

By: Senator(s) Harvey, Horhn

To: Finance

SENATE BILL NO. 3093
(As Sent to Governor)

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 UNDER THE PROVISIONS OF THE
5 MEDICARE OR MEDICAID PROGRAM; AND FOR RELATED PURPOSES.

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

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

9 27-65-105. The exemption from the provisions of this chapter
10 which are of a governmental nature or which are more properly
11 classified as governmental exemptions than any other exemption
12 classification of this chapter shall be confined to those persons
13 or property exempted by this section or by provisions of the
14 Constitutions of the United States or the State of Mississippi.
15 No governmental exemption as now provided by any other section
16 shall be valid as against the tax herein levied. Any subsequent
17 governmental exemption from the tax levied hereunder shall be
18 provided by amendment to this section.

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

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

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

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

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

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

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

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

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

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

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

61 SECTION 2. Nothing in this act shall affect or defeat any
62 claim, assessment, appeal, suit, right or cause of action for
63 taxes due or accrued under the sales tax laws before the date on
64 which this act becomes effective, whether such claims,

65 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.