



MISSISSIPPI DEPARTMENT OF REVENUE

Sales and Use Tax Bureau

Notice 72-13-004

June 24, 2013

NOTICE TO TAXPAYERS CONCERNING DURABLE MEDICAL EQUIPMENT AND HOME MEDICAL SUPPLIES

Effective July 1, 2013, Senate Bill 2244 of the 2013 Regular Session amends Miss. Code Ann. Section 27-65-111 to provide an exemption from sales tax on certain sales of durable medical equipment (DME) and home medical supplies (HMS). This exemption applies when DME and HMS are **ordered in writing or prescribed by a licensed physician for the medical purposes of a patient** and where any part of the payment is made as part of a covered benefit by an insurance policy, contract or plan. Sales of DME and HMS that are paid in full by the patient do not qualify for this exemption even if the patient is reimbursed at a later date from an insurance policy, contract or plan. Proper documentation must be retained in order to substantiate the exemption. DME is defined as equipment that:

- Can withstand repeated use;
- Can be used or operated by a person without specialized training;
- Is primarily and customarily used to serve a medical purpose;
- Generally is not useful to a person in the absence of illness or injury; and
- Is not worn in or on the body.

Repair and replacement parts for qualifying DME are also eligible for this exemption.

HMS are defined as supplies that:

- Can be used or operated by a person without specialized training;
- Primarily and customarily used to serve a medical purpose; and
- Generally not useful to a person in the absence of illness or injury.

Mobility enhancing equipment qualifies for the exemption. Mobility enhancing equipment is defined as equipment that:

- 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;
- Is not generally used by persons with normal mobility; and
- Does not include any motor vehicle or equipment on a motor vehicle normally provided by a motor vehicle manufacturer.

Items that may qualify for this exemption consist of, but are not limited to, the following:

- Catheters
- Lift Chairs
- Respiratory Assist devices
- Nebulizers
- Hospital Beds
- Steering Wheel Controls
- Automobile Swivel Cushions
- Wheelchairs
- Wheelchair lifts
- Crutches
- Bed Side Rails
- Bed Pans
- Dialysis Equipment
- Blood Glucose Monitors and other Diabetic equipment
- Diabetic Supplies
- Home oxygen equipment
- Sterile pads

Items that do not qualify for this exemption include the following:

- An item used for athletic, exercise or recreational activities as opposed to assisting in daily living.
- An item designed for outdoor use.
- A backup device for another residence or for traveling.
- An item intended for environmental control or home modification such as electronic door openers, ramps, elevators, air cleaners, etc.
- An item used for personal comfort, hygiene, or cosmetic purposes.
- Drugs and medicines.

This exemption applies to sales of DME and HMS beginning July 1, 2013 and does not apply to sales prior to July 1, 2013 even though the customer may be billed for sales prior to or after July 1, 2013.

Please contact the Sales and Use Tax Bureau should you need additional information.