

**NOTE: This bill has been prepared for the signature of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.**

# An Act

SENATE BILL 11-263

BY SENATOR(S) Tochtrop, Brophy, Jahn, Aguilar, Boyd, Grantham, Guzman, King K., Lambert, Morse, Newell, Williams S.;  
also REPRESENTATIVE(S) Becker, Barker, Conti, Gardner B., Holbert, Kerr J., Liston, Summers, Todd, Tyler, Waller.

CONCERNING CLARIFICATION OF THE STATE SALES TAX EXEMPTION FOR  
SALES OF MEDICAL PRODUCTS.

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** 39-26-717 (1) (a) and (1) (b), Colorado Revised Statutes, are amended, and the said 39-26-717 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

**39-26-717. Drugs and medical and therapeutic devices - definition.** (1) The following shall be exempt from taxation under the provisions of part 1 of this article:

(a) All sales of PRESCRIPTION drugs dispensed in accordance with a prescription BY A LICENSED PROVIDER OR FURNISHED BY A LICENSED PROVIDER AS PART OF PROFESSIONAL SERVICES PROVIDED TO A PATIENT OR CLIENT, all sales of insulin in all its forms dispensed pursuant to the direction of a licensed ~~physician~~ PROVIDER, all sales of glucose useable for

---

*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

treatment of insulin reactions, all sales of urine- and blood-testing kits and materials, all sales of insulin measuring and injecting devices, including hypodermic syringes and needles, all sales of prosthetic devices, all sales of wheelchairs and hospital beds, all sales of NONPRESCRIPTION drugs or materials when furnished by a ~~doctor~~ LICENSED PROVIDER as part of professional services provided to a patient, and all sales of corrective eyeglasses, contact lenses, or hearing aids;

(b) When sold in accordance with a written recommendation from a licensed ~~doctor~~ PROVIDER, all sales of therapeutic devices, appliances, or related accessories, with a retail value of more than one hundred dollars, that are sold to correct or treat a human physical disability or surgically created abnormality; and

(3) FOR PURPOSES OF THIS SECTION, "LICENSED PROVIDER" MEANS ANY PERSON AUTHORIZED TO PRESCRIBE DRUGS UNDER THE PROVISIONS OF TITLE 12, C.R.S.

**SECTION 2. No appropriation.** The general assembly has determined that this act can be implemented within existing appropriations, and therefore no separate appropriation of state moneys is necessary to carry out the purposes of this act.

**SECTION 3. Effective date - applicability.** This act shall take effect July 1, 2011, and shall apply to sales occurring on or after said date.

**SECTION 4. Safety clause.** The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

---

Brandon C. Shaffer  
PRESIDENT OF  
THE SENATE

---

Frank McNulty  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

---

Cindi L. Markwell  
SECRETARY OF  
THE SENATE

---

Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

APPROVED \_\_\_\_\_

---

John W. Hickenlooper  
GOVERNOR OF THE STATE OF COLORADO