

# OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION  
RICK MILLER, DIRECTOR

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December 3, 2012

RE: LR-12-051 (Sales Tax Inquiry)

Dear

This is in response to your request regarding Senate Bill 1465 passed by the second regular session, fifty-third Oklahoma Legislature. Set forth verbatim are the facts presented along with the questions posed and responses thereto.

Facts:

I was researching the Tax Commission's website for information on the new exemption for Qualified Aircraft Maintenance Facilities that takes effect in a couple of weeks, on July 1, 2012. I was unable to find any information on it.

The legislative change states: Effective July 1, 2012, the law establishes an exemption from sales tax for sales of machinery, tools, supplies, equipment and related tangible personal property or services used or consumed in the repair, remodeling or maintenance of aircraft, aircraft engines, or aircraft component parts, which occurs at a qualified aircraft maintenance facility.

I have a client that is a distributor of industrial, medical, and specialty gases, as well as welding equipment and related hardgoods. They sell goods to Qualified Aircraft Maintenance Facilities. I am writing today to get clarification on this new exemption.

Question 1

Can a qualified Aircraft Maintenance Facility purchase their machinery, tools, supplies, equipment and related tangible personal property from any distributor for this exemption?

Response to Question 1

Pursuant to the passage of SB 1465 [2012], effective July 1, 2012, a qualified aircraft maintenance facility may purchase from any distributor machinery, tools, supplies, equipment

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and related tangible personal property and services used or consumed in the repair, remodeling or maintenance of aircraft, aircraft engines, or aircraft component parts which occur at a qualified aircraft maintenance facility exempt from sales/use tax. 68 O.S. Supp. 2012 § 1356

Question 2

If so, what documentation would the Qualified Aircraft Maintenance Facilities need to provide to my client for this exemption to be valid? Do the Qualified Aircraft Maintenance Facilities have to be pre-certified by the Oklahoma Tax Commission?

Response to Question 2

Your client when making sales to an entity claiming the above-referenced exemption should obtain and retain in its records a copy of the exemption letter/card issued the qualified aircraft maintenance facility by the Oklahoma Tax Commission.

This response applies only to the circumstances discussed in your written request of June 12, 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

A handwritten signature in cursive script, appearing to read "Marc Morrison".

Marc Morrison  
Tax Policy Analyst