

May 10, 2007

Re: LR-07-052 – Sales Tax Inquiry

Dear

Receipt is acknowledged of your inquiry to Mike Nicholas of the Taxpayer Assistance Division of the Oklahoma Tax Commission, wherein you requested a ruling on whether the city is required to pay sales tax on the following:

1. Swimming Pool: Pool Rental, Gate Fees, Season Passes, Concession
Our response: Pursuant to Title 68 Oklahoma Statutes Section 1356 (23) “dues or fees, including free or complimentary dues or fees, which have a value equivalent to the charge that could have otherwise been made, to ... municipally-owned recreation centers for the use of facilities and programs,” are specifically exempted from sales tax. Examples of such exempt sales would include pool rental fees, gate fees and season passes. Pursuant to Title 68 O.S., Section 1354, however, concession sales are subject to sales tax. See, also, Commission Rules 710:65-19-6 and 710:65-19-77.

2. Renting of the Senior Center, the Community Center, and the Pavilions (at the park).

Our response: Same as answer to 1 above.

Copies of Commission rules and statutes cited herein are attached. Statutes referenced herein may also be viewed at the following website by entering the appropriate section number as the search term:

www.oscn.net/applications/oscn/search.asp?simple=true

The rules referenced herein may be viewed at the following website by entering the rule number as the search term:

www.oar.state.ok.us/oar/codedoc02.nsf/

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.

Sincerely,
OKLAHOMA TAX COMMISSION

Evelyn B. Phyffer
Tax Policy Analyst
Attachments (4)

Cc: Mike Nicholas, Taxpayer Assistance Division