

1 HB280
2 157913-7
3 By Representative Johnson (R)
4 RFD: Ways and Means Education
5 First Read: 16-JAN-14

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ENROLLED, An Act,

To amend Section 40-9-30, Code of Alabama 1975, to provide that durable medical equipment, prosthetics and orthotics devices, and medical supplies as defined under the Medicare program that are sold, rented, or leased pursuant to a valid prescription and covered by and billed to Medicare, Medicaid, or a health benefit plan would be exempt from all state, county, and municipal sales, use and rental taxes and to repeal Section 40-9-39.1, Code of Alabama 1975.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 40-9-30, Code of Alabama 1975, is hereby amended to read as follows:

"§40-9-30.

"(a) As used in this section, the term "durable medical equipment" means equipment which can stand repeated use, is used to serve a purpose for medical reasons, and is appropriate and suitable for use in the home.

"(b) Oxygen or durable medical equipment dispensed under orders from a duly licensed physician by a participating provider to a recipient of benefits under the Medicare program shall be exempt from state and local sales and use taxes.

"(c) A ~~participating~~ provider who rents or leases oxygen or durable medical equipment to a recipient of benefits under the Medicare or Medicaid program under orders from a

1 duly licensed physician shall be exempt from all state and
2 local rental and leasing taxes.

3 "(d) In addition to any other exemptions provided in
4 subsection (b) or (c), any items used for the treatment of
5 illness or injury or to replace all or part of a limb or
6 internal body part purchased by or on behalf of an individual
7 pursuant to a valid prescription and covered by and billed to
8 Medicare, Medicaid, or a health benefit plan shall be exempt
9 from state, county, and municipal sales, use and rental and
10 leasing taxes, including, but not limited to, any of the
11 following: Durable medical equipment, including repair parts
12 and the disposable or single patient use supplies required for
13 the use of the equipment; medical oxygen and related equipment
14 and supplies; prosthetic and orthotic devices; and medical
15 supplies, as defined and covered under the Medicare program,
16 including, but not limited to, items such as catheters,
17 catheter supplies, ostomy bags and supplies related to ostomy
18 care, specialized wound care products, and similar items that
19 are covered by and billed to Medicare, Medicaid, or a health
20 benefit plan."

21 Section 2. Section 1 of Act 2013-443 of the 2013
22 Regular Session, now appearing as Section 40-9-39.1, Code of
23 Alabama 1975, is repealed.

24 Section 3. All laws or parts of laws which conflict
25 with this act are repealed.

1 Section 4. This act shall become effective on August
2 1, 2014, following its passage and approval by the Governor,
3 or its otherwise becoming law.

