
HOUSE BILL 2429

State of Washington 65th Legislature 2018 Regular Session

By Representatives Hudgins, Appleton, Kloba, Santos, and Tarleton

Read first time 01/09/18. Referred to Committee on Finance.

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

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

6 NEW SECTION. **Sec. 1.** (1) This section is the tax preference
7 performance statement for the tax preferences contained in
8 chapter . . . , Laws of 2018 (this act). This performance statement is
9 only intended to be used for subsequent evaluation of the tax
10 preferences. It is not intended to create a private right of action
11 by any party or be used to determine eligibility for preferential tax
12 treatment.

13 (2) The legislature categorizes the tax preferences in
14 chapter . . . , Laws of 2018 (this act) as ones intended to provide
15 tax relief for certain businesses or individuals, as indicated in RCW
16 82.32.808(2)(e).

17 (3) It is the legislature's specific public policy objective to
18 provide financial relief to individuals needing certain medically
19 necessary items. It is the legislature's intent to provide a sales
20 and use tax exemption for durable medical equipment for home use and
21 mobility enhancing equipment.

1 (4) To measure the effectiveness of this act in achieving the
2 specific public policy objective described in subsection (3) of this
3 section, the joint legislative audit and review committee may refer
4 to data provided by the department of revenue.

5 **Sec. 2.** RCW 82.08.0283 and 2007 c 6 s 1101 are each amended to
6 read as follows:

7 (1) The tax levied by RCW 82.08.020 (~~shall~~) does not apply to
8 sales of:

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

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

16 (c) Medically prescribed oxygen, including, but not limited to,
17 oxygen concentrator systems, oxygen enricher systems, liquid oxygen
18 systems, and gaseous, bottled oxygen systems prescribed for an
19 individual by a person licensed under chapter 18.57 or 18.71 RCW for
20 use in the medical treatment of that individual;

21 (d) Durable medical equipment, and the components of durable
22 medical equipment, for home use and prescribed by a person licensed
23 under the laws of this state to prescribe such equipment; and

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

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

31 ~~(3) (The exemption in subsection (1) of this section shall not~~
32 ~~apply to sales of durable medical equipment, other than as specified~~
33 ~~in subsection (1)(c) of this section, or mobility enhancing~~
34 ~~equipment.~~

35 ~~(4))~~ The definitions in this subsection apply throughout this
36 section unless the context clearly requires otherwise.

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

- 1 (i) Artificially replace a missing portion of the body;
2 (ii) Prevent or correct a physical deformity or malfunction; or
3 (iii) Support a weak or deformed portion of the body.
4 (b) "Durable medical equipment" means equipment, including repair
5 and replacement parts for durable medical equipment that:
6 (i) Can withstand repeated use;
7 (ii) Is primarily and customarily used to serve a medical
8 purpose;
9 (iii) Generally is not useful to a person in the absence of
10 illness or injury; and
11 (iv) Is not worn in or on the body.
12 (c) "Mobility enhancing equipment" means equipment, including
13 repair and replacement parts for mobility enhancing equipment that:
14 (i) Is primarily and customarily used to provide or increase the
15 ability to move from one place to another and that is appropriate for
16 use either in a home or a motor vehicle;
17 (ii) Is not generally used by persons with normal mobility; and
18 (iii) Does not include any motor vehicle or equipment on a motor
19 vehicle normally provided by a motor vehicle manufacturer.
20 (d) The terms "durable medical equipment" and "mobility enhancing
21 equipment" are mutually exclusive.

22 **Sec. 3.** RCW 82.12.0277 and 2007 c 6 s 1102 are each amended to
23 read as follows:

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

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

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

33 (c) Medically prescribed oxygen, including, but not limited to,
34 oxygen concentrator systems, oxygen enricher systems, liquid oxygen
35 systems, and gaseous, bottled oxygen systems prescribed for an
36 individual by a person licensed under chapter 18.57 or 18.71 RCW for
37 use in the medical treatment of that individual;

1 (d) 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; and

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

7 (2) In addition, the provisions of this chapter (~~shall~~) do not
8 apply in respect to the use of labor and services rendered in respect
9 to the repairing, cleaning, altering, or improving of any of the
10 items exempted under subsection (1) of this section.

11 (~~The exemption provided by subsection (1) of this section~~
12 ~~shall not apply to the use of durable medical equipment, other than~~
13 ~~as specified in subsection (1)(c) of this section, or mobility~~
14 ~~enhancing equipment.~~

15 (~~4~~) "Prosthetic device," "durable medical equipment," and
16 "mobility enhancing equipment" have the same meanings as in RCW
17 82.08.0283.

18 **Sec. 4.** RCW 82.08.803 and 2007 c 6 s 1103 are each amended to
19 read as follows:

20 (1) An exemption from the tax imposed by RCW 82.08.020 in the
21 form of a refund is provided for sales of nebulizers for other than
22 home use, including repair, replacement, and component parts for such
23 nebulizers, for human use pursuant to a prescription. In addition,
24 the tax levied by RCW 82.08.020 (~~shall~~) does not apply to charges
25 made for labor and services rendered in respect to the repairing,
26 cleaning, altering, or improving of nebulizers that are exempt under
27 this section. "Nebulizer" means a device, not a building fixture,
28 that converts a liquid medication into a mist so that it can be
29 inhaled.

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

33 **Sec. 5.** RCW 82.12.803 and 2007 c 6 s 1104 are each amended to
34 read as follows:

35 (1) The provisions of this chapter (~~shall~~) do not apply in
36 respect to the use of nebulizers for other than home use, including
37 repair, replacement, and component parts for such nebulizers, for
38 human use pursuant to a prescription. In addition, the provisions of

1 this chapter (~~shall~~) do not apply in respect to labor and services
2 rendered in respect to the repairing, cleaning, altering, or
3 improving of nebulizers that are exempt under this section.
4 "Nebulizer" has the same meaning as in RCW 82.08.803.

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

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