- 1 HB280
- 2 157913-6
- 3 By Representative Johnson (R)
- 4 RFD: Ways and Means Education
- 5 First Read: 16-JAN-14

1	<u>ENGROSSED</u>
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4	A BILL
5	TO BE ENTITLED
6	AN ACT
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8	To amend Section 40-9-30, Code of Alabama 1975, to
9	provide that durable medical equipment, prosthetics and
10	orthotics devices, and medical supplies as defined under the
11	Medicare program that are sold, rented, or leased pursuant to
12	a valid prescription and covered by and billed to Medicare,
13	Medicaid, or a health benefit plan would be exempt from all
14	state, county, and municipal sales, use and rental taxes and
15	to repeal Section 40-9-39.1, Code of Alabama 1975.
16	BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
17	Section 1. Section 40-9-30, Code of Alabama 1975, is
18	hereby amended to read as follows:
19	"§40-9-30.
20	"(a) As used in this section, the term "durable
21	medical equipment" means equipment which can stand repeated
22	use, is used to serve a purpose for medical reasons, and is
23	appropriate and suitable for use in the home.
24	"(b) Oxygen or durable medical equipment dispensed
25	under orders from a duly licensed physician by a participating
26	provider to a recipient of benefits under the Medicare program
27	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

duly licensed physician shall be exempt from all state and

local rental and leasing taxes.

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

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

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

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

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3	House of Representatives
4 5 6 7 8	Read for the first time and re- ferred to the House of Representa- tives committee on Ways and Means Education
9 10 11	Read for the second time and placed on the calendar with 1 substitute and 26-FEB-14
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13 14	Read for the third time and passed as amended
15	Yeas 86, Nays 0, Abstains 0
16 17 18 19	Jeff Woodard Clerk