

139.472 Exemption for certain medical items.

- (1) Notwithstanding any other provisions of this chapter, the taxes imposed by this chapter shall not apply to the sale or purchase of:
 - (a) A drug purchased for the treatment of a human being for which a prescription is required by state or federal law, whether the drug is dispensed by a licensed pharmacist, administered by a physician or other health care provider, or distributed as a free sample to or from a physician's office;
 - (b) An over-the-counter drug purchased for the treatment of a human being for which a prescription is issued;
 - (c) Medical oxygen and oxygen delivery equipment purchased for home use. Oxygen delivery equipment includes:
 1. High pressure cylinders, cryogenic tanks, oxygen concentrators, or similar medical oxygen delivery equipment including repair and replacement parts for the equipment; and
 2. Tubes, masks, and similar items required for the delivery of oxygen to the patient;
 - (d) Insulin and diabetic supplies, including hypodermic syringes, needles, and sugar (urine and blood) testing materials purchased by an individual for private use;
 - (e) Colostomy, urostomy, or ileostomy supplies purchased by an individual for private use;
 - (f) Prosthetic devices purchased by any health care provider for use in the treatment of a specific individual or purchased by an individual as prescribed by a person authorized under the laws of the Commonwealth to issue prescriptions;
 - (g) Prosthetic devices that are individually designed or created for an individual regardless of the purchaser;
 - (h) Mobility enhancing equipment for which a prescription is issued; and
 - (i) Durable medical equipment, including hospital beds for which a prescription is issued.
- (2) Except as specifically provided in subsection (1) of this section, supplies or equipment used to deliver a drug to a patient are taxable.
- (3) As used in this section and KRS 139.480:
 - (a) "Drug" means a compound, substance, or preparation and any component of a compound, substance, or preparation, other than food and food ingredients, dietary supplements, or alcoholic beverages as defined in KRS 139.485, that is recognized in the official United States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United States, or official National Formulary, or a supplement to any of them, or is:
 1. Intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease; or
 2. Intended to affect the structure or any function of the body;

- (b) "Grooming and hygiene products" means soaps and cleaning solutions, shampoo, toothpaste, mouthwash, antiperspirants, and suntan lotions, regardless of whether the items meet the definition of an over-the-counter drug;
- (c) 1. "Over-the-counter drug" means a drug that contains a label that identifies the product as a drug as required by 21 C.F.R. sec. 201.66. The "over-the-counter drug" label shall include:
 - a. A "Drug Facts" panel; or
 - b. A statement of the active ingredients with a list of those ingredients contained in the compound, substance, or preparation.
- 2. "Over-the-counter drug" shall not include grooming and hygiene products;
- (d) "Prescription" means an order, formula, or recipe issued in any form of oral, written, electronic, or other means of transmission by a person authorized under the laws of the Commonwealth to prescribe a drug;
- (e) 1. "Prosthetic device" means a replacement, corrective, or supportive device, including repair and replacement parts for the device, worn on or in the body to:
 - a. Artificially replace a missing portion of the body;
 - b. Prevent or correct a physical deformity or malfunction; or
 - c. Support a weak or deformed portion of the body.
- 2. "Prosthetic device" shall not include any of the following:
 - a. Corrective eyeglasses;
 - b. Contact lenses; or
 - c. Dental prosthesis;
- (f) 1. "Mobility enhancing equipment" means equipment, including repair and replacements part for same, 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 motor vehicle manufacturer.
- 2. "Mobility enhancing equipment" shall not include durable medical equipment; and
- (g) 1. "Durable medical equipment" means equipment, including repair and replacement parts for same, 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. "Durable medical equipment" shall not include mobility enhancing equipment or oxygen delivery equipment that is not worn in or on the body.
3. As used in this paragraph, "repair and replacement parts" includes all components or attachments used in connection with durable medical equipment.

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History: Amended 2022 Ky. Acts ch. 212, sec. 45, effective January 1, 2023. -- Amended 2009 Ky. Acts ch. 73, sec. 17, effective July 1, 2009. -- Amended 2008 Ky. Acts ch. 39, sec. 1, effective August 1, 2008; and ch. 95, sec. 1, effective August 1, 2008. -- Amended 2007 Ky. Acts ch. 141, sec. 9, effective July 1, 2007. -- Amended 2005 Ky. Acts ch. 154, sec. 2, effective June 20, 2005. -- Amended 2003 Ky. Acts ch. 124, sec. 21, effective July 1, 2004. -- Amended 2001 Ky. Acts ch. 9, sec. 1, effective June 21, 2001. -- Amended 2000 Ky. Acts ch. 209, sec. 1, effective July 14, 2000. -- Amended 1986 Ky. Acts ch. 471, sec. 1, effective July 15, 1986. -- Created 1970 Ky. Acts ch. 12, sec. 1, effective January 1, 1971.

Legislative Research Commission Note (8/1/2008). Under the authority of KRS 7.136(1), the Reviser of Statutes has inserted subparagraph and subdivision designations in subsection (3)(f) of this statute during codification. The words in the text were not changed.