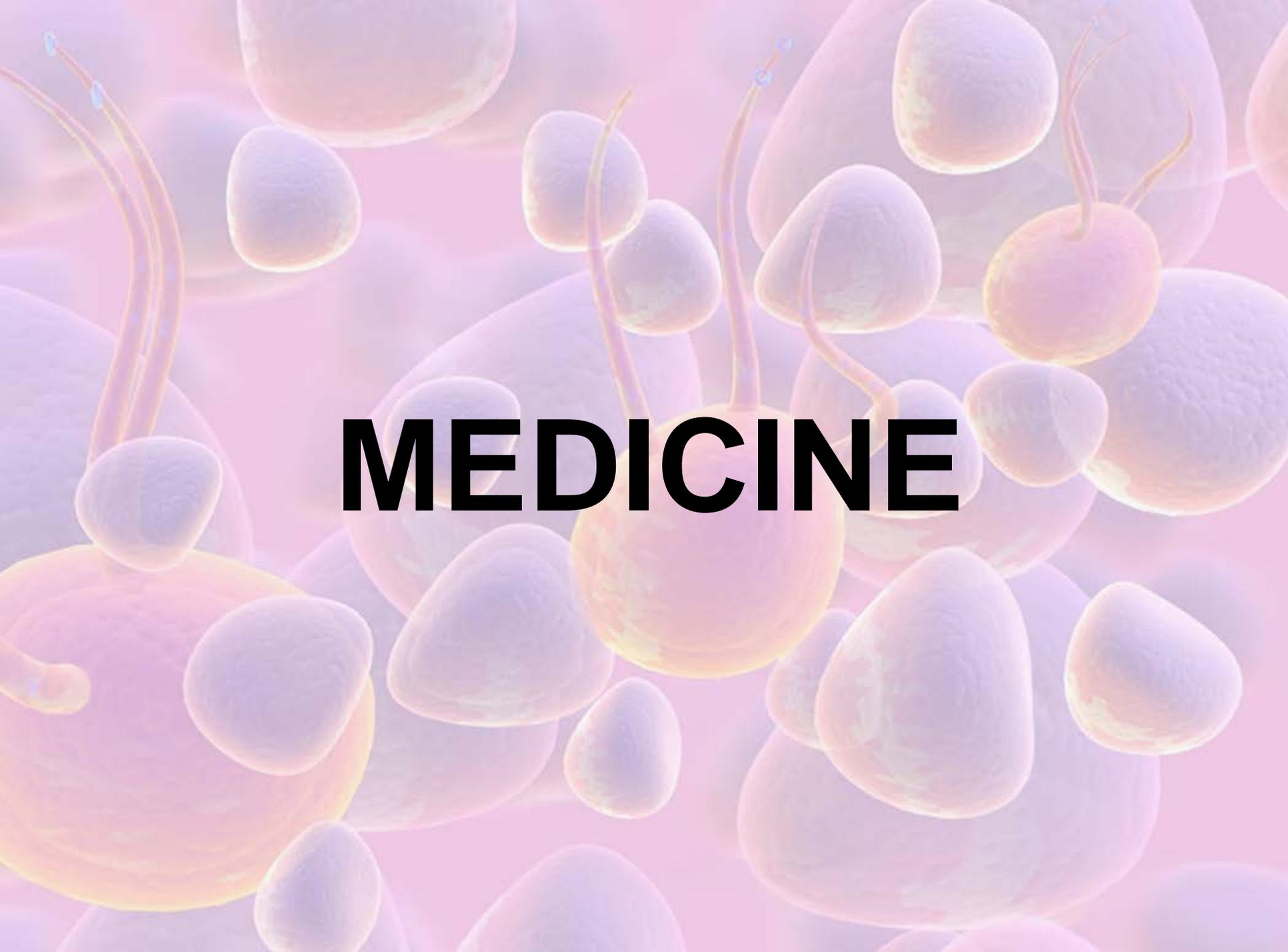


STATE OF NEVADA DEPARTMENT OF TAXATION

Medicine



A microscopic view of various cells, likely sperm or similar motile cells, with long, thin cilia extending from their heads. The cells are rendered in a soft, glowing style with a color palette of purples, pinks, and oranges. The background is a light, hazy pinkish-purple. The word "MEDICINE" is centered in a bold, black, sans-serif font.

MEDICINE

DRUGS OR MEDICINE

Definition:

– Compound, substance or preparation and any component of a compound, substance or preparation, which is recognized by:

- **United States Pharmacopoeia**
- **Homeopathic Pharmacopoeia of the United States**
- **National Formulary**
- **Any supplementary of the above**

NRS 360B.435

DRUGS OR MEDICINE

- Intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease or affliction of the human body as prescribed by a physician.
- Intended to affect the structure or any function of the body.



NRS 360B.435

NRS 360B.455

NRS 360B.465

NAC 372.019

DRUGS OR MEDICINE

If the drug or medicine is

- Furnished by a licensed physician, dentist or podiatric physician to his own patient
- Furnished by a hospital for treatment of any person pursuant to the order of a licensed physician, dentist or podiatric physician
- Sold to a licensed physician, dentist, podiatric physician or hospital for the treatment of a human being

It is EXEMPT

DRUGS OR MEDICINE

As **prescribed or administered** by a physician, drugs or medicine include, without limitation:

- Splints
- Bandages
- Pads
- Compresses
- Dressings
- Any Drug
- Injectable Dermal Fillers
- Saline Solutions
- Medical Grade Gases
- Insulin



NRS 372.283

NRS 360B.435

NRS 360B.455

NRS 360B.465

NAC 372.019

DRUGS OR MEDICINE

Do NOT include:

- *Auditory, ophthalmic or ocular device/appliance*
- *Instruments, crutches, canes, devices/other mechanical, electronic, optical/physical equipment*
- *Alcoholic beverage, other than as a solution in ordinary preparation of a medicine*
- *Food ingredient*
- *Braces or supports not prescribed or applied by a licensed provider of health care for human use*
- *Dietary supplement*

NRS 372.283(2)(b)

DIETARY SUPPLEMENT

- ***Any product, other than tobacco, intended to supplement the diet that contains one or more of the following:***
- ***Intended for ingestion in form of a tablet, capsule, powder, softgel, gelcap or liquid***
- ***Not represented as conventional food***
- ***Required to be labeled as dietary supplement per 21 C.F.R (101.36)***



Tonics & Vitamins	Mineral
Herb or other botanical	Amino acid
Dietary substance for use by humans	Concentrate
Metabolite	Constituent
Extract	Any combination of above

PROSTHETIC DEVICE

A replacement, corrective or supportive device, including any repair and replacement parts, worn on or in the body

- Replaces artificially a missing portion of the body
- Prevents or corrects a physical deformity or malfunction
- Supports a weak or deformed portion of the body
- Dental braces and related materials*

is exempt if prescribed or applied by a licensed provider of health care within his scope of practice, for human use

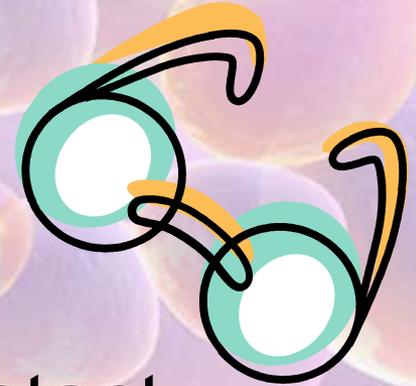
NRS 372.283; NRS 360B.475; *Nevada Supreme Court: *State v Lohse and Corbridge*

PROSTHETIC DEVICE

Does **NOT** include

Corrective eyeglasses, contact lenses or hearing aids

unless paid by Medicare or Medicaid



NRS 372.7285; NRS 360B.475

SALES TO GOVERNMENT ENTITIES

If a durable medical equipment or mobility-enhancing equipment (including glasses, contact lenses and hearing aids) has been prescribed for use by a patient

- **AND** is paid for by Medicaid or Medicare
- The transaction is **EXEMPT** from tax

NRS 372.7285(2)(c)

DURABLE MEDICAL EQUIPMENT

Includes abduction and orthotic pillows, anesthesia ventilators, bone growth stimulators, dialyzers and kidney dialysis machines

And...

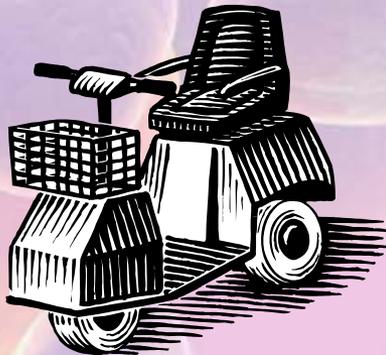
are exempt if paid for by Medicare or Medicaid

NRS 372.7285; NAC 372.698, NAC 372.020

MOBILITY-ENHANCING EQUIPMENT

- **Are exempt if paid for by Medicaid or Medicare**
- **Are appropriate for use either in a home or a motor vehicle**
- **Are not generally used by persons with normal mobility**

– Examples:



Wheelchair
Walker
Scooter



DENTISTS

Are consumers of the

- Materials
- Supplies
- Dental laboratory products
- Other tangible personal property used in performing their services



DENTAL LABORATORIES

Dental laboratories are the RETAILERS of

- ✓ **Plates**
- ✓ **Inlays**
- ✓ **Other products they manufacture for Dentists**

Tax applies to the entire charge for such a product regardless of whether the prices of the materials and services are separately stated.

NRS 372.283

HOSPITALS

A hospital

that is maintained and operated by an organization exempt under NRS 372.325 does not collect sales tax on:

- a. Tangible personal property furnished to inpatients in connection with the rendition of hospital services
- b. Meals served to staff members and personnel

Is a retailer of tangible personal property sold:

- a. To outpatients
- b. Through any pharmacy which operates for any purpose other than the rendition of hospital services



NAC 372.260(1)

HOSPITALS

All other hospitals, including nonprofit and private hospitals, shall pay either the sales tax on purchases of tangible personal property or the use tax on the use of tangible personal property in Nevada.

Those hospitals must collect sales tax on tangible personal property which they furnish to inpatients in connection with the rendition of hospital services. The tax is measured by:

- a. The charge for the property if separately stated or**
- b. Cost to the hospital**

NAC 372.260(2)

HOSPITALS

Cafes, restaurants, gift shops and similar facilities which are operated by any type of hospital, are the **RETAILERS** of the tangible personal property which they sell.



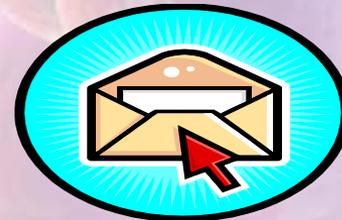
These types of transactions are not considered to be within the scope of the primary function of a charitable hospital.

NAC 372.260(3)

and therefore, are taxable!

Written Response

Most tax issues can be addressed by the Department of Taxation. Please be advised that any responses to inquiries made to the Department are only binding if put in writing, such as Nevada Revised Statutes, Administrative Code, Nevada Tax Notes, or in written correspondence.



DEPARTMENT OF TAXATION

Contact Information

Our offices are open Monday-Friday
8:00 AM – 5:00 PM



Contact our **CALL CENTER** at

- 1-866-962-3707

Southern Nevada:

Grant Sawyer Office Building
555 E. Washington Avenue
Suite 1300
Las Vegas, NV 89101

OR

2550 Paseo Verde Parkway
Suite 180
Henderson, NV 89074

Carson City:

1550 College Parkway
Suite 115
Carson City, NV 89706-7937

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