

#### Important information:

As a result of law changes, please note the following updates:

- See <u>Summary of 2022 sales and other tax type changes</u>, for information on an exemption from sales and use tax for diapers intended for human use.
- See <u>Summary of 2021 sales and other tax type changes</u>, for information on an exemption from sales and use tax for breast pump parts and supplies.
- See <u>TSB-M-16(6)S</u>, Sales and Use Tax Exemption for Feminine Hygiene Products, for information on an exemption from sales and use tax for feminine hygiene products.

#### Publication 822 begins on page 2 below.



Department of <u>Taxation and</u> Finance

## **Publication 822**

## Taxable Status of Medical Equipment and Supplies, Prosthetic Devices, and Related Items

**Note:** A Publication is an informational document that addresses a particular topic of interest to taxpayers. Subsequent changes in the law or regulations, judicial decisions, Tax Appeals Tribunal decisions, or changes in department policies could affect the validity of the information contained in a publication. Publications are updated regularly and are accurate on the date issued. The information provided in this document does not cover every situation and is not intended to replace the law or change its meaning.

Medical equipment and supplies	Sales of medical equipment, component parts, and medical supplies are exempt from New York State and local sales and use taxes unless sold for use in providing medical or similar services for compensation. Therefore, sales to physicians, dentists, hospitals, clinical laboratories, ambulance
	companies, and so forth are subject to tax. To qualify for exemption, medical equipment must be primarily and customarily used for medical purposes and must not be generally useful in the absence of illness, injury, or physical incapacity.

**Prosthetic devices** Prosthetic aids, hearing aids, eyeglasses, and artificial devices, and their component parts, are also exempt from tax. To qualify for exemption, prosthetic devices must be primarily and customarily used to completely or partially replace a missing body part or the function of a permanently inoperative or malfunctioning body part and must not be generally useful in the absence of illness, injury, or physical incapacity. These items do not need to be designed for the use of a particular individual to be exempt from tax.

**Component parts** A component part for exempt medical equipment or an exempt prosthetic device is also exempt from sales tax. If the component part is clearly identified by the manufacturer as a part for such equipment or device, the part may be purchased exempt from tax. If the component part is not clearly identified by the manufacturer as a part for such equipment or device, the purchaser must pay sales tax at the time of purchase and file a claim for refund by filing Form AU-11, *Application for Credit or Refund of State and Local Sales or Use Tax.* 

Services The services of installing, maintaining, servicing, and repairing exempt medical equipment and exempt prosthetic devices, including their component parts, are also exempt from tax.

**Exempt organizations** Sales of medical equipment, including their component parts and related services, and sales of medical supplies to hospitals and other organizations that have received certifications of exemption from the Department of Taxation and Finance under section 1116 of the Tax Law may be made without tax, provided the purchaser issues a properly completed Form ST-119.1, *Exempt Organization Certification*, to the vendor. This form is not required in order to make sales of prosthetic devices, component parts, and related services without payment of tax.

Guide, hearing, and service dogs

#### Examples

The items listed are examples. It is ultimately the purpose for which an item is used that determines its taxable status. Guide, hearing, and service dogs, including items and services that are necessary for their acquisition, sustenance, or maintenance, are exempt from sales and use taxes. See TSB-M-95(10)S, *Guide, Hearing and Service Dogs*.

The lists of examples on the following pages have been compiled to help with the general identification of taxable and exempt items. However, these items are merely examples. It is ultimately the purposes for which the items are used that determine their taxable status, provided the items are not generally useful in the absence of illness, injury, or physical incapacity. Consequently, many of the items that are included in the first listing as examples of medical equipment and supplies (e.g., leg braces, ostomy pouches and tubes) may also be exempt from tax as prosthetic devices. Prosthetic devices are exempt from tax even when purchased by persons performing medical or similar services for compensation, if the items are used to completely or partially replace missing body parts or the functions of permanently inoperative or malfunctioning body parts, such as in the treatment of individuals with permanent (rather than temporary) illnesses, injuries, or physical incapacities.

Sales tax must be paid by persons performing medical or similar services for compensation on purchases of items of tangible personal property that may be used as both medical equipment (or supplies) and prosthetic devices. Claims for refunds of these taxes may be filed, using Form AU-11, provided it can be established that the items qualify as prosthetic devices.

Endnotes have been included on page 6 of this publication.

#### Medical equipment and supplies - Updated July 1, 2014. See TSB-M-14(8)S

(Exempt unless purchased by paid providers of medical services)

Adhesive bandages, surgical tape Aspirators Bandages (cotton, porous, etc.) Bathtub chairs and seats <sup>1</sup> Bathtub safety grab bars, handles, and rails 1 Bed boards, rails <sup>1</sup> Bedpans Bench, bathtub transfer Blood pressure gauges Blood testing strips Braces, ankle Braces, arm Braces, elbow Braces, knee Braces, leg Braces, spinal Breast pumps Breathing tubes Bunion pads, reducers Callous pads Canes Cast covers, boots Catheters, temporary Cervical collars Colles splints Colon tubes Colostomy bags, sets, supplies Commodes (portable toilets) Condoms

Contraceptive applicators Corn pads Corn removal razor Cotton, absorbent sterile Cotton, sterile balls Cotton, sterile swabs Crutch tips, pads Crutches Cushions, invalid Diaphragms, contraceptive Drainage sets, body, bedside Elastic bandages Eve droppers Eye pads (non-cosmetic) First aid kits First aid products Foot boards <sup>1</sup> Forearm crutches Fracture bed pans Gauze, surgical, sterile Heating pads Hernia belts, supports and trusses Hospital beds Hot water bottles Hypodermic needles, svrinaes **IPPB** machines IUDs Ice bags, medical lleostomy bags, sets, supplies

Incontinence liners Incontinence pads Incontinence pants<sup>2</sup> Inhalers Insulin travel kits Lymphedema sleeves Mastectomy sleeves Medical oxygen regulators Nasal aspirators Nasal breathing strips Nebulizers Orthodontic devices (i.e., TMJ splints, positioners, retainers. etc.) Ostomy pouches, tubes, supplies Overbed tables <sup>1</sup> Oxygen inhalers, tents Oxygen therapy regulators Pessaries Pregnancy test kits Raised toilet seats Rectal tubes Respirators Resuscitators Rib belts Rings, invalid Roll-about chairs <sup>3</sup> Sinus masks Slings, arm Slings, knee Slings, pelvic

Splints Splints, finger Sponges, surgical Spray-on bandages Stethoscopes Stockings, surgical<sup>2</sup> Swabs, butterfly, sterile Syringes, ear and hypodermic Tape, surgical Thermometers Throat and spine bags **Tonsillectomy bags** Tourniquets Traction supports and devices Urinals, medical Urinary drainage sets Urine drainage tubes Urine testing strips Urostomy bags, sets, supplies Vaccination shields Vaporizers Walkers Wheelchairs and cushions Wheelchair ramps (prefabricated) Wheelchair trays Wound cleansers Wound dressings, sterile

#### Prosthetic devices - Updated July 1, 2014. See <u>TSB-M-14(8)S</u> (Exempt to all purchasers)

Arch supports Artificial limbs Artificial organs Artificial teeth Automobile controls (for persons with disabilities) Bathtub lifts Braille typewriters Brassieres, surgical <sup>4</sup> Breast forms, mastectomy Cardiac pacemakers Catheters, permanent Ceiling lifts Closed-captioned TV program receivers Contact lenses, corrective Crowns (permanently attached by a dentist) Dental space maintainers Elevators (for use by a person with a disability in a residence) Eyeglasses, prescription Filler pads, mastectomy Garments with built-in breast forms (postmastectomy)<sup>4</sup> Hair prosthesis <sup>5</sup> Hearing aid batteries (manufacturer designated) Hemodialysis equipment Hydraulic patient lifts Hydraulic wheelchair lifts Hearing aids Magnifiers for persons having low vision Optical tactile converters Orthopedic implants Otology implants Pacemaker, cardiac Parts, special lettering, special attachments to appliances for use by persons with disabilities

- Patient lifts
- Power lift seats and chairs Sound amplification devices for hearing impaired persons
- Stairway elevators and lifts (for use by a person with a disability in a residence)
- Surgical implants
- Telephone and other equipment for use by hearing impaired persons to aid in telephone communication

#### Taxable to all - Updated July 1, 2014. See TSB-M-14(8)S

Air conditioners Air purifiers and cleaners Athletic supports Basins Bed baths Blackhead removers Bracelets, medical I.D. Braille games and books (except for the portion of the price attributable to features used by a person with a disability) Cast cutters Cotton, absorbent, unsterile Cotton, unsterile balls Cotton, unsterile swabs Deodorant powders or sprays

Dehumidifiers Dental floss Denture liners, cushions Douches Ear plugs, stopples Emesis basins Exercise equipment Fans Feminine hygiene syringes Foot baths Funnels Glass drinking tubes Heaters Humidifiers Massage devices Mattress covers Medical charts

Medical diaries Non-contraceptive vaginal creams, foams, ointments, and jellies Nose clips Nose shields Nursers, baby bottles Nursing pads Orthopedic mattresses Pads for eyeglasses Parallel bars Plaster bandages or splints Plastic or rubber sheets Poison records Posture shorts Posture support chairs Prep brushes, surgical Pumice

Rubber or latex gloves Sanitary napkins or pads, tampons, and similar products Skin removers Straws Sunglasses, non-prescription Sun lamp goggles Sun lamps Tongue blades, depressors Tweezers Ultra-violet lamps Veterinary equipment, instruments and supplies Vibrators Whirlpool baths, pumps, concentrate

<sup>&</sup>lt;sup>1</sup> To be exempt, these items must be purchased and used for a medical reason.

<sup>&</sup>lt;sup>2</sup> These items are exempt from state and local sales and use taxes as medical equipment unless they are purchased by a person for use in providing medical or similar services for compensation. However, when these items are purchased for such use, they are exempt from the state's (4%) sales and use taxes as articles of clothing or footwear. This exemption, however, does not apply to all locally imposed sales and use taxes. See <u>Publication</u> <u>718-C</u>, Sales and Use Tax Rates on Clothing and Footwear.

 <sup>&</sup>lt;sup>3</sup> To be exempt, roll-about chairs must be comparable to wheelchairs and have wheels that are at least five inches in diameter.
 <sup>4</sup> These articles of clothing and footwear are exempt from all state and local sales and use taxes as prosthetic

<sup>&</sup>lt;sup>4</sup> These articles of clothing and footwear are exempt from all state and local sales and use taxes as prosthetic \_ devices.

<sup>&</sup>lt;sup>5</sup> Since a hair prosthesis may be used for cosmetic purposes that do not relate to medical problems, sales tax must be paid when it is purchased. If the prosthesis is used as a result of a medical problem, an application for a refund of the tax paid may be made using <u>Form AU-11</u>, *Application for Credit or Refund of Sales or Use Tax*. This form must be accompanied by a statement from the attending physician describing the specific medical problem that resulted in the need for a prosthesis.

# New York State Tax Department Online Services

### Create an Online Services account and log in to:

- make payments
- file certain returns and other tax forms
- view your account and filing information
- change your address
- receive email notifications
- respond to bills and notices

Access is available 24 hours a day, 7 days a week (except for scheduled maintenance).

#### www.tax.ny.gov

#### Need help?



#### Visit our Web site at *www.tax.ny.gov*

get information and manage your taxes online

check for new online services and features



Text Telephone (TTY) Hotline (for persons with hearing and speech disabilities using a TTY): If you have access to a TTY, contact us at (518) 485-5082. If you do not own a TTY, check with independent living centers or community action programs to find out where machines are available for public use.



Telephone assistance

Sales Tax Information Center:

To order forms and publications: (518) 457-5431



**Persons with disabilities:** In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms, and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, call the information center.

(518) 485-2889