OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION
RICK MILLER, DIRECTOR

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July 14, 2015

Re: File Number LR-14-065

Dear

This is in response to your request for a review and clarification on the issue of sales tax that was charged on your recent printed newsletters by Set forth are the facts presented along and the response thereto.

FACTS

Our newsletters are mailed to each of our paid Members on a monthly basis. They are included in the total price of the membership, which is taxed. They are not a separate "free" or "not for resale" item. It is our understanding then, that these newsletters would qualify for tax exempt status as they are included in a package price for the membership.

RESPONSE

68 O.S. 1354 provides as follows:

A. There is hereby levied upon all sales, not otherwise exempted in the Oklahoma Sales Tax Code, an excise tax of four and one-half percent (4.5%) of the gross receipts or gross proceeds of each sale of the following:

1. Tangible personal property, except newspapers and periodicals;

* * *

6. Printing or printed matter of all types, kinds, or character. . .any service of printing or overprinting, including the copying of information by mimeograph, multigraph, or by otherwise duplicating written or printed matter in any manner . . . .

Because the newsletter is included in the package price of the membership and sales tax is collected on the membership charge, Club may purchase the printed newsletters exempt from sales tax for resale to its customers pursuant to its Oklahoma sales tax permit. 68 O.S. § 1357(3).

This response applies only to the circumstances discussed in your request received June 20, 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

Brenda J. Sullivan

Brenda J. Sullivan
Tax Policy Analyst