# OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION

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June 21, 2011

Re: LR-11-065; Sales Tax Inquiry

Dear

This is in response to your inquiry regarding the sales tax treatment of real property rentals and the provision of Internet access. Set forth verbatim are the facts presented and the response thereto.

**FACTS**

an Oklahoma corporation, is currently constructing a building in , Oklahoma, to house some of our computer equipment. We are planning on leasing out some of the space in the building to other businesses who would want to locate their computer equipment in the building also. would provide them with electricity and internet service to the space for their equipment.

**RESPONSE**

The rental of real property is not one of the enumerated transactions subject to sales tax under Section 1354 of Title 68 of the Oklahoma Statutes. Likewise, the levy of sales tax does not apply to charges for access to the Internet. OAC 710:65-19-156.

This response applies only to the circumstances discussed in your request of June 8, 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

Brenda J. Sullivan
Tax Policy Analyst

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