

1 HB280
2 156365-1
3 By Representative Johnson (R)
4 RFD: Ways and Means Education
5 First Read: 16-JAN-14

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8 SYNOPSIS: This bill would provide that durable medical
9 equipment and medical supplies paid for by
10 Medicare, Medicaid, or a health benefit plan
11 pursuant to a prescription of a physician would be
12 exempt from all taxes normally paid by the
13 purchaser or lessor of the property.

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15 A BILL
16 TO BE ENTITLED
17 AN ACT
18

19 To provide that durable medical equipment and
20 medical supplies paid for by Medicare, Medicaid, or a health
21 benefit plan pursuant to a prescription of a physician would
22 be exempt from all taxes normally paid by the purchaser or
23 lessor of the property.

24 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

25 Section 1. Notwithstanding any other provision of
26 law, when any provider sells, delivers, rents, leases, or
27 otherwise provides or any person purchases, receives, or uses

1 any durable medical equipment or medical supplies that is paid
2 for by Medicare, Medicaid, or a health benefit plan pursuant
3 to the prescription of a physician, the sale, rental, lease,
4 or use of the durable medical equipment or medical supplies
5 shall not be subject to sales or use tax or lease or rental
6 tax. Notwithstanding the foregoing, when a provider requires a
7 person to pay a co-payment on an item covered in part by a
8 health benefit plan, tax may be paid on the co-payment amount
9 paid by the person who purchases, receives, or uses the
10 property.

11 Section 2. This act is supplemental and shall not
12 repeal any other law not in direct conflict with this act.

13 Section 3. This act shall become effective on the
14 first day of the third month following its passage and
15 approval by the Governor, or its otherwise becoming law.