

710:65-7-6. Vendors' relief from liability and duty to collect sales tax

(a) **Presumption of taxability.** All sales are presumed to be subject to sales tax unless specifically exempted by the Sales Tax Code. Vendors are liable for the sales tax collected as well as for tax that should have been collected.

(b) **When vendor may be relieved of liability.** A vendor shall be relieved of any liability for the tax and of the duty to collect imposed by Section 1361 of Title 68 of the Oklahoma Statutes if the vendor, in good faith, timely accepts from a consumer, properly completed documentation certified by the Oklahoma Tax Commission that such consumer is exempt from the taxes levied by the Oklahoma Sales Tax Code.

(c) **General requirements.** Three requirements must be met before the vendor is relieved of liability.

(1) **Vendor good faith.** Good faith requires that the vendor strictly comply with statutory requirements.

(2) **Timely acceptance from a consumer.** Timely acceptance from a consumer requires that documentation be in the possession of the vendor at the time the exempt transaction occurs. In the case of continued sales to the same purchaser, the vendor must have, on file, a sales tax permit, card, or exemption letter for each renewal interval. If no renewal interval is provided by statute, the renewal period will be deemed three (3) years, except in the case of entities with specific statutory exemptions who have established eligibility as set out in 710:65-7-15.

(3) **Properly completed documentation certified by the Oklahoma Tax Commission.** Examples of properly completed documentation certified by the Oklahoma Tax Commission are described in 710:65-7-8 through 710:65-7-15.

(d) **Specific applications.** The items of information described in 710:65-7-8 through 710:65-7-15 shall constitute minimum requirements to establish "**properly completed documentation certified by the Tax Commission**" for each respective category of purchasers.

[Source: Added at 9 Ok Reg 3033, eff 7-13-92; Amended at 14 Ok Reg 2711, eff 6-26-97; Amended at 15 Ok Reg 2827, eff 6-25-98; Amended at 16 Ok Reg 2653, eff 6-25-99; Amended at 17 Ok Reg 2677, eff 6-25-00; Amended at 18 Ok Reg 2823, eff 6-25-01; Amended at 19 Ok Reg 1859, eff 6-13-02]

710:65-7-8. Vendors' responsibility - sales for resale

In the case of sales for resale, items set out in this Section are required to establish **properly completed documentation**:

(1) A **copy** of the purchaser's sales tax permit, **or if unavailable**, the purchaser's name, address, sales tax permit number, and its date of expiration. If a copy of the sales tax permit is unavailable, and if the information provided has not been previously verified, it must be verified by either calling the Taxpayer Assistance Division or by reference to the sales tax permit list obtained pursuant to *OAC* 710:65-9-6;

(2) A statement that the articles purchased are purchased for resale;

(3) The signature of the purchaser or a person authorized to legally bind the purchaser;

(4) Certification on the face of the invoice, bill or sales slip or by a separate document, that says the purchaser is engaged in reselling the articles purchased; and,

(5) In cases where purchases are made on regular basis, and the certification indicates that all purchases are for resale, then subsequent purchases may be made without further certification until the expiration date of the permit.

[Source: Added at 18 Ok Reg 2823, eff 6-25-01]

710:65-13-200. Exemption on sales for resale

The gross proceeds derived from sales of goods, wares, merchandise, and telecommunications services by vendors, for resale, to persons having a valid sales tax permit who are regularly engaged in reselling the articles or services purchased are exempt from sales tax. If the purchaser is an Oklahoma resident, he must provide the vendor with his Oklahoma sales tax permit number if the sale is made in Oklahoma. In addition to furnishing his sales tax permit number to the vendor, the purchaser must certify in writing to the vendor that said purchaser is engaged in the business of reselling the articles purchased. Failure to so certify, or to falsely certify, with the knowledge that the items purchased are not for resale, shall be sufficient grounds upon which the Commission may cause the purchaser's sales tax permit to be canceled. The seller will be held liable for sales tax due on any sales where an exemption certificate is found to be invalid, for whatever reason. [See: 68 O.S. § 1365(D)]

(1) The required certification may be made on the bill, invoice or sales slip retained by the vendor or by furnishing a certification letter to the seller. The Multi-State Tax Commission Certificate, an Oklahoma Exemption Certificate, BT107, or a reasonable facsimile may be used.

(2) The vendor should obtain the information set out in 710:65-7-6 and 710:65-7-8.

[Source: Amended at 11 Ok Reg 3521, eff 6-26-94; Amended at 13 Ok Reg 3139, eff 7-11-96; Amended at 15 Ok Reg 2827, eff 6-25-98; Amended at 18 Ok Reg 2823, eff 6-25-01]