

1 SB309
2 136719-1
3 By Senator Dial
4 RFD: Finance and Taxation General Fund
5 First Read: 14-FEB-12

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8 SYNOPSIS: Under existing law, the sale of prescription
9 drugs is exempt from state sales taxes.

10 This bill would specify that the sale of
11 insulin, insulin syringes, and related items to
12 treat diabetes purchased pursuant to a valid
13 prescription would be exempt from any state,
14 county, and municipal sales and use taxes. The bill
15 would apply retroactively to open tax periods.

16
17 A BILL

18 TO BE ENTITLED

19 AN ACT

20
21 To specify that the sale of insulin, insulin
22 syringes, and related items to treat diabetes purchased
23 pursuant to a valid prescription would be exempt from any
24 state, county, and municipal sales and use taxes; and to
25 provide for retroactive applications under certain conditions.

26 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1 Section 1. In addition to any other exemptions
2 provided by law, any items used for the treatment of diabetes
3 purchased by or on behalf of an individual pursuant to a valid
4 prescription shall be exempt from state, county, and municipal
5 sales and use taxes, including, but not limited, to any of the
6 following: Insulin and insulin syringes, and any equipment,
7 supplies, devices, chemical reagents, and any related items
8 that may be used by a diabetic to treat diabetes or to test or
9 monitor blood or urine.

10 Section 2. This act shall apply retroactively to all
11 open tax periods and all periods for which a preliminary or
12 final assessment of tax could be entered pursuant to Section
13 40-2A-7, Code of Alabama 1975, or any successor general or
14 local law. No refunds shall be due or issued pursuant to this
15 act with respect to those periods prior to the effective date
16 of this act.

17 Section 3. The provisions of this act are
18 supplemental and shall not be construed to repeal any law not
19 in direct conflict with this act.

20 Section 4. This act shall become effective on the
21 first day of the third month following its passage and
22 approval by the Governor, or its otherwise becoming law.