

# OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION  
TONY MASTIN, DIRECTOR

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February 20, 2003

Re: Our File Number LR-03-033; Taxability of health card sign  
up and monthly fees

This is in response to your request for a ruling regarding the sales tax treatment of health card sign up and monthly fee program.

It is my understanding, based on the information in your correspondence titled that this card offers savings on health care services such as practitioner visits and prescriptions, and no transfer of tangible personal property or services is involved with the purchase of the card. The "health card" described therein entitles the purchaser to obtain discounts of goods and services at nationwide participating network providers and facilities.

The facts and the transaction described relate to Commission Rule 710:65-19-59, subsection (c) and is not subject to sales tax in Oklahoma. A copy of this rule is enclosed.

This response applies only to the circumstances set out in your request of January 29, 2003. Pursuant to Commission Rule 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 that there has been no change in applicable law. If I can be of further assistance, please feel free to contact me.

Sincerely,



Brenda J. Sullivan  
Tax Policy Analyst

Enclosure

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IT IS OUR MISSION TO SERVE THE PEOPLE OF OKLAHOMA BY PROMOTING TAX COMPLIANCE THROUGH QUALITY SERVICE AND FAIR ADMINISTRATION