

SENATE BILL NO. 447—COMMITTEE ON REVENUE  
AND ECONOMIC DEVELOPMENT

MARCH 25, 2019

Referred to Committee on Revenue and  
Economic Development

SUMMARY—Exempts sales of certain durable medical equipment,  
oxygen delivery equipment and mobility enhancing  
equipment from sales and use taxes. (BDR 32-1255)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.  
Effect on the State: Yes.

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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; providing for an exemption from sales  
and use taxes for certain durable medical equipment,  
oxygen delivery equipment and mobility enhancing  
equipment; and providing other matters properly relating  
thereto.

**Legislative Counsel’s Digest:**

At the 2016 General Elections, the voters of this State approved Initiative  
Petition No. 4, which proposed to amend the Nevada Constitution to require the  
Legislature to provide by law for an exemption from sales and use taxes for certain  
durable medical equipment, oxygen delivery equipment and mobility enhancing  
equipment. The initiative petition was again approved by the voters at the 2018  
General Election. Accordingly, Article 10, Section 3B of the Nevada Constitution  
was enacted to require the Legislature to provide for the exemption. This bill enacts  
the exemption from sales and use taxes for certain durable medical equipment,  
oxygen delivery equipment and mobility enhancing equipment.

**Sections 2-4** of this bill define the terms “durable medical equipment,”  
“mobility enhancing equipment” and “oxygen delivery equipment” for the purpose  
of the exemption. **Section 6** of this bill enacts the exemption for the sales and use  
taxes that are deposited into the State General Fund. **Section 9** of this bill amends  
the Local School Support Tax Law to provide an identical exemption. Any  
amendment to the Local School Support Tax Law also applies to other sales and  
use taxes imposed under existing law. (NRS 354.705, 374A.020, 376A.060,  
377.040, 377A.030, 377B.110 and 543.600 and various special and local acts)  
**Section 12** of this bill provides that all these exemptions become effective on  
July 1, 2019.



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

**Section 1.** Chapter 360B of NRS is hereby amended by adding thereto the provisions set forth as sections 2, 3 and 4 of this act.

**Sec. 2. 1. “Durable medical equipment” means equipment, including any repair and replacement parts therefor, which:**

**(a) Can withstand repeated use;**

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

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

**(d) Is not worn in or on the body.**

**2. The term includes, without limitation, abduction and orthotic pillows, anesthesia ventilators, bone growth stimulators, dialyzers and kidney dialysis machines.**

**Sec. 3. 1. “Mobility enhancing equipment” means equipment, including any repair and replacement parts therefor, which:**

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

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

**(c) Does not include any motor vehicle or equipment on a motor vehicle normally provided by a manufacturer of motor vehicles.**

**2. The term includes, without limitation, mobility enhancing car seats for children with disabilities and swivel seats for persons with disabilities.**

**Sec. 4. “Oxygen delivery equipment” means equipment, including any repair and replacement parts therefor, which is used to deliver oxygen or aerosolized medicine to a person. The term includes, without limitation, tanks and concentrators, ventilators, nebulizers, oral-nasal cannulas and continuous positive airway pressure (CPAP) machines.**

**Sec. 5.** NRS 360B.400 is hereby amended to read as follows:

**360B.400** In administering the provisions of this chapter and chapters 372 and 374 of NRS, and in carrying out the provisions of the Agreement, the Department shall construe the terms defined in NRS 360B.405 to 360B.495, inclusive, **and sections 2, 3 and 4 of this act**, unless the context otherwise requires, in the manner prescribed by those sections.



1     **Sec. 6.** Chapter 372 of NRS is hereby amended by adding  
2     thereto a new section to read as follows:

3     *There are hereby exempted from the taxes imposed by this*  
4     *chapter the gross receipts from sales of, and the storage, use or*  
5     *other consumption of:*

6     1. *Durable medical equipment;*

7     2. *Mobility enhancing equipment; and*

8     3. *Oxygen delivery equipment,*

9     *↪ prescribed for human use by a licensed provider of health care*  
10    *acting within his or her scope of practice.*

11    **Sec. 7.** NRS 372.195 is hereby amended to read as follows:

12    372.195 Every retailer maintaining a place of business in this  
13    State and making sales of tangible personal property for storage, use  
14    or other consumption in this State, not exempted under NRS  
15    372.260 to 372.350, inclusive, *and section 6 of this act*, shall, at the  
16    time of making the sales or, if the storage, use or other consumption  
17    of the tangible personal property is not then taxable hereunder, at  
18    the time the storage, use or other consumption becomes taxable,  
19    collect the tax from the purchaser and give to the purchaser a receipt  
20    therefor in the manner and form prescribed by the Tax Commission.

21    **Sec. 8.** NRS 372.260 is hereby amended to read as follows:

22    372.260 “Exempted from the taxes imposed by this chapter,”  
23    as used in NRS 372.260 to 372.350, inclusive, *and section 6 of this*  
24    *act*, means exempted from the computation of the amount of taxes  
25    imposed.

26    **Sec. 9.** Chapter 374 of NRS is hereby amended by adding  
27    thereto a new section to read as follows:

28    *There are hereby exempted from the taxes imposed by this*  
29    *chapter the gross receipts from sales of, and the storage, use or*  
30    *other consumption of:*

31    1. *Durable medical equipment;*

32    2. *Mobility enhancing equipment; and*

33    3. *Oxygen delivery equipment,*

34    *↪ prescribed for human use by a licensed provider of health care*  
35    *acting within his or her scope of practice.*

36    **Sec. 10.** NRS 374.200 is hereby amended to read as follows:

37    374.200 Every retailer maintaining a place of business in a  
38    county and making sales of tangible personal property for storage,  
39    use or other consumption in the county, not exempted under NRS  
40    374.265 to 374.355, inclusive, *and section 9 of this act*, shall, at the  
41    time of making the sales or, if the storage, use or other consumption  
42    of the tangible personal property is not then taxable hereunder, at  
43    the time the storage, use or other consumption becomes taxable,  
44    collect the tax from the purchaser and give to the purchaser a receipt  
45    therefor in the manner and form prescribed by the Department.



- 1       **Sec. 11.** NRS 374.265 is hereby amended to read as follows:  
2       374.265 “Exempted from the taxes imposed by this chapter,”  
3 as used in NRS 374.265 to 374.355, inclusive, *and section 9 of this*  
4 *act*, means exempted from the computation of the amount of taxes  
5 imposed.  
6       **Sec. 12.** This act becomes effective on July 1, 2019.

