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05/17/2019 10:04:46 AM

HOUSE OF REPRESENTATIVES
CONFERENCE COMMITTEE REPORT

Mr. President:
Mr. Speaker:

The Conference Committee, to which was referred

HB1262

By: Hilbert of the House and Leewright of the Senate

Title: Revenue and taxation; sales tax exemption for certain medical equipment; effective date; emergency.

Together with Engrossed Senate Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. That the Senate recede from its amendment; and
2. That the attached Conference Committee Substitute be adopted.

Respectfully submitted,

House Action _____ Date _____ Senate Action _____ Date _____

HB1262 CCR2 (A)
HOUSE CONFEREES

Baker, Rhonda

Bennett, Forrest

Echols, Jon

Fetgatter, Scott

Ford, Ross

Ross Ford

Goodwin, Regina

Hilbert, Kyle

Kyle Hilbert

Kannady, Chris

Chris Kannady

Lawson, Mark

Mark P. Lawson

Lepak, Mark

Mark Lepak

Martinez, Ryan

Ryan Martinez

McBride, Mark

J. Mark McBride

McEntire, Marcus

Marcus McEntire

Meredith, Matt

Munson, Cyndi

Newton, Carl

Carl W. Newton D.

Nichols, Monroe

O'Donnell, Terry

Ortega, Charles

Charles Ortega

Osburn, Mike

Mike Osburn

Pfeiffer, John

John C. Pfeiffer

Roberts, Dustin

Dustin Roberts

Russ, Todd

Sanders, Mike

Mike Sanders

Taylor, Zack

Zack Taylor

Virgin, Emily

Walke, Collin

Wallace, Kevin

West, Josh

West, Kevin

Kevin West

Worthen, Rande

SENATE CONFEREES: GCCA (must be signed out at a Senate GCCA meeting)

Bice Bice
 Brooks _____
 Daniels Julie Daniels
 Dossett _____
 Dugger Jim Dugger
 Floyd _____
 Hall CHANN
 Ikley-Freeman _____
 Jech Gregory Jech
 Kidd Chris Kidd
 Matthews _____

Montgomery _____
 Pemberton Ben Pemberton
 Pugh _____
 Rader David Rader
 Rosino Paul Rosino
 Scott Paul Scott
 Shaw W. Jayne Shaw
 Simpson _____
 Stanislawski Stan Stanislawski
 Thompson Ally Thompson

House Action _____ Date _____ Senate Action _____ Date _____

STATE OF OKLAHOMA

1st Session of the 57th Legislature (2019)

2ND CONFERENCE COMMITTEE
SUBSTITUTE

FOR ENGROSSED

HOUSE BILL NO. 1262

By: Hilbert, Humphrey and
Tadlock of the House

and

Leewright and Scott of the
Senate

2ND CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to revenue and taxation; amending 68
O.S. 2011, Section 1357.6, which relates to sales tax
exemptions for certain medical items; modifying
provisions related to exempt transactions; providing
for exempt treatment of prosthetic devices, durable
medical equipment and mobility-enhancing equipment;
modifying definitions; providing an effective date;
and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 68 O.S. 2011, Section 1357.6, is
amended to read as follows:

Section 1357.6 A. Effective July 1, 1992, there are hereby
exempted from the tax levied by Section ~~1351~~ 1350 et seq. of, this
title sales of drugs for the treatment of human beings, medical
appliances, medical devices and other medical equipment including
but not limited to corrective eyeglasses, contact lenses, and

1 ~~hearing aids, prosthetic devices, as defined in subsection C of this~~
2 ~~section, durable medical equipment, as defined in subsection D of~~
3 ~~this section, and mobility enhancing equipment, as defined in~~
4 ~~subsection E of this section,~~ when administered ~~or,~~ distributed or
5 prescribed by a practitioner, as defined in subsection ~~B~~ C of this
6 section, who is authorized by law to administer ~~or,~~ distribute or
7 prescribe such items or when purchased or leased by or on behalf of
8 an individual for use by such individual under a prescription or
9 work order of a practitioner who is authorized by law to prescribe
10 such items and when the cost of such items will be reimbursed under
11 the Medicare or Medicaid Program.

12 B. There are hereby exempted from the tax levied by Section
13 1350 et seq. of this title sales of the following medical equipment
14 when administered, distributed or prescribed by a practitioner, as
15 defined in subsection C of this section, who is authorized by law to
16 administer, distribute or prescribe such items:

17 1. Prosthetic devices as defined in subsection D of this
18 section;

19 2. Durable medical equipment as defined in subsection E of this
20 section; and

21 3. Mobility-enhancing equipment as defined in subsection F of
22 this section.

23 C. The term "practitioner" means a physician, allopathic
24 physician, osteopathic physician, surgeon, podiatrist, chiropractor,

1 optometrist, pharmacist, psychologist, ophthalmologist, nurse
2 practitioner, clinical nurse specialist, audiologist or hearing aid
3 dealer or fitter who is licensed by the state as required by law.

4 ~~C.~~ D. The term "prosthetic device" means a replacement,
5 corrective or supportive device, including repair and replacement
6 parts for same, worn on or in the body to:

- 7 1. Artificially replace a missing portion of the body;
- 8 2. Prevent or correct physical deformity or malfunction; or
- 9 3. Support a weak or deformed portion of the body.

10 Provided, the term shall not include corrective eyeglasses,
11 contact lenses or hearing aids.

12 ~~D.~~ E. The term "durable medical equipment" means equipment,
13 including repair and replacement parts for same, which:

- 14 1. Is used in the home;
- 15 2. Can withstand repeated use;
- 16 ~~2.~~ 3. Is primarily and customarily used to serve a medical
17 purpose;
- 18 ~~3.~~ 4. Generally is not useful to a person in the absence of
19 illness or injury; and
- 20 ~~4.~~ 5. Is not worn in or on the body.

21 The term "durable medical equipment" shall not include
22 "mobilityenhancing equipment" as defined in subsection ~~E~~ F of this
23 section.

1 ~~E.~~ F. The term "mobility_enhancing equipment" means equipment,
2 including repair and replacement parts for same, which:

3 1. Is primarily and customarily used to provide or increase the
4 ability to move from one place to another and which is appropriate
5 for use either in a home or a motor vehicle;

6 2. Is not generally used by persons with normal mobility; and

7 3. Does not include any motor vehicle or equipment on a motor
8 vehicle normally provided by a motor vehicle manufacturer.

9 The term "mobility_enhancing equipment" shall not include
10 "durable medical equipment" as defined in subsection ~~D~~ E of this
11 section.

12 SECTION 2. This act shall become effective July 1, 2019.

13 SECTION 3. It being immediately necessary for the preservation
14 of the public peace, health or safety, an emergency is hereby
15 declared to exist, by reason whereof this act shall take effect and
16 be in full force from and after its passage and approval.

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18 57-1-8937 MB 05/13/19
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