

1 State of Arkansas
2 89th General Assembly
3 Regular Session, 2013
4

As Engrossed: H2/22/13
A Bill

HOUSE BILL 1400

5 By: Representative D. Altes
6

7 **For An Act To Be Entitled**

8 AN ACT CONCERNING THE SALES AND USE TAX ON HEARING
9 AIDS; TO EXEMPT HEARING AIDS FROM THE REQUIREMENT
10 THAT PROSTHETIC DEVICES BE PRESCRIBED BY A PHYSICIAN
11 TO BE ELIGIBLE FOR THE SALES AND USE TAX EXEMPTION IF
12 CERTAIN CONDITIONS ARE MET; AND FOR OTHER PURPOSES.
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15 **Subtitle**

16 TO EXEMPT HEARING AIDS FROM THE
17 REQUIREMENT THAT PROSTHETIC DEVICES BE
18 PRESCRIBED BY A PHYSICIAN TO BE ELIGIBLE
19 FOR THE SALES AND USE TAX EXEMPTION IF
20 CERTAIN CONDITIONS ARE MET.
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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25 SECTION 1. Arkansas Code § 26-52-433(a), concerning the sales and use
26 tax exemption for durable medical equipment, mobility-enhancement equipment,
27 prosthetic devices, and disposable medical supplies, is amended to add an
28 additional subdivision to read as follows:

29 (3) However, a prescription from a physician is not required for
30 the gross receipts or gross proceeds derived from the sale of a hearing aid
31 to be exempt from all state and local sales and use taxes if:

32 (A) The hearing aid is sold by a provider licensed under §
33 17-84-301 et seq. or § 17-100-301 et seq.; and

34 (B) The sale of the hearing aid complies with federal
35 medical evaluation and referral requirements under 21 C.F.R. §§ 801.420 and
36 801.421.



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SECTION 2. Arkansas Code § 26-53-141(a), concerning the sales and use tax exemption for durable medical equipment, mobility-enhancing equipment, prosthetic devices, and disposable medical supplies, is amended to add an additional subdivision to read as follows:

(3) However, a prescription from a physician is not required for the gross receipts or gross proceeds derived from the sale of a hearing aid to be exempt from all state and local sales and use taxes if:

(A) The hearing aid is sold by a provider licensed under § 17-84-301 et seq. or § 17-100-301 et seq.; and

(B) The sale of the hearing aid complies with federal medical evaluation and referral requirements under 21 C.F.R. §§ 801.420 and 801.421.

SECTION 3. EFFECTIVE DATE. Sections 1 and 2 of this act are effective on the first day of the calendar quarter following the effective date of this act.

/s/D. Altes