OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION
DAWN CASH, DIRECTOR

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

July 16, 2012

Re: Our File No. LR-11-104

Dear

This is in response to your inquiry wherein you asked "are common areas (hallways, garages, clubhouses, etc.) in apartment complexes considered 'buildings appurtenant to the residence', exempting the use of gas and electricity in these areas from sales tax?"

A finding that hallways, garages, clubhouses, etc. in apartment complexes constitute buildings appurtenant to the resident is not determinative of whether the gas and electricity purchased for these areas is exempt from sales tax pursuant to Section 1357(8) of Title 68. Since natural gas and electricity for the common areas of an apartment complex is not sold for the exclusive use of the residents, the sale thereof is not exempt from sales tax. See Autumn House v. Oklahoma Tax Commission, 814 P.2d 1036 (Okl. 1991).

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

OKLAHOMA TAX COMMISSION

Brenda J. Sullivan

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Tax Policy Analyst