

# OKLAHOMA TAX COMMISSION



TAX POLICY DIVISION  
RICK MILLER, DIRECTOR

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

January 15, 2014

Re: LR-14-003

Dear

This is written in response to your request regarding whether certain ticket sales described below are subject to sales tax. Set forth below are the facts presented in your correspondence of January 9, 2014 and our response thereto.

One of the \_\_\_\_\_ organizations here at the \_\_\_\_\_ is sponsoring a fundraiser for the \_\_\_\_\_ Foundation by selling tickets to an auction also benefitting the \_\_\_\_\_ Foundation. The \$20 per person ticket allows the purchaser to attend the \_\_\_\_\_ Silent Auction to be held \_\_\_\_\_ at the \_\_\_\_\_ in \_\_\_\_\_, Oklahoma. The ticket price includes a \$10 \_\_\_\_\_ card at the \_\_\_\_\_ and free hors d'oeuvres. All proceeds are going to \_\_\_\_\_. Our question is would the ticket sales be taxable.

Unless specifically exempted by statute, sales tax is due on the gross receipts derived from sales of tickets for admission to or voluntary contributions made to places of amusement, sports, entertainment, exhibition, display or other recreational events or activities, and free or complimentary admissions which have a value equivalent to the charge that would have otherwise been made. 68 O.S. § 1354(13). "Sale" is defined to mean, "the transfer of either title or possession of tangible personal property for a valuable consideration regardless of the manner, method, instrumentality, or device by which the transfer is accomplished in this state. . . ." 68 O.S. § 1352(22). The term "sale" includes but is not limited to "the sale, gift, exchange, or other disposition of admission, dues, or fees to clubs, places of amusement, or recreational or athletic events or for the privilege of having access to or the use of amusement, recreational, athletic or entertainment facilities." 68 O.S. §1352(22)(c).

The sale of the subject tickets falls within the parameters of Section 1354(13) of Title 68. Additionally, no provision exists in the Oklahoma Sales Tax Code to exempt the described transactions. Further, since the ticket charge is required for admission and is not a totally voluntary contribution it does not constitute a donation for which sales tax is not imposed. OAC 710:65-19-75, copy attached. Based on the foregoing, sales tax is due on the sale of the Silent Auction admission tickets.

This response applies only to the circumstances discussed in aforementioned request of January 9, 2014. 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 that reads "Christy J. Caesar". The signature is written in dark ink and is positioned above the printed name and title.

Christy J. Caesar  
Tax Policy Analyst