OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION

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

April 18, 2011

Re: LR-11-015

Dear

This is in response to your request for a ruling regarding the sales tax treatment of sales of paper products. Set forth verbatim are the facts presented in your correspondence of January 7, 2011 along with our response thereto.

FACTS

provides janitorial services and sells paper products (paper towels, soap, etc. that is used at the companies location) to a company located Oklahoma. When speaking with a representative at Oklahoma Department of Revenue, she insured us that the paper products are taxable. The services and paper products are invoiced separately, I asked her if she would be able to provide us with documentation that states this and she referred us to the Tax Policy Department.

RESPONSE

The sale of tangible personal property, unless specifically exempted by the provisions of the Oklahoma sales tax code, is subject to the levy of sales tax. 68 O.S. §1354(A)(1). "Tangible personal property means personal property that can be seen, weighed, measured, felt, or touched or that is in any other manner perceptible to the senses…." 68 O.S. §1352(24). Paper products fall within the definition of tangible personal property for sales tax purposes. Additionally, there is no general sales tax exemption for the sale of paper products unless sold to an exempt entity. Since you did not indicate that your Oklahoma customer is sales tax exempt, should collect, report and remit sales tax on the separately itemized charges for paper products invoiced its Oklahoma customer(s).

This response applies only to the circumstances discussed in your request of January 7, 2011. 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

Brenda J. Sullivan
Tax Policy Analyst