

By: Senator(s) Harvey, Horhn

To: Finance

SENATE BILL NO. 3093
(As Passed the Senate)

1 AN ACT TO AMEND SECTION 27-65-105, MISSISSIPPI CODE OF 1972,
2 TO EXEMPT FROM SALES TAXATION SALES OF CERTAIN HOME MEDICAL
3 EQUIPMENT AND HOME MEDICAL SUPPLIES WHEN PAYMENT FOR SUCH
4 EQUIPMENT AND SUPPLIES IS MADE BY MEDICARE OR MEDICAID OR BY A
5 PROVIDER UNDER CONTRACT WITH MEDICARE OR MEDICAID; AND FOR RELATED
6 PURPOSES.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

8 SECTION 1. Section 27-65-105, Mississippi Code of 1972, is
9 amended as follows:

10 27-65-105. The exemption from the provisions of this chapter
11 which are of a governmental nature or which are more properly
12 classified as governmental exemptions than any other exemption
13 classification of this chapter shall be confined to those persons
14 or property exempted by this section or by provisions of the
15 Constitutions of the United States or the State of Mississippi.
16 No governmental exemption as now provided by any other section
17 shall be valid as against the tax herein levied. Any subsequent
18 governmental exemption from the tax levied hereunder shall be
19 provided by amendment to this section.

20 No exemption provided in this section shall apply to taxes
21 levied by Section 27-65-15 or 27-65-21, Mississippi Code of 1972,
22 except as provided by subsection (f) of this section.

23 The tax levied by this chapter shall not apply to the
24 following:

25 (a) Sales of property, labor or services taxable under
26 Sections 27-65-17, 27-65-19 and 27-65-23, when sold to and billed
27 directly to and payment therefor is made directly by the United
28 States government, the State of Mississippi and its departments,

institutions, counties and municipalities or departments or school districts of said counties and municipalities.

The exemption from the tax imposed under this chapter shall not apply to sales of tangible personal property, labor or services to contractors purchasing in the performance of contracts with the United States, the State of Mississippi, counties and municipalities.

(b) Sales to schools, when such schools are supported wholly or in part by funds provided by the State of Mississippi, provided that this exemption does not apply to sales of property which is not to be used in the ordinary operation of the school, or which is to be resold to the students or the public.

(c) Amounts received from the sale of school textbooks to students.

(d) Sales to the Mississippi Band of Choctaw Indians, but not to Indians individually.

(e) Sales of fire fighting equipment to governmental fire departments or volunteer fire departments for their use.

(f) Sales of any gas from any project, as defined in the Municipal Gas Authority of Mississippi Law, to any municipality shall not be subject to sales, use or other tax.

(g) Sales of home medical equipment and home medical supplies listed as eligible for payment under Title XVIII of the Social Security Act or under the state plan for medical assistance under Title XIX of the Social Security Act, prosthetics, orthotics, prescription eyeglasses, oxygen and oxygen equipment, when ordered or prescribed by a licensed physician for medical purposes of a patient, and when payment for such equipment or supplies, or both, is made under the provisions of the Medicare or Medicaid program. This exemption shall only apply to the portion of the sales price of such equipment or supplies, or both, paid for under the provisions of the Medicare or Medicaid program.

SECTION 2. Nothing in this act shall affect or defeat any claim, assessment, appeal, suit, right or cause of action for taxes due or accrued under the sales tax laws before the date on which this act becomes effective, whether such claims, assessments, appeals, suits or actions have been begun before the

66 date on which this act becomes effective or are begun thereafter;
67 and the provisions of the sales tax laws are expressly continued
68 in full force, effect and operation for the purpose of the
69 assessment, collection and enrollment of liens for any taxes due
70 or accrued and the execution of any warrant under such laws before
71 the date on which this act becomes effective, and for the
72 imposition of any penalties, forfeitures or claims for failure to
73 comply with such laws.

74 SECTION 3. This act shall take effect and be in force from
75 and after July 1, 1999.