

By: Bonnen of Galveston, et al.

H.B. No. 633

A BILL TO BE ENTITLED

1 AN ACT
2 relating to a sales and use tax exemption for certain health care
3 supplies.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Sections 151.313(a), (c), and (e), Tax Code, are
6 amended to read as follows:

7 (a) The following items are exempted from the taxes imposed
8 by this chapter:

9 (1) a drug or medicine, other than insulin, if
10 prescribed or dispensed for a human or animal by a licensed
11 practitioner of the healing arts, including a veterinarian;

12 (2) insulin;

13 (3) a drug or medicine that is required to be labeled
14 with a "Drug Facts" panel in accordance with regulations of the
15 federal Food and Drug Administration, without regard to whether it
16 is prescribed or dispensed by a licensed practitioner of the
17 healing arts;

18 (4) a hypodermic syringe or needle;

19 (5) a brace; hearing aid or audio loop; orthopedic,
20 dental, or prosthetic device; ileostomy, colostomy, or ileal
21 bladder appliance; or supplies or replacement parts for the listed
22 items;

23 (6) a therapeutic appliance, device, and any related
24 supplies specifically designed for those products, if dispensed or

1 prescribed for a human or animal by a licensed practitioner of the
2 healing arts, including a veterinarian, when those items are
3 purchased and used by:

4 (A) an individual for whom the items listed in
5 this subdivision were dispensed or prescribed; or

6 (B) an owner or caretaker of an animal for which
7 the items listed in this subdivision were dispensed or prescribed;

8 (7) corrective lens and necessary and related
9 supplies, if dispensed or prescribed by an ophthalmologist or
10 optometrist;

11 (8) specialized printing or signalling equipment used
12 by the deaf for the purpose of enabling the deaf to communicate
13 through the use of an ordinary telephone and all materials, paper,
14 and printing ribbons used in that equipment;

15 (9) a braille wristwatch, braille writer, braille
16 paper and braille electronic equipment that connects to computer
17 equipment, and the necessary adaptive devices and adaptive computer
18 software;

19 (10) each of the following items if purchased for use
20 by the blind to enable them to function more independently: a slate
21 and stylus, print enlarger, light probe, magnifier, white cane,
22 talking clock, large print terminal, talking terminal, or harness
23 for guide dog;

24 (11) hospital beds;

25 (12) blood glucose monitoring test strips;

26 (13) an adjustable eating utensil used to facilitate
27 independent eating if purchased for use by a person, including a

1 person who is elderly, has a physical disability [~~or physically~~
2 ~~disabled~~], has had a stroke, or is a burn victim, who does not have
3 full use or control of the person's hands or arms;

4 (14) subject to Subsection (d), a dietary supplement;
5 and

6 (15) intravenous systems, supplies, and replacement
7 parts designed or intended to be used in the diagnosis or treatment
8 of humans or animals.

9 (c) A product is a drug or medicine for purposes of this
10 section if the product:

11 (1) is intended for use in the diagnosis, cure,
12 mitigation, treatment, or prevention of disease, illness, injury,
13 or pain;

14 (2) is:

15 (A) applied to the human body or is a product that
16 a human ingests or inhales; or

17 (B) prescribed or dispensed by a veterinarian and
18 is applied to the body of an animal or is a product that an animal is
19 intended to ingest or inhale;

20 (3) is not an appliance or device; and

21 (4) is not food.

22 (e) A product is an intravenous system for purposes of this
23 section if, regardless of whether the product is designed or
24 intended to be inserted subcutaneously into any part of a human's or
25 animal's [~~the~~] body, the product is designed or intended to be used
26 to administer fluids, electrolytes, blood and blood products, or
27 drugs [~~to patients~~] or to withdraw blood or fluids [~~from patients~~].

1 The term includes access ports, adapters, bags and bottles,
2 cannulae, cassettes, catheters, clamps, connectors, drip chambers,
3 extension sets, filters, in-line ports, luer locks, needles, poles,
4 pumps and batteries, spikes, tubing, valves, volumetric chambers,
5 and items designed or intended to connect qualifying products to
6 one another or secure qualifying products to a patient who is a
7 human or animal. The term does not include a wound drain.

8 SECTION 2. The changes in law made by this Act do not affect
9 tax liability accruing before the effective date of this Act. That
10 liability continues in effect as if this Act had not been enacted,
11 and the former law is continued in effect for the collection of
12 taxes due and for civil and criminal enforcement of the liability
13 for those taxes.

14 SECTION 3. This Act takes effect September 1, 2015.