OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION

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June 21, 2011

Re: Our File No. LR-11-035

Dear

This is in response to your request for guidance regarding the sales taxability of a specific medical device. Set forth verbatim are the facts presented along with the question posed and the response thereto.

FACTS

The client sells an This device specifically and directly corrects abnormal conditions of the human body by delivering high doses of radiation through laser beams to cancerous and non-cancerous tumors. The extreme accuracy of the device prevents damage to the tissues or cells around the tumor. It is a non-invasive way to treat tumors that otherwise would be inoperable or the operation would be extremely complex. Successful use of the machine allows the organ to return to normal operation.

QUESTION

Is the sale or lease of this device subject to sales tax? If it may be exempt, please provide the appropriate citation in the statute and/or regulations.

RESPONSE

Pursuant to Oklahoma Administrative Code 710:65-13-170(b), the sale or rental of medical equipment, supplies, or devices is taxable. Additionally, there is no general sales tax exemption for the sale of an Accuray Linear Accelerator unless sold to an exempt entity. Your client should collect, report and remit sales tax on the sale or lease of the

A copy of the referenced administrative code provision is enclosed.

This response applies only to the circumstances discussed in your request of February 9, 2011. 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

Brenda J. Sullivan
Tax Policy Analyst