

## Dentists

*This fact sheet is designed to explain how sales and use tax applies to sales and purchases made by dentists and similar medical practitioners.*

### Dental Services

Professional dental services are not subject to Mississippi sales tax. This includes services performed by medical professionals such as Dentists, Orthodontists, Endodontists, Periodontists, Prothodontists, Oral Pathologists, Dental Surgeons, Dental Hygienists and other licensed medical practitioners. These medical practitioners are considered the consumer or user of all materials, supplies and equipment purchased by them for use in their medical practice, and sales or use tax is due on these purchases at the regular retail rate of tax unless a specific exemption applies to a particular purchase. The vendor will normally collect sales tax on sales of materials, supplies and equipment; however, the purchaser is responsible for paying Mississippi use tax if the vendor doesn't charge the Mississippi sales tax. Mississippi use tax is due at the same rate as Mississippi sales tax.

### Exempt Purchases of Medicines

Medicines to be furnished by the dentist or licensed physician for the treatment of their patients are exempt from sales tax. Medicines include any substance or preparation intended for use by external or internal application to the human body in the diagnosis, cure, mitigation, treatment or prevention of disease. Qualifying medicines include prescription drugs, sutures, bone screws, bone pins, and other articles permanently implanted in the human body to assist the functioning of any natural organ, artery, vein or limb and which remain or dissolve in the body. Implants must be inside the body with none of the implant exposed outside the body to qualify as a medicine for purposes of the exemption. For example, bone screws under the skin qualify as a medicine but fillings that are exposed do not qualify as a medicine. Dentists or other licensed physicians may purchase qualifying medicines for use in the treatment of their patients exempt from sales tax.

### Taxable Purchases

Medicines do not include appliances to be worn by the patient, dentures, splints, bandages, pads, compresses, supports, dressings, instruments, apparatus, or any drug or medicine not commonly referred to as a prescription drug. Purchases of items that don't qualify as medicines are subject to sales or use tax at the regular retail rate at the time of purchase. Taxable purchases also include purchases of crowns, dentures and other appliances from dental laboratories, machinery and equipment used in the diagnosis and treatment of patients, non-medicine medical supplies, office supplies and equipment, furniture and any other tangible personal property that isn't specifically exempt.

### Dental Laboratories

The gross income of dental laboratories derived from repair work performed for dentists or other customers, as well as from the sales of tangible personal property is taxable at the regular retail rate.

### Dental Supply Houses

Purchases of raw materials by licensed dental laboratories that become an integral part of a manufactured product are exempt. Purchases of manufacturing machinery or machine parts by licensed dental laboratories for use exclusively and directly in the manufacturing process are taxed at the 1.5% special rate of tax. Purchases for resale by licensed dental supply houses are exempt from sales or use tax. Purchases of equipment, tools or supplies that are not used directly in the manufacturing process are subject to the regular retail rate of sales or use.

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

