



Oklahoma Tax Commission 710:65-13-191.

Definition of Radio and Television Broadcasting For Purposes of Sales Tax Exemption.

(a) Definition. By virtue of the judgment entered by the Supreme Court of Oklahoma in the case of Oklahoma Association of Broadcasters v. Oklahoma Tax Commission, No. 61 O.B.A.J.850 (Apr. 7, 1990), television and radio broadcasters are provided an exemption from the payment of sales tax on machinery and equipment that is used directly in the manufacturing process; that is necessary for the proper production of a broadcast signal; or that the failure to operate of which would cause broadcasting to cease. For purposes of this Section, "proper production" shall include, but not be limited to, machinery and equipment required by FCC rules and regulations. This exemption begins with either the equipment used in producing the live programming or the electronic equipment directly behind the satellite receiving dish (antenna) and ends with transmission of the broadcast signal from the end of the broadcast antenna system.

(b) Examples. The following list, although not all inclusive, contains examples of items which qualify for exemption hereunder:

1. Tapes, recordings and film
2. Tape editing equipment
3. Film processing, editing and preview equipment
4. Film cameras and projectors
5. TV cameras and associated equipment
6. Microphones
7. Turntables and playback equipment
8. Broadcast tape recorder systems, compact discs, audio cartridge decks, R-dated
9. Audio tape recorders, edit controllers, mixers
10. Routing/switching equipment
11. Automated assembly system
12. Audio and video cartridge machines
13. Monitor and switching equipment
14. Computer and weather graphic equipment
15. Studio consoles and production interconnecting amplifiers
16. Teleprompters
17. Character generators, animation devices and frame synchronizers
18. Digital audio and video effect equipment (paint box)
19. Optical laser (video) equipment
20. Electronic film production equipment.
21. Processing amplifiers

22. EQ amplifiers
23. Telephone lines/service between remote broadcast and permanent studio and/or for broadcast.
24. Main and auxiliary transmitters
25. Transmitter cooling system, control console and power switching equipment
26. Transmitter automation and emergency equipment
27. Transmitter remote control equipment
28. Antennas and supporting towers
29. Satellite receiving and sending equipment, excluding satellite dishes
30. Radio ground systems
31. Tower guy lines
32. Transmission lines and line pressurizing equipment
33. Modulation, frequency and phase monitors
34. Radio limiting amplifiers
35. Bridging and distribution amplifiers
36. Phase correcting equipment
37. Visual and aural monitoring equipment
38. Stereo generators and monitoring equipment in transmission area.
39. Production lighting systems
40. Studio lighting boards and fixtures
41. Racks and cabinets to house exempt equipment
42. Two-way radio used for broadcast
43. Mobile and cellular telephones used for broadcast
44. Exempt production equipment contained in vehicles
45. Replacement parts for exempt equipment

(c) Predominant use test. In cases where an item has multiple uses, the taxability or exemption will be determined by the item's predominant use.

#####