S-0203.2

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**SENATE BILL 5218**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**State of Washington 68th Legislature 2023 Regular Session**

**By** Senators Padden, Mullet, and Torres

AN ACT Relating to providing a sales and use tax exemption for complex rehabilitation technology products; amending RCW 82.08.0283 and 82.12.0277; and creating new sections.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

**Sec.**  RCW 82.08.0283 and 2007 c 6 s 1101 are each amended to read as follows:

(1) The tax levied by RCW 82.08.020 shall not apply to sales of:

(a) Prosthetic devices prescribed, fitted, or furnished for an individual by a person licensed under the laws of this state to prescribe, fit, or furnish prosthetic devices, and the components of such prosthetic devices;

(b) Medicines of mineral, animal, and botanical origin prescribed, administered, dispensed, or used in the treatment of an individual by a person licensed under chapter 18.36A RCW; ((~~and~~))

(c) Medically prescribed oxygen, including, but not limited to, oxygen concentrator systems, oxygen enricher systems, liquid oxygen systems, and gaseous, bottled oxygen systems prescribed for an individual by a person licensed under chapter 18.57 or 18.71 RCW for use in the medical treatment of that individual; and

(d) Medically prescribed complex rehabilitation technology products and the components of these products.

(2) In addition, the tax levied by RCW 82.08.020 shall not apply to charges made for labor and services rendered in respect to the repairing, cleaning, altering, or improving of any of the items exempted under subsection (1) of this section.

(3) The exemption in subsection (1) of this section shall not apply to sales of durable medical equipment, other than as specified in subsection (1)(c) of this section, or mobility enhancing equipment.

(4) The definitions in this subsection apply throughout this section.

(a)(i) "Complex rehabilitation technology products" means wheelchairs and seating systems that:

(A) Are individually configured for people to meet their specific and unique medical, physical, and functional needs and capacities for basic activities as medically necessary to prevent hospitalization or institutionalization of a complex needs patient;

(B) Are primarily used to serve a medical purpose and generally not useful to a person in the absence of an illness or injury; and

(C) Require certain services to allow for appropriate design, configuration, and use of the item, including patient evaluation and equipment fitting and configuration.

(ii) Medical equipment covered in whole, or in part, by medicaid, the children's health insurance program, or a state-only funded health care program and identified in a coverage table in a complex rehabilitation technology billing guide, or a successor billing guide or publication addressing coverage of complex rehabilitation technology products, published by the Washington state health care authority is presumed to be a complex rehabilitation technology product for the purpose of the exemption under this section.

(b) "Prosthetic device" means a replacement, corrective, or supportive device, including repair and replacement parts for a prosthetic device, worn on or in the body to:

(i) Artificially replace a missing portion of the body;

(ii) Prevent or correct a physical deformity or malfunction; or

(iii) Support a weak or deformed portion of the body.

((~~(b)~~)) (c) "Durable medical equipment" means equipment, including repair and replacement parts for durable medical equipment that:

(i) Can withstand repeated use;

(ii) Is primarily and customarily used to serve a medical purpose;

(iii) Generally is not useful to a person in the absence of illness or injury; and

(iv) Is not worn in or on the body.

((~~(c)~~)) (d) "Mobility enhancing equipment" means equipment, including repair and replacement parts for mobility enhancing equipment that:

(i) Is primarily and customarily used to provide or increase the ability to move from one place to another and that is appropriate for use either in a home or a motor vehicle;

(ii) Is not generally used by persons with normal mobility; and

(iii) Does not include any motor vehicle or equipment on a motor vehicle normally provided by a motor vehicle manufacturer.

((~~(d)~~)) (e) The terms "durable medical equipment" and "mobility enhancing equipment" are mutually exclusive.

**Sec.**  RCW 82.12.0277 and 2007 c 6 s 1102 are each amended to read as follows:

(1) The provisions of this chapter shall not apply in respect to the use of:

(a) Prosthetic devices prescribed, fitted, or furnished for an individual by a person licensed under the laws of this state to prescribe, fit, or furnish prosthetic devices, and the components of such prosthetic devices;

(b) Medicines of mineral, animal, and botanical origin prescribed, administered, dispensed, or used in the treatment of an individual by a person licensed under chapter 18.36A RCW; ((~~and~~))

(c) Medically prescribed oxygen, including, but not limited to, oxygen concentrator systems, oxygen enricher systems, liquid oxygen systems, and gaseous, bottled oxygen systems prescribed for an individual by a person licensed under chapter 18.57 or 18.71 RCW for use in the medical treatment of that individual; and

(d) Medically prescribed complex rehabilitation technology products and the components of these products.

(2) In addition, the provisions of this chapter shall not apply in respect to the use of labor and services rendered in respect to the repairing, cleaning, altering, or improving of any of the items exempted under subsection (1) of this section.

(3) The exemption provided by subsection (1) of this section shall not apply to the use of durable medical equipment, other than as specified in subsection (1)(c) of this section, or mobility enhancing equipment.

(4) "Prosthetic device," "durable medical equipment," ((~~and~~)) "mobility enhancing equipment," and "complex rehabilitation technology products" have the same meanings as in RCW 82.08.0283.

NEW SECTION. **Sec.**  This act applies to complex rehabilitation technology products sold on or after August 1, 2023.

NEW SECTION. **Sec.**  RCW 82.32.805 and 82.32.808 do not apply to this act.

**--- END ---**