

(REPRINTED WITH ADOPTED AMENDMENTS)
FIRST REPRINT S.B. 528

SENATE BILL No. 528—COMMITTEE ON TAXATION

MARCH 26, 2001

Referred to Committee on Taxation

SUMMARY—Clarifies provisions relating to taxation of medical devices sold to governmental entities. (BDR 32-1134)

FISCAL NOTE: Effect on Local Government: No.
 Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to taxation; clarifying the provisions relating to the taxation of medical devices sold to governmental entities; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** Chapter 372 of NRS is hereby amended by adding thereto a
2 new section to read as follows:
3 ***1. In administering the provisions of NRS 372.325, the department***
4 ***shall apply the exemption to the sale of a medical device to a***
5 ***governmental entity that is exempt pursuant to that section without***
6 ***regard to whether the person using the medical device or the***
7 ***governmental entity that purchased the device is deemed to be the holder***
8 ***of title to the device if:***
9 ***(a) The medical device was ordered or prescribed by a provider of***
10 ***health care, within his scope of practice, for use by the person to whom it***
11 ***is provided;***
12 ***(b) The medical device is covered by Medicaid or Medicare; and***
13 ***(c) The purchase of the medical device is made pursuant to a contract***
14 ***between the governmental entity that purchases the medical device and***
15 ***the person who sells the medical device to the governmental entity.***
16 ***2. As used in this section:***
17 ***(a) "Medicaid" means the program established pursuant to Title XIX***
18 ***of the Social Security Act, 42 U.S.C. §§ 1396 et seq., to provide assistance***
19 ***for part or all of the cost of medical care rendered on behalf of indigent***
20 ***persons.***
21 ***(b) "Medicare" means the program of health insurance for aged and***
22 ***disabled persons established pursuant to Title XVIII of the Social***
23 ***Security Act, 42 U.S.C. §§ 1395 et seq.***



1 (c) *“Provider of health care” means a physician licensed pursuant to*
2 *chapter 630, 630A or 633 of NRS, dentist, licensed nurse, dispensing*
3 *optician, optometrist, practitioner of respiratory care, registered physical*
4 *therapist, podiatric physician, licensed psychologist, licensed audiologist,*
5 *licensed speech pathologist, licensed hearing aid specialist, licensed*
6 *marriage and family therapist, chiropractor or doctor of Oriental*
7 *medicine in any form.*
8 **Sec. 2.** Chapter 374 of NRS is hereby amended by adding thereto a
9 new section to read as follows:
10 1. *In administering the provisions of NRS 374.330, the department*
11 *shall apply the exemption to the sale of a medical device to a*
12 *governmental entity that is exempt pursuant to that section without*
13 *regard to whether the person using the medical device or the*
14 *governmental entity that purchased the device is deemed to be the holder*
15 *of title to the device if:*
16 (a) *The medical device was ordered or prescribed by a provider of*
17 *health care, within his scope of practice, for use by the person to whom it*
18 *is provided;*
19 (b) *The medical device is covered by Medicaid or Medicare; and*
20 (c) *The purchase of the medical device is made pursuant to a contract*
21 *between the governmental entity that purchases the medical device and*
22 *the person who sells the medical device to the governmental entity.*
23 2. *As used in this section:*
24 (a) *“Medicaid” means the program established pursuant to Title XIX*
25 *of the Social Security Act, 42 U.S.C. §§ 1396 et seq., to provide assistance*
26 *for part or all of the cost of medical care rendered on behalf of indigent*
27 *persons.*
28 (b) *“Medicare” means the program of health insurance for aged and*
29 *disabled persons established pursuant to Title XVIII of the Social*
30 *Security Act, 42 U.S.C. §§ 1395 et seq.*
31 (c) *“Provider of health care” means a physician licensed pursuant to*
32 *chapter 630, 630A or 633 of NRS, dentist, licensed nurse, dispensing*
33 *optician, optometrist, practitioner of respiratory care, registered physical*
34 *therapist, podiatric physician, licensed psychologist, licensed audiologist,*
35 *licensed speech pathologist, licensed hearing aid specialist, licensed*
36 *marriage and family therapist, chiropractor or doctor of Oriental*
37 *medicine in any form.*
38 **Sec. 3.** This act becomes effective upon passage and approval.

