

SENATE BILL REPORT

SHB 1317

AS REPORTED BY COMMITTEE ON WAYS & MEANS, APRIL 8, 1991

Brief Description: Clarifying the tax exemption for medically prescribed oxygen.

SPONSORS: House Committee on Revenue (originally sponsored by Representatives Silver, Morris, Holland, Fraser, Mielke, Spanel, Edmondson, Lisk, Morton, Paris, Hochstatter, Nealey, Wynne, Cooper, Bowman, D. Sommers, Miller, Ballard and Mitchell).

HOUSE COMMITTEE ON REVENUE

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass and be referred to Committee on Ways & Means.

Signed by Senators West, Chairman; L. Smith, Vice Chairman; Amondson, Johnson, L. Kreidler, Niemi, and Wojahn.

Staff: Don Sloma (786-7414)

Hearing Dates: March 27, 1991; March 28, 1991

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators McDonald, Chairman; Craswell, Vice Chairman; Bailey, Bauer, Bluechel, Cantu, Gaspard, Hayner, Johnson, L. Kreidler, Murray, Newhouse, Niemi, Owen, Rinehart, Saling, Talmadge, West, Williams, and Wojahn.

Staff: Terry Wilson (786-7715)

Hearing Dates: April 4, 1991; April 8, 1991

BACKGROUND:

Retail sales and use taxes apply to sales and use of tangible personal property and certain services. Two major exemptions from sales and use taxes are for prescription drugs and certain medical devices. Sales of the following are exempt from sales and use taxes if prescribed by a physician: drugs and lenses for treatment or prevention of disease or ailments, insulin, prosthetic and orthotic devices, and oxygen. The exemption for "medically prescribed oxygen" includes only bottled oxygen, and not oxygen concentrator systems.

SUMMARY:

The exemption for medically prescribed oxygen is expanded to include purchase or rental of oxygen concentrator, oxygen enricher, liquid oxygen, and gaseous, bottled oxygen systems. The oxygen system must be purchased or rented by an individual under a prescription issued by a physician for the medical treatment of the individual.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR (Health & Long-Term Care):

This simply extends a tax benefit to more modern types of equipment.

TESTIMONY AGAINST (Health & Long-Term Care): None

TESTIFIED (Health & Long-Term Care): Gail Livingstone, ALAW (pro);
Jerry Luedke, Respiratory Care (pro)

TESTIMONY FOR (Ways & Means): None

TESTIMONY AGAINST (Ways & Means): None

TESTIFIED (Ways & Means): No one