is permitted in LA and MS; neither of these states appears on the Multi-jurisdictional Certificate.

Question:

1. Can the client purchase the inventory tax free?

Yes, Oklahoma will accept a resale certificate from the home state of a buyer unless the buyer is a resident of Oklahoma required to hold an Oklahoma sales tax permit. Additionally, the buyer should provide written confirmation to the seller that it is in the business of reselling the items begin purchased and that the items being purchased are for resale. The certificate may be made

in the manner set forth in subdivision (1) of Oklahoma Administrative Code 710:65-13-200, copy attached.

Question:

2. What is the proper documentation to provide the vendor?

Please see response to Question 1.

This response applies only to the circumstances discussed in your request of December 15, 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

Mark Morrison

SIGNING FOR BRENDA SULLIVAN

Brenda J Sullivan
Tax Policy Analyst