

SECTION 13 - PROSTHETIC DEVICES, MOBILITY ENHANCING EQUIPMENT, DURABLE MEDICAL EQUIPMENT, AND DURABLE MEDICAL SUPPLIES**13-1 PROSTHETIC DEVICES****A. Exemption and Definition**

G.S. 105-164.13(12)a. exempts prosthetic devices from sales and use tax. Prosthetic devices are exempt regardless of whether they are sold on prescription. The term “**prosthetic device**” is defined in G.S. 105-164.3(30b) as a replacement, corrective, or supporting device worn on or in the body that meets one of the following conditions: 1) artificially replaces a missing portion of the body; 2) prevents or corrects a physical deformity or malfunction; 3) supports a weak or deformed portion of the body. The term includes repair and replacement parts for the device. The items in the following list (not all-inclusive) are exempt from tax as prosthetic devices:

1. abdominal belts (brace type);
2. abdominal binders and supports;
3. access ports;
4. acetabular cups (part of hip implant);
5. ankle braces;
6. anti-embolism stockings;
7. arch supports;
8. artificial eyes;
9. artificial heart valves;
10. artificial larynx;
11. artificial limbs;
12. atrial valves;
13. back braces;
14. bone cement and wax;
15. bone growth stimulators – external – not worn;
16. bone growth stimulators – implanted;
17. bone pins, plates, nails, screws;
18. braces;
19. breast implants;
20. breast prosthesis – external;
21. C.P.A.P. – worn;
22. casts and casting materials;
23. catheters – excluding suction catheters and similar catheters;
24. cervical collars;
25. cochlear implants;
26. collagen (not injectable collagen);
27. contact lenses;
28. corrective eyeglasses (nonprescription, such as reading glasses);
29. defibrillator and leads – implanted;
30. dialysis catheters – hemodialysis;
31. dialysis catheters – peritoneal;
32. drainage catheters;
33. drainage catheters – urinary;
34. drainage drains;
35. drainage shunts;
36. ear, nose, and throat implants;
37. eyeglasses (prescription);
38. false teeth;
39. feeding catheters;

40. Foley catheters;
41. gastric bands;
42. gastrostomy kits;
43. grafts;
44. hands and feet implants;
45. head halters;
46. hearing aids and hearing aid batteries;
47. hip and knee implants;
48. humid vents for tracheostomies;
49. implanted expander – tissue and breast;
50. infuser pumps – worn;
51. infusion sets for external insulin pumps;
52. insulin pumps;
53. intragastric balloons;
54. knee immobilizers;
55. mastectomy surgical bras;
56. maxillofacial devices – implanted;
57. membranes implants;
58. nasal cannulas;
59. nerve stimulators – implanted with leads;
60. obturators for cleft palates;
61. ocular implants;
62. orbital implants;
63. orthobiologics implants;
64. orthopedic shoes, shoe lifts, inserts, arch supports, heel protectors;
65. ostomy – adhesives;
66. ostomy – barriers (wafer, seal ring, protective film, paste, stomahesive, but not prep wipes, powder, cleansers, skin prep items, lubricants);
67. ostomy – catheters;
68. ostomy – collection leg bags and pouches;
69. ostomy – drain tubes and valves;
70. pacemakers and leads;
71. pacemakers – not implanted – worn;
72. penile pumps;
73. pressure garments;
74. programmable drug infusion devices;
75. Salem sump with anti-reflux valves;
76. seprafilim;
77. shoes – post operative;
78. shoulder and elbow implants;
79. skin implants – synthetic;
80. sleeves – compression;
81. slings;
82. speech aids – electronic (worn);
83. sphincters;
84. splint and splint materials;
85. staples, sutures and suture alternatives;
86. stents – implanted in body;
87. stockings – compression;
88. stump shrinkers;
89. supports – dorsolumbar, lumbosacral, maternity, post-operative, or sacroiliac;
90. surgical mesh implants;
91. suspensories;
92. tendon implants;
93. tens units – worn;

94. testicular and penile implants;
95. trachea tubes;
96. tracheostomy inner cannulas;
97. tracheostomy speaking valves;
98. traction devices – worn on the body;
99. trusses;
100. tubes of the following types that are implanted in the body: tracheotomy or laryngectomy;
101. vena cava filters.

B. Orthodontic Materials

The items listed below are exempt as prosthetic devices when they are purchased by an orthodontist to be assembled into an appliance to be worn by a patient:

1. bows;
2. bands;
3. brackets;
4. headgear;
5. jackscrews;
6. neckstraps;
7. rubber bands;
8. wires.

Note: For additional information on orthodontists and dentists, refer to Sales and Use Tax Technical Bulletins Section 14.

C. Records

A vendor who sells prosthetic devices must keep sales records that clearly segregate these sales.

History Note: Authority G.S. 105-164.3; 105-164.4; 105-164.6; 105-164.13; 105-164.22; 105-164.24; 105-264;
Issued: June 1, 1996;
Revised: December 1, 2008; April 1, 2008; February 1, 2007;
February 1, 2004; June 1, 2002; October 1, 1999; October 15, 1998.

13-2 MOBILITY ENHANCING EQUIPMENT

A. Exemption and Definition

G.S. 105-164.13(12)b. exempts from sales and use tax mobility enhancing equipment sold on a prescription. The term “**mobility enhancing equipment**” is defined in G.S. 105-164.3(21a) as equipment that meets all of the following conditions: 1) primarily and customarily used to provide or increase the ability of an individual to move from one place to another; 2) appropriate for use either in a home or motor vehicle; 3) not generally used by a person with normal mobility; and 4) not normally provided on a motor vehicle by a motor vehicle manufacturer. The term includes repair and replacement parts for the equipment but does not include durable medical equipment. The items in the following list (not all-inclusive) are considered to be mobility enhancing equipment and are exempt from tax when sold on prescription:

1. bath aids – raised toilet seats;
2. bath aids – tub and shower seats and stools; bathtub transfer benches;

3. bed cradles;
4. bed pull-up T handles/bars;
5. bedside rails;
6. canes; repair and replacement parts for canes;
7. crutches;
8. handrails and grab bars;
9. lift chairs and replacement parts;
10. mobility enhancing car seats;
11. patient lifts (sling or seat);
12. scooters and transporters;
13. specialty chairs – (wheelchairs adapted for specific uses or functions);
14. swivel seats;
15. transfer belts (worn by patients);
16. transfer boards;
17. trapeze bars;
18. walkers; repair and replacement parts for walkers; attachments and accessories designed specifically for walkers;
19. wheelchair ramps (tangible personal property but not ramps constructed of building materials);
20. wheelchairs and other travel chairs; repair and replacement parts for the chairs; attachments and accessories designed specifically for the chairs;

B. Records

A vendor who sells mobility enhancing equipment pursuant to a written prescription must keep sales records that clearly segregate these sales. The vendor must keep the original prescription for inspection by the Secretary of Revenue or an agent of the Secretary.

History Note: Authority G.S. 105-164.3; 105-164.4; 105-164.6; 105-164.13;
105-164.22; 105-164.24; 105-264;
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June 1, 2002; October 1, 1999; October 15, 1998.

13-3 DURABLE MEDICAL EQUIPMENT

A. Exemption and Definition

G.S. 105-164.13(12)c. exempts from sales and use tax “durable medical equipment sold on prescription.” The term “**durable medical equipment**” is defined in G.S. 105-164.3(8b) as equipment that meets all of the following conditions: 1) can withstand repeated use; 2) primarily and customarily used to serve a medical purpose; 3) generally not useful to a person in the absence of an illness or injury; and 4) not worn in or on the body. The term includes repair and replacement parts for the equipment. The term does not include mobility enhancing equipment. The items in the following list (not all-inclusive) are considered to be durable medical equipment and are exempt from tax when sold on prescription:

1. abduction, cervical, and orthodic pillows;
2. ambu resuscitators (reusable);
3. anesthesia machines;
4. anesthesia ventilators
5. anti-thrombolytic pumps;
6. apnea monitors;
7. aqua K pumps and pads;

8. audiology equipment – diagnostic;
9. automatic external defibrillators;
10. autotransfusion equipment;
11. bed – kodel pads;
12. beds – alternating pressure pads;
13. beds – blanket cradles;
14. beds – hospital beds – bassinets;
15. beds – hospital beds – beds and accessories/repair parts;
16. beds – incubators/isolettes;
17. beds – specialty care;
18. Billie lights;
19. blood pressure equipment – diagnostic;
20. bone growth stimulators – external – not worn;
21. bunion protectors or reducers;
22. C.P.A.P. – not worn;
23. cardiology equipment – diagnostic;
24. cardiopulmonary bypass machines;
25. cauterization equipment;
26. chair scales;
27. cofflators;
28. collection basins – urinals, bedpans, etc.;
29. commode chairs;
30. commodes;
31. compressors and other air power sources for a device in this list or for use in administering medication;
32. continuous passive motion devices;
33. continuous positive airway pressure (CPAP) devices;
34. crash carts – stocked;
35. dialyzers – single patient – multiple use;
36. EEG;
37. enteral – feeding bags – disposable;
38. enteral – feeding connectors;
39. enteral – feeding tubing;
40. enteral pumps;
41. enteral pumps and I.V. stands;
42. exam tables;
43. external insulin pumps; adaptors, piston rods, and batteries for the pumps;
44. feeding plugs;
45. fever thermometers – reusable;
46. foot cushions, including ball ‘o foot cushions;
47. glucose meters;
48. heat lamps – medical purposes;
49. heated humidifier systems;
50. heating pads;
51. heel cushions;
52. humidifiers;
53. ICD/Pacemaker Programmers;
54. infra-red lamps and bulbs;
55. infusion pumps, whether parenteral or another type;
56. intermittent positive pressure breathing (IPPB) machines;
57. intraaortic balloon pump (IABP);
58. intravenous stands;
59. IV poles;
60. IV therapy arm boards – reusable;
61. kidney dialysis machines and associates parts;

62. kinetic therapy beds;
63. lithotripters;
64. mammography equipment – diagnostic;
65. mattresses, whether spring, foam, or pressure;
66. medical atomizers – reusable;
67. medical instruments – reusable;
68. monitors – stationary;
69. MRI/CT;
70. nebulizers;
71. needleless drug delivery system – injection guns;
72. nerve stimulators – programmers;
73. ophthalmoscopes;
74. osteogenesis stimulators that are noninvasive;
75. ostomy – other (irrigation sets);
76. otoscopes;
77. overbed tables and trays;
78. oxygen and water vapor enriching systems;
79. oxygen concentrators; oxygen regulators; oxygen systems, whether liquid or gas; oxygen tents;
80. oxygen delivery – respiratory equipment;
81. oxygen tents/beds;
82. pacemakers – not implanted – not worn;
83. pacemaker transmitters;
84. paraffin bath units;
85. parenteral – feeding bags – disposable;
86. parenteral – feeding connectors;
87. parenteral – feeding tubing;
88. parenteral pumps and I.V. stands;
89. passive motion exercise devices;
90. patient positioners, including prone or side-lying positioners;
91. percussors;
92. platelet separators;
93. pressure reduction therapy beds;
94. programmable drug infusion pumps;
95. radiology equipment – diagnostic;
96. respiratory bags – resuscitation;
97. respiratory equipment;
98. respiratory equipment – not oxygen delivery – such as sensors or analyzers;
99. respiratory humidifiers;
100. respiratory – nebulizers;
101. respiratory-pulse oximetry equipment;
102. resuscitators – reusable;
103. scopes and lasers;
104. shoe insoles;
105. sling scales;
106. small volume non-filtered pneumatic nebulizers;
107. speech aids – electronic (not worn);
108. staplers – empty – reusable;
109. stethoscopes;
110. stirrups;
111. stretchers;
112. suction pumps;
113. suction regulators;
114. surgical laser devices;
115. tens units – not worn'

116. toe flexes;
117. tourniquets – non-pneumatic;
118. tourniquets – pneumatic;
119. traction equipment;
120. transcutaneous electrical nerve stimulators (TENS);
121. ultrasound equipment;
122. ultraviolet lights;
123. vaporizers;
124. ventilators;
125. wheelchair cushions - brace/support;
126. whirlpools (portable, over-the-tub type devices only);
127. X-ray equipment.

B. Records

A vendor who sells durable medical equipment pursuant to a written prescription must keep sales records that clearly segregate these sales. The vendor must keep the original prescription for inspection by the Secretary of Revenue or an agent of the Secretary.

History Note: Authority G.S. 105-164.3; 105-164.4; 105-164.6; 105-164.13;
105-164.22; 105-164.24; 105-264;
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Revised: April 1, 2008; February 1, 2007; February 1, 2004.

13-4 DURABLE MEDICAL SUPPLIES

A. Exemption and Definition

G.S. 105-164.13(12)d. exempts from sales and use tax “durable medical supplies sold on prescription.” The term “**durable medical supplies**” is defined in G.S. 105-164.3(8c) as “supplies related to use with durable medical equipment that are eligible to be covered under the Medicare or Medicaid program.” The items in the following list (not all-inclusive) are considered to be durable medical supplies and are exempt from tax when sold on prescription:

1. administration sets for small volume non-filtered pneumatic nebulizers;
2. aerosol masks used with durable medical equipment nebulizers;
3. enteral feeding supply kits whether syringe, pump-fed, or gravity-fed;
4. filters used with aerosol compressors;
5. spacer bags or reservoirs for use with metered dose inhalers;
6. walk strate pads.

B. Records

A vendor who sells durable medical supplies pursuant to a written prescription must keep sales records that clearly segregate these sales. The vendor must keep the original prescription for inspection by the Secretary of Revenue or an agent of the Secretary.

History Note: Authority G.S. 105-164.3; 105-164.4; 105-164.6; 105-164.13;
105-164.22; 105-164.24; 105-264;
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Revised: February 1, 2007; February 1, 2004.

13-5 MEDICAL DEVICES – BUNDLED TRANSACTIONS

If certain taxable and exempt medical products are sold together for one non-itemized price, the transaction may be considered a “**bundled transaction**” and subject to specific taxability rules. For additional information on bundled transactions, refer to Sales and Use Tax Technical Bulletin 34-25.

History Note: Authority G.S. 105-164.3; 105-164.4D; 105-264;
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