HILCO INDUSTRIAL, LLC
OKLAHOMA SALES TAX SUMMARY
SNC Lavalin

Locations and Tax Rates:
- 880 West Tenkiller Rd, Catoosa, OK 74015 Rate: 9.583%
- 3529 W 151st Street South, Kiefer, OK 74041 Rate: 9.5%

Asset Type: 3D CNC Pipe Profiler, CNC Plasma Pipe Cutter, (150) Welders, (70) Sets of Turning Rolls, Manipulators, Positioners, Metal Fab, Support Equipment, Material Handling & Inventory

The applicable sales tax rate is 9.583%

Sales to contractors are taxable:
The sales tax is imposed on the gross receipts or gross proceeds from the sale of any taxable services and tangible personal property (materials, supplies, and equipment) sold to contractors for the purposes of developing and improving real estate. [Okla. Stat. 68 §1354(A)(21) ; Okla. Admin. Code 710:65-19-56(b).]

Sales at this auction are taxable unless qualified for the exemptions discussed below:

Machinery and Equipment Exemption:
There is an exemption for sales of goods, wares, merchandise, property, machinery, and equipment to a manufacturer for use in a "manufacturing operation" . ( 68 O.S. Sec. 1359(1) ). The term "manufacturing operation" means the designing, manufacturing, compounding, processing, assembling, warehousing, or preparing of articles for sale as tangible personal property, but does not include administration, sales, distribution, transportation, site construction, or site maintenance. ( 68 O.S. Sec. 1352(15) ; Rule 710:65-13-150.1(a)(5) ) A manufacturing operation begins at the point where the materials enter the manufacturing site and ends at the point where a finished product leaves the site. The manufacturing exemption applies to purchase for use at a fixed Oklahoma manufacturing site. The term "manufacturing site" means a location where a manufacturing operation is conducted, including a location consisting of one or more buildings or structures in an area owned, leased, or controlled by a manufacturer. ( 68 O.S. Sec. 1352(16) ; Rule 710:65-13-150.1(a)(6))

Buyers claiming the manufacturing exemption must provide a manufacturer's exemption permit (known as the "Sales/Manufacturer's Permit") issued by the Oklahoma Tax Commission. ( 68 O.S. Sec. 1359.2(B) ) An application is made by the buyer/manufacturer with the Tax Commission. Once issued, a permit is valid for three years. ( Rule 710:65-7-6 ). If the permit is unavailable, the name, address, and Sales/Manufacturer's Permit number of the purchaser or, a statement that contains the information that would appear on the Sales/Manufacturer's Permit ; if a copy of the Sales/Manufacturer's Permit is unavailable and 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 [Okla. Admin. Code 710:65-7-9.] No other form of manufacturing exemption certificate will be accepted.

Resale:
Sales for resale are exempt when made to retailers. However, if the sale is made to an Oklahoma resident, it must be made to a person with a sales tax permit for the exemption to apply. ( 68 O.S. Sec. 1357(3) ; see also Rule 710:65-19-369 )

Motor Vehicles:
Sales and use tax does not apply to sales of motor vehicles (or of any optional equipment or accessories attached to motor vehicles) on which the motor vehicle excise tax has been, or will be, paid. ( 68 O.S. Sec. 1355(2) ) Sales tax does not apply to the sale of motor vehicles that are subject to the Oklahoma Vessel and Motor Registration Act. (Rule 710:65-13-30) Sales of motor vehicles to be registered out of state are also not taxable.

Sales for export - With respect to sales made within Oklahoma for export outside the United States, vendors must retain the export bill of lading or other documentation issued by the vendor or purchaser. This documentation must show that the point of delivery is for use and consumption outside the United States, and that the goods will not be used within the United States. ( Rule 710:65-7-8.1 )
Tangible goods and products can be purchased under a resale exemption if, simultaneously with the sale, the vendor issues an export bill of lading indicating that the delivery will be to a foreign country, or if the vendor is not in the business of shipping goods and products, the purchaser issues an export bill of lading or other documentation indicating that the point of delivery is for use and consumption outside the United States and that the goods will not be used within the United States. (68 O.S. Sec. 1352(23)(c) ; Rule 710:65-13-90) If the documentation is not provided, the sale is taxable at the location where title and/or possession passes to the purchaser. (Rule 710:65-13-90(c))

**Forms:**
A reseller is required to provide the vendor with a copy of its sales tax permit (or, if available, its permit number and expiration date), a direct payment permit number, or a copy of the direct payment permit. (68 O.S. Sec. 1365(G)) In addition to furnishing the sales tax number, a purchaser claiming a resale exemption must certify in writing to the seller that the purchaser is engaged in the business of reselling the articles purchased. The Multi-State Tax Commission Certificate, an Oklahoma Exemption Certificate, or a reasonable facsimile can be used. (Rule 710:65-13-200(1))

Hilco Industrial may refuse to accept a claimed resale exemption if in its judgment the buyer has failed to meet the standard of proof required to claim such exemption. Hilco Industrial will confirm the validity of the sales tax permit or out-of-state registration number with the issuing state and will not accept the resale certificate until the number has been confirmed. The Multi-State Certificate is for resale only and is available at:
Multi-jurisdiction Exemption Certificate – see footnote 21 for specific rules that apply