

2015 Regular Session

SENATE BILL NO. 272

BY SENATOR ERDEY

TAX/SALES. Exempts from local sales tax prosthetic devices prescribed by physicians for personal consumption or use, when the patient is covered by Medicaid or a Medicaid program administered by a third party on behalf of the state. (7/1/15)

1 AN ACT

2 To amend and reenact R.S. 47:305(D)(1)(k) and (4)(a) and to enact R.S. 47:337.9(C)(14.1),
3 relative to exemptions against the sales and use tax of political subdivisions; to
4 exempt certain prosthetic devices; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:305(D)(1)(k) and (4)(a) is hereby amended and reenacted and
7 R.S. 47:337.9(C)(14.1) is hereby enacted to read as follows:

8 §305. Exclusions and exemptions from the tax

9 * * *

10 D.(1) The sale at retail, the use, the consumption, the distribution, and the
11 storage to be used or consumed in the taxing jurisdiction of the following tangible
12 personal property is hereby specifically exempted from the tax imposed by taxing
13 authorities, except as otherwise provided in this Paragraph:

14 * * *

15 (k)(i) Solely for purposes of the state sales and use tax, orthotic, including
16 prescription eyeglasses and contact lenses, and prosthetic devices and wheelchairs
17 and wheelchair lifts prescribed by physicians, optometrists or licensed chiropractors

1 for personal consumption or use.

2 **(ii) Solely for purposes of the sales and use tax of political subdivisions,**
3 **prosthetic devices prescribed by physicians for personal consumption or use,**
4 **when the patient is covered by the State of Louisiana Medicaid insurance**
5 **program or a Medicaid insurance program administered by a third party on**
6 **behalf of the State of Louisiana.**

7 * * *

8 (4)(a) The exemption for food, drugs, orthotic ~~and prosthetic~~ devices,
9 **prosthetic devices except for those provided for in Item (1)(k)(ii) of this**
10 **Subsection,** and wheelchairs and wheelchair lifts prescribed by physicians or
11 licensed chiropractors for personal consumption or use; for patient aids prescribed
12 by a physician or licensed chiropractor for home use; and ostomy, ileostomy or
13 colostomy devices, or other appliances including catheters or related items required
14 as the result of any surgical procedure by which an artificial opening is created in the
15 human body for the elimination of natural waste applies only to sales taxes imposed
16 by the state of Louisiana and does not apply to such taxes authorized and imposed
17 by any school board, municipality, or other local taxing authority notwithstanding
18 any other provisions of law to the contrary, and specifically, but not exclusively, R.S.
19 47:337.8.

20 * * *

21 §337.9. Exemptions applicable to local tax in Chapters 2, 2-A, and 2-B; other
22 exemptions applicable

23 * * *

24 C. * * *

25 **(14.1) R.S. 47:305(D)(1)(k), "key words": prosthetic devices**

26 * * *

27 Section 2. This Act shall become effective on July 1, 2015; if vetoed by the governor
28 and subsequently approved by the legislature, this Act shall become effective on July 1,
29 2015, or on the day following such approval by the legislature, whichever is later.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Riley Boudreaux.

DIGEST

SB 272 Engrossed 2015 Regular Session Erdey

Present law exempts from state sales tax prosthetic devices prescribed by physicians for personal consumption or use.

Proposed law provides for an exemption against local sales tax for prosthetic devices prescribed by physicians for personal consumption or use, when the patient is covered by the Louisiana Medicaid insurance program or a Medicaid insurance program administered by a third party on behalf of the state.

Effective July 1, 2015.

(Amends R.S. 47:305(D)(1)(k) and (4)(a); adds R.S. 47:337.9(C)(14.1))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Limits the exemption to purchases under the Medicaid program.