

---

SENATE BILL 6784

---

State of Washington

59th Legislature

2006 Regular Session

By Senators Benson and Kohl-Welles

Read first time 01/23/2006. Referred to Committee on Ways & Means.

1 AN ACT Relating to sales and use tax exemptions for prescribed  
2 durable medical equipment used in the home and prescribed mobility  
3 enhancing equipment; amending RCW 82.08.0283, 82.12.0277, 82.08.803,  
4 82.12.803, 82.08.945, and 82.12.945; adding a new section to chapter  
5 82.08 RCW; and adding a new section to chapter 82.12 RCW.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 **Sec. 1.** RCW 82.08.0283 and 2004 c 153 s 101 are each amended to  
8 read as follows:

9 (1) The tax levied by RCW 82.08.020 shall not apply to sales of:

10 (a) Prosthetic devices prescribed, fitted, or furnished for an  
11 individual by a person licensed under the laws of this state to  
12 prescribe, fit, or furnish prosthetic devices, and the components of  
13 such prosthetic devices;

14 (b) Medicines of mineral, animal, and botanical origin prescribed,  
15 administered, dispensed, or used in the treatment of an individual by  
16 a person licensed under chapter 18.36A RCW; ((and))

17 (c) ((Medically prescribed oxygen, including, but not limited to,  
18 oxygen concentrator systems, oxygen enricher systems, liquid oxygen

1 ~~systems, and~~) Durable medical equipment, and the components of durable  
2 medical equipment, for home use and prescribed by a person licensed  
3 under the laws of this state to prescribe such equipment;

4 (d) Gaseous(~~(τ)~~) or liquid bottled oxygen (~~(systems)~~) used with  
5 durable medical equipment prescribed for an individual by a person  
6 licensed under (~~(chapter 18.57 or 18.71 RCW)~~) the laws of this state  
7 for use in the medical treatment of (~~(that)~~) an individual for home  
8 use; and

9 (e) Mobility enhancing equipment, and the components of mobility  
10 enhancing equipment, prescribed by a person licensed under the laws of  
11 this state to prescribe such equipment.

12 (2) In addition, the tax levied by RCW 82.08.020 shall not apply to  
13 charges made for labor and services rendered in respect to the  
14 repairing, cleaning, altering, or improving of any of the items  
15 exempted under subsection (1) of this section.

16 ~~(3) ((The exemption in subsection (1) of this section shall not~~  
17 ~~apply to sales of durable medical equipment or mobility enhancing~~  
18 ~~equipment.~~

19 ~~(4))~~ The definitions in this subsection apply throughout this  
20 section.

21 (a) "Prosthetic device" means a replacement, corrective, or  
22 supportive device, including repair and replacement parts for a  
23 prosthetic device, worn on or in the body to:

- 24 (i) Artificially replace a missing portion of the body;
- 25 (ii) Prevent or correct a physical deformity or malfunction; or
- 26 (iii) Support a weak or deformed portion of the body.

27 (b) "Durable medical equipment" means equipment, including repair  
28 and replacement parts for durable medical equipment that:

- 29 (i) Can withstand repeated use;
- 30 (ii) Is primarily and customarily used to serve a medical purpose;
- 31 (iii) Generally is not useful to a person in the absence of illness  
32 or injury; and

33 (iv) (~~(Does not work)~~) Is not worn in or on the body.

34 (c) "Mobility enhancing equipment" means equipment, including  
35 repair and replacement parts for mobility enhancing equipment that:

- 36 (i) Is primarily and customarily used to provide or increase the  
37 ability to move from one place to another and that is appropriate for  
38 use either in a home or a motor vehicle;

1 (ii) Is not generally used by persons with normal mobility; and  
2 (iii) Does not include any motor vehicle or equipment on a motor  
3 vehicle normally provided by a motor vehicle manufacturer.

4 (d) The terms "durable medical equipment" and "mobility enhancing  
5 equipment" are mutually exclusive.

6 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.08 RCW  
7 to read as follows:

8 (1) An exemption from the tax imposed by RCW 82.08.020 in the form  
9 of a refund is provided for sales of:

10 (a) Medically prescribed oxygen, including, but not limited to,  
11 oxygen concentrator systems, oxygen enricher systems, liquid oxygen  
12 systems, and gaseous, bottled oxygen systems prescribed for an  
13 individual by a person licensed under chapter 18.57 or 18.71 RCW for  
14 use in the medical treatment of that individual for other than home  
15 use;

16 (b) Repair, replacement, and component parts for medically  
17 prescribed oxygen for other than home use; and

18 (c) Labor and services rendered in respect to the repairing,  
19 cleaning, altering, or improving of medically prescribed oxygen for  
20 other than home use.

21 (2) Sellers shall collect tax on sales subject to this exemption.  
22 The buyer shall apply for a refund directly from the department in a  
23 form and manner prescribed by the department.

24 **Sec. 3.** RCW 82.12.0277 and 2004 c 153 s 109 are each amended to  
25 read as follows:

26 (1) The provisions of this chapter shall not apply in respect to  
27 the use of:

28 (a) Prosthetic devices prescribed, fitted, or furnished for an  
29 individual by a person licensed under the laws of this state to  
30 prescribe, fit, or furnish prosthetic devices, and the components of  
31 such prosthetic devices;

32 (b) Medicines of mineral, animal, and botanical origin prescribed,  
33 administered, dispensed, or used in the treatment of an individual by  
34 a person licensed under chapter 18.36A RCW; ((and))

35 ((Medically prescribed oxygen, including, but not limited to,  
36 oxygen concentrator systems, oxygen enricher systems, liquid oxygen

1 ~~systems, and~~) Durable medical equipment, and the components of durable  
2 medical equipment, for home use and prescribed by a person licensed  
3 under the laws of this state to prescribe such equipment;

4 (d) Gaseous~~((τ))~~ or liquid bottled oxygen ~~((systems))~~ used with  
5 durable medical equipment prescribed for an individual by a person  
6 licensed under ~~((chapter 18.57 or 18.71 RCW))~~ the laws of this state  
7 for use in the medical treatment of ~~((that))~~ an individual for home  
8 use; and

9 (e) Mobility enhancing equipment, and the components of mobility  
10 enhancing equipment, prescribed by a person licensed under the laws of  
11 this state to prescribe such equipment.

12 (2) In addition, the provisions of this chapter shall not apply in  
13 respect to the use of labor and services rendered in respect to the  
14 repairing, cleaning, altering, or improving of any of the items  
15 exempted under subsection (1) of this section.

16 ~~(3) ((The exemption provided by subsection (1) of this section~~  
17 ~~shall not apply to the use of durable medical equipment or mobility~~  
18 ~~enhancing equipment.~~

19 ~~(4))~~ "Prosthetic device," "durable medical equipment," and  
20 "mobility enhancing equipment" have the same meanings as in RCW  
21 82.08.0283.

22 NEW SECTION. Sec. 4. A new section is added to chapter 82.12 RCW  
23 to read as follows:

24 (1) The provisions of this chapter shall not apply in respect to  
25 the use of:

26 (a) Medically prescribed oxygen, including, but not limited to,  
27 oxygen concentrator systems, oxygen enricher systems, liquid oxygen  
28 systems, and gaseous, bottled oxygen systems prescribed for an  
29 individual by a person licensed under chapter 18.57 or 18.71 RCW for  
30 use in the medical treatment of that individual for other than home  
31 use;

32 (b) Repair, replacement, and component parts for any of the items  
33 exempted in (a) of this subsection; and

34 (c) Labor and services rendered in respect to the repairing,  
35 cleaning, altering, or improving of any of the items exempted in (a) of  
36 this subsection.

1 (2) Sellers obligated to collect use tax shall collect tax on sales  
2 subject to this exemption. The buyer shall apply for a refund directly  
3 from the department in a form and manner prescribed by the department.

4 **Sec. 5.** RCW 82.08.803 and 2004 c 153 s 104 are each amended to  
5 read as follows:

6 ~~((The tax levied by RCW 82.08.020 shall not apply to))~~ (1) An  
7 exemption from the tax imposed by RCW 82.08.020 in the form of a refund  
8 is provided for sales of nebulizers for other than home use, including  
9 repair ~~((and))~~, replacement, and component parts for such nebulizers,  
10 for human use pursuant to a prescription. In addition, the tax levied  
11 by RCW 82.08.020 shall not apply to charges made for labor and services  
12 rendered in respect to the repairing, cleaning, altering, or improving  
13 of nebulizers that are exempt under this section. "Nebulizer" means a  
14 device, not a building fixture, that converts a liquid medication into  
15 a mist so that it can be inhaled.

16 (2) Sellers shall collect tax on sales subject to this exemption.  
17 The buyer shall apply for a refund directly from the department in a  
18 form and manner prescribed by the department.

19 **Sec. 6.** RCW 82.12.803 and 2004 c 153 s 105 are each amended to  
20 read as follows:

21 (1) The provisions of this chapter shall not apply in respect to  
22 the use of nebulizers for other than home use, including repair  
23 ~~((and))~~, replacement, and component parts for such nebulizers, for  
24 human use pursuant to a prescription. In addition, the provisions of  
25 this chapter shall not apply in respect to labor and services rendered  
26 in respect to the repairing, cleaning, altering, or improving of  
27 nebulizers that are exempt under this section. "Nebulizer" has the  
28 same meaning as in RCW 82.08.803.

29 (2) Sellers shall collect tax on sales subject to this exemption.  
30 The buyer shall apply for a refund directly from the department in a  
31 form and manner prescribed by the department.

32 **Sec. 7.** RCW 82.08.945 and 2004 c 153 s 110 are each amended to  
33 read as follows:

34 ~~((The tax levied by RCW 82.08.020 shall not apply to))~~ (1) An  
35 exemption from the tax imposed by RCW 82.08.020 in the form of a refund

1 is provided for sales of kidney dialysis devices for other than home  
2 use, including repair ((and)), replacement, and component parts, for  
3 human use pursuant to a prescription. In addition, the tax levied by  
4 RCW 82.08.020 shall not apply to charges made for labor and services  
5 rendered in respect to the repairing, cleaning, altering, or improving  
6 of kidney dialysis devices that are exempt under this section.

7 (2) Sellers shall collect tax on sales subject to this exemption.  
8 The buyer shall apply for a refund directly from the department in a  
9 form and manner prescribed by the department.

10 **Sec. 8.** RCW 82.12.945 and 2004 c 153 s 111 are each amended to  
11 read as follows:

12 (1) The provisions of this chapter shall not apply to the use of  
13 kidney dialysis devices for other than home use, including repair  
14 ((and)), replacement, and component parts, for human use pursuant to a  
15 prescription. In addition, the provisions of this chapter shall not  
16 apply in respect to the use of labor and services rendered in respect  
17 to the repairing, cleaning, altering, or improving of kidney dialysis  
18 devices that are exempt under this section.

19 (2) Sellers shall collect tax on sales subject to this exemption.  
20 The buyer shall apply for a refund directly from the department in a  
21 form and manner prescribed by the department.

--- END ---