

An Act

ENROLLED HOUSE
BILL NO. 1262

By: Hilbert, Humphrey, Tadlock
and Roe of the House

and

Leewright and Scott of the
Senate

An Act relating to revenue and taxation; amending 68 O.S. 2011, Section 1357.6, which relates to sales tax exemptions for certain medical items; modifying provisions related to exempt transactions; providing for exempt treatment of prosthetic devices, durable medical equipment and mobility-enhancing equipment; modifying definitions; providing an effective date; and declaring an emergency.

SUBJECT: Sales tax

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 68 O.S. 2011, Section 1357.6, is amended to read as follows:

Section 1357.6 A. Effective July 1, 1992, there are hereby exempted from the tax levied by Section ~~1351~~ 1350 et seq. of this title sales of drugs for the treatment of human beings, medical appliances, medical devices and other medical equipment including but not limited to corrective eyeglasses, contact lenses, and hearing aids, ~~prosthetic devices, as defined in subsection C of this section, durable medical equipment, as defined in subsection D of this section, and mobility enhancing equipment, as defined in subsection E of this section,~~ when administered ~~or~~ or distributed or prescribed by a practitioner, as defined in subsection ~~B~~ C of this section, who is authorized by law to administer ~~or~~ or distribute or prescribe such items or when purchased or leased by or on behalf of

an individual for use by such individual under a prescription or work order of a practitioner who is authorized by law to prescribe such items and when the cost of such items will be reimbursed under the Medicare or Medicaid Program.

B. There are hereby exempted from the tax levied by Section 1350 et seq. of this title sales of the following medical equipment when administered, distributed or prescribed by a practitioner, as defined in subsection C of this section, who is authorized by law to administer, distribute or prescribe such items:

1. Prosthetic devices as defined in subsection D of this section;

2. Durable medical equipment as defined in subsection E of this section; and

3. Mobility-enhancing equipment as defined in subsection F of this section.

C. The term "practitioner" means a physician, allopathic physician, osteopathic physician, surgeon, podiatrist, chiropractor, optometrist, pharmacist, psychologist, ophthalmologist, nurse practitioner, clinical nurse specialist, audiologist or hearing aid dealer or fitter who is licensed by the state as required by law.

~~C.~~ D. The term "prosthetic device" means a replacement, corrective or supportive device, including repair and replacement parts for same, worn on or in the body to:

1. Artificially replace a missing portion of the body;
2. Prevent or correct physical deformity or malfunction; or
3. Support a weak or deformed portion of the body.

Provided, the term shall not include corrective eyeglasses, contact lenses or hearing aids.

~~D.~~ E. The term "durable medical equipment" means equipment, including repair and replacement parts for same, which:

1. Is used in the home;
2. Can withstand repeated use;

~~2.~~ 3. Is primarily and customarily used to serve a medical purpose;

~~3.~~ 4. Generally is not useful to a person in the absence of illness or injury; and

~~4.~~ 5. Is not worn in or on the body.

The term "durable medical equipment" shall not include "mobility_enhancing equipment" as defined in subsection ~~E~~ F of this section.

~~E.~~ F. The term "mobility_enhancing equipment" means equipment, including repair and replacement parts for same, which:

1. Is primarily and customarily used to provide or increase the ability to move from one place to another and which is appropriate for use either in a home or a motor vehicle;

2. Is not generally used by persons with normal mobility; and

3. Does not include any motor vehicle or equipment on a motor vehicle normally provided by a motor vehicle manufacturer.

The term "mobility_enhancing equipment" shall not include "durable medical equipment" as defined in subsection ~~D~~ E of this section.

SECTION 2. This act shall become effective July 1, 2019.

SECTION 3. It being immediately necessary for the preservation of the public peace, health or safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 20th day of May, 2019.

Presiding Officer of the House
of Representatives

Passed the Senate the 22nd day of May, 2019.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____