OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION

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April 25, 2012

Re: Our File No. LR-12-036

Dear

This is in response to your request of April 18, 2012 forwarded to Oklahoma Tax Commission. Set forth below are the questions posed in your correspondence along with our responses thereto.

Question

One of my agents, located in OK, said that she received a letter that informed her about the return of the OK tax amount customers paid for each transaction. According to the letter if her customers pay tax for money transfer, the money will be paid back to them at the end of the year. Could you please explain to me more about that?

Response

For tax year 2009 and subsequent tax years an Oklahoma income tax credit is allowed in the amount of all electronic funds transfers fees paid pursuant to the Drug Money Laundering and Wire Transmitter Act [63 O.S. § 2-503.lj] by any individual or entity. Attached is a copy of OAC 710:50-15-111 which outlines additional information regarding this credit.

Question

Do the customers get a tax deduction if they send money tc for a charity organization?

Response

Federal law governs which charitable donations qualify for an income tax deduction.

This response applies only to the circumstances discussed in your written request of April 18, 2012. 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

Christy J. Caesar

Christy J. Caesar
Tax Policy Analyst