

Veterinary Clinics

This fact sheet is designed to explain how sales and use tax applies to sales and purchases made by veterinary clinics.

Veterinary Services

Veterinary services including but not limited to treatment and boarding of animals are not subject to Mississippi sales tax. Veterinary clinics are usually considered the consumer of medicines, medical supplies, medical equipment and any other purchases made for the use of the clinic or to be resold to customers of the clinic and Mississippi sales or use tax is due on these purchases made by the clinic.

Exempt Sales and Purchases

Veterinarians may purchase and resell antibiotics, hormones, hormone preparations, drugs, medicines, serums, vaccines, vitamins or other nutrients for use by farmers in the production and growing of fish, livestock and poultry exempt from Mississippi sales and use tax. Sales of livestock feed, poultry feed and fish feed are exempt when sold to anyone in any amount. The term livestock includes horses, cattle, swine, sheep, goats, mules, donkeys, poultry and ratite. All other animals usually found on farms that are raised for commercial uses are also considered livestock. Livestock does not include dogs, cats or any other animals usually kept as pets.

Clinics that sell pet food, supplies and medication from their clinic lobby where clients bring their pets in for screenings and treatment are not considered to have a separate retail space. Clinics without separate retail space are considered the consumer of pet food, pet supplies and medications that are resold to customers. These clinics should pay Mississippi sales or use tax on their purchases of these items and would not charge sales tax when resold to customers.

Clinics with Separate Retail Space

Clinics with retail space with a separate entrance and a separate employee or employees from the space where client's animals are treated and or boarded are required to register for a Mississippi sales tax account number and collect and remit sales tax on sales of pet food, pet supplies and any other taxable sales of tangible personal property. These clinics should use their sales tax permit to purchase items that will be resold in their retail space exempt from Mississippi sales and use tax.

Purchases of Equipment and Supplies from Out-of-State

Clinics making purchases of medical equipment, office equipment, supplies and other taxable purchases from out-of-state vendors should verify that the vendor is collecting Mississippi tax. The clinic is required to register for a use tax account and self-report Mississippi use tax at the regular 7% retail rate on the cost of these items if their vendors are not collecting the Mississippi tax.

Adequate records must be maintained to substantiate tax classifications of sales and purchases.

