

Subject Additional purchases made by public and private health plans
exempted from sales and use tax

Authors Anderson, P.E. and Davids

Analyst Alexandra Haigler

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Overview

This bill provides new sales tax exemptions for health care materials and for items purchased under private health plans.

Under current law, items purchased in transactions covered by Medicare and Medicaid, drugs and medical devices purchased for human use, and accessories and supplies required for effective use of prosthetic devices or durable medical equipment are all exempt from sales tax.

Summary

| Section | Description |
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| 1 | Health care materials. |
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Provides a sales tax exemption for prescribed nondurable disposable health care materials primarily and customarily used to serve a medical purpose that are not used by an individual in absence of illness or injury and are not used repeatedly by different individuals.

Effective for sales and purchases made after June 30, 2025.

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| 2 | Other purchases under health plans. |
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Provides a sales tax exemption for items covered by a private health plan that are not already exempt under current law or the new exemption created by section 1.

Effective for sales and purchases made after June 30, 2025.