

**WEST VIRGINIA  
SECRETARY OF STATE  
NATALIE TENNANT  
ADMINISTRATIVE LAW DIVISION**

Form #4

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OFFICE WEST VIRGINIA  
SECRETARY OF STATE

**NOTICE OF RULE MODIFICATION OF A PROPOSED RULE**

AGENCY: State Tax Department TITLE NUMBER: 110

CITE AUTHORITY W. Va. Code §§11-10-5 et seq. and 11-15-9i

AMENDMENT TO AN EXISTING RULE: YES \_\_\_\_\_ NO X

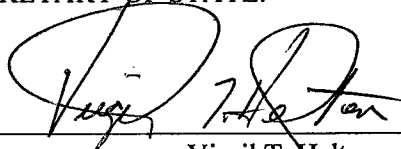
IF YES, SERIES NUMBER OF RULE BEING AMENDED: \_\_\_\_\_

TITLE OF RULE BEING AMENDED: \_\_\_\_\_

IF NO, SERIES NUMBER OF RULE BEING PROPOSED: 15C

TITLE OF RULE BEING PROPOSED: Consumers Sales and Service Tax and Use Tax - Drugs, Durable Medical Goods, Mobility Enhancing Equipment and Prosthetic Devices Per Se exemption; Motor Vehicles Per Se Exemption

THE ABOVE PROPOSED LEGISLATIVE RULE, FOLLOWING REVIEW BY THE LEGISLATIVE RULE MAKING REVIEW COMMITTEE IS HEREBY MODIFIED AS A RESULT OF REVIEW AND COMMENT BY THE LEGISLATIVE RULE-MAKING REVIEW COMMITTEE. THE ATTACHED MODIFICATIONS ARE FILED WITH THE SECRETARY OF STATE.



Virgil T. Helton  
Secretary of Revenue

#280

**TITLE 110  
LEGISLATIVE RULE  
STATE TAX DEPARTMENT**

**SERIES 15C  
CONSUMERS SALES AND SERVICE TAX AND USE TAX –  
DRUGS, DURABLE MEDICAL GOODS, MOBILITY ENHANCING EQUIPMENT AND  
PROSTHETIC DEVICES PER SE EXEMPTION; MOTOR VEHICLES PER SE  
EXEMPTION**

**§110-15C-1. General.**

1.1. Scope. -- This legislative rule explains and clarifies the exemption from consumers sales tax provided in W. Va. Code §11-15-9i as added by Com. Sub. for House Bill No. 2380 (2007), exempting the purchase by a health provider of certain drugs, durable medical goods, mobility enhancing equipment and prosthetic devices from the consumers sales and service tax. In addition, this legislative rule supercedes the rules for per se exemption from consumer sales tax for the lease or sale of motor vehicles.

1.2. Authority. -- W. Va. Code §§11-10-5 and 11-15-9i.

1.3. Filing Date. --

1.4. Effective Date. --

**§110-15C-2. Interpretive Note.**

2.1. This legislative rule incorporates by reference the Department's rule, Consumers Sales and Service Tax and Use Tax, 110CSR15, and shall be read in *pari materia* with that rule. The definitions, policies, and procedures provided in 110CSR15 are equally applicable to purchases made under this legislative rule. To the extent that this legislative rule differs from 110CSR15, then for the purpose of purchases by a health provider of certain drugs, durable medical goods, mobility enhancing equipment and prosthetic devices, and for the purpose of leasing or selling motor vehicles this legislative rule governs. However, for all other purposes, 110CSR15 governs the application of the Consumers Sales and Service Tax and Use Tax.

**§110-15C-3. Definitions.**

Unless a specific definition is provided in this section, terms used in this rule are defined as provided in legislative rule 110CSR15, §1, *et seq.*, unless the context in which the term is used clearly requires a different meaning. The following terms shall have the meaning ascribed in this rule.

3.1. "Drug" means a compound, substance or preparation, and any component of a compound, substance or preparation, other than food and food ingredients, dietary supplements or

alcoholic beverages:

3.1.1. Recognized in the official United States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United States or official National Formulary, and supplements to any of them;

3.1.2. Intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease; or

3.1.3. Intended to affect the structure or any function of the body.

3.2. "Durable medical equipment" means equipment including repair and replacement parts for the equipment, but does not include "mobility enhancing equipment", which:

3.2.1. Can withstand repeated use;

3.2.2. Is primarily and customarily used to serve a medical purpose;

3.2.3. Generally is not useful to a person in the absence of illness or injury; and

3.2.4. Is not worn in or on the body.

3.2.5. Includes the following examples: Home or portable oxygen equipment, home air fluidized beds, blood glucose monitors, commode chairs, nebulizers and infusion pumps.

3.3. "Health care provider" means any person licensed to prescribe drugs, durable medical goods, mobility enhancing equipment and prosthetic devices intended for use in the diagnosis, cure, mitigation, treatment or prevention of injury or disease. For purposes of this rule, the term "health care provider" includes any hospital, medical clinic, nursing home or provider of inpatient hospital services and any provider of outpatient hospital services, physician services, nursing services, ambulance services, surgical services or veterinary services.

3.4. "Mobility-enhancing equipment" means equipment, including repair and replacement parts to the equipment, but does not include "durable medical equipment", which:

3.4.1. Is primarily and customarily used to provide or increase the ability to move from one place to another and which is appropriate for use either in a home or a motor vehicle;

3.4.2. Is not generally used by persons with normal mobility; and

3.4.3. Does not include any motor vehicle or equipment on a motor vehicle normally provided by a motor vehicle manufacturer.

3.4.4. Includes the following examples: Walkers, wheelchairs, crutches, canes, and orthotic shoes.

#### **§110-15C-4. Applicability of Consumers Sales Tax.**

4.1. General Rule. – The consumers sales and service tax is imposed upon the sale of tangible personal property or selected services. All sales are presumed to be taxable unless the sale is either excepted or exempt from the tax.

4.2. Health Care Provider Exemption. – The purchase by a health provider of drugs, durable medical goods, mobility enhancing equipment and prosthetic devices to be dispensed upon prescription and intended for use in the diagnosis, cure, mitigation, treatment, or prevention of injury or disease is exempt from the consumers sales and service tax.

4.2.1. Per Se Exemption. – A health care provider is not required to obtain an exemption certificate, material purchase certificate or direct pay permit to claim the health care provider exemption.

4.3. Exclusions From Per Se Exemption. – On and after July 1, 2008, sales of motor vehicles are subject to the consumers sales and service tax and use tax in accordance with West Virginia Code § 11-15-3c. Therefore the per se exemptions regarding leases, sales and purchases of motor vehicles set forth in the Department's rule, Consumers Sales and Service Tax and Use Tax, 110CSR15, subsections 9.2.10 and 9.2.24 and subdivisions of section 9.2.24 of the Code of State Rules are superceded by statute and are of no further force or effect. The tax imposed pursuant to the provisions of West Virginia Code §11-15-3c on motor vehicle purchases and uses is subject to the regulatory and administrative jurisdiction of the Commissioner of Motor Vehicles.