

Second Regular Session  
Sixty-seventh General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 10-1123.02 Jason Gelender

SENATE BILL 10-214

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SENATE SPONSORSHIP

Tochtrop,

HOUSE SPONSORSHIP

Gagliardi,

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Senate Committees  
Finance

House Committees

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A BILL FOR AN ACT

101 CONCERNING MORE PRECISE SPECIFICATION OF THE CIRCUMSTANCES  
102 IN WHICH SALES OF MEDICAL PRODUCTS ARE EXEMPT FROM  
103 SALES TAX.

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Bill Summary

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

In order to more precisely specify the circumstances in which sales of drugs, insulin, medical materials, and therapeutic medical devices, appliances, and accessories are exempt from sales tax, the bill:

! Defines the term "licensed provider" to include any person

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

- authorized by state law to prescribe drugs; and
- ! Specifies that an exemption from sales tax applies to all sales of:
  - ! Drugs dispensed in accordance with a prescription written by a licensed provider;
  - ! Insulin dispensed pursuant to the direction of a licensed provider;
  - ! Drugs or materials furnished by a licensed provider as part of professional services provided to a patient; and
  - ! Therapeutic devices, appliances, or related accessories with a retail value of over \$100 sold to correct or treat a human physical disability or surgically created abnormality in accordance with a written recommendation from a licensed provider.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2           **SECTION 1.** 39-26-717 (1) (a) and (1) (b), Colorado Revised  
 3 Statutes, are amended, and the said 39-26-717 is further amended BY  
 4 THE ADDITION OF A NEW SUBSECTION, to read:

5           **39-26-717. Drugs and medical and therapeutic devices -**  
 6 **definition.** (1) The following shall be exempt from taxation under the  
 7 provisions of part 1 of this article:

8           (a) All sales of drugs dispensed in accordance with a prescription  
 9 WRITTEN BY A LICENSED PROVIDER, all sales of insulin in all its forms  
 10 dispensed pursuant to the direction of a licensed ~~physician~~ PROVIDER, all  
 11 sales of glucose useable for treatment of insulin reactions, all sales of  
 12 urine- and blood-testing kits and materials, all sales of insulin measuring  
 13 and injecting devices, including hypodermic syringes and needles, all  
 14 sales of prosthetic devices, all sales of wheelchairs and hospital beds, all  
 15 sales of drugs or materials when furnished by a ~~doctor~~ LICENSED  
 16 PROVIDER as part of professional services provided to a patient, and all  
 17 sales of corrective eyeglasses, contact lenses, or hearing aids;

1 (b) When sold in accordance with a written recommendation from  
2 a licensed ~~doctor~~ PROVIDER, all sales of therapeutic devices, appliances,  
3 or related accessories, with a retail value of more than one hundred  
4 dollars, that are sold to correct or treat a human physical disability or  
5 surgically created abnormality; and

6 (2) FOR PURPOSES OF THIS SECTION, "LICENSED PROVIDER" MEANS  
7 ANY PERSON AUTHORIZED TO PRESCRIBE DRUGS UNDER THE LAWS OF THIS  
8 STATE INCLUDING, BUT NOT LIMITED TO, AN ADVANCED PRACTICE NURSE,  
9 A DENTIST, AN OPTOMETRIST, A PHYSICIAN, A PHYSICIAN ASSISTANT, A  
10 PODIATRIST, OR A VETERINARIAN.

11 **SECTION 2. Applicability.** This act shall apply to sales  
12 occurring on or after the effective date of this act.

13 **SECTION 3. Safety clause.** The general assembly hereby finds,  
14 determines, and declares that this act is necessary for the immediate  
15 preservation of the public peace, health, and safety.