

March 6, 1991

LB 444

Will, would you like to open?

SENATOR WILL: Thank you, Madam President, members of the body, actually the explanation of the committee amendments pretty much explained the gist of the bill. I guess, by way of a little background, when our sales tax was first enacted in 1967 there was an exemption placed in that covered prescription medicine, insulin, oxygen and prosthetic devices and prosthetic devices has been interpreted by the Department of Revenue, through rule and regulation, to mean wheelchairs, hospital beds, crutches, hearing aids, walkers, canes and permanent prosthetic devices. Essentially, what's happened in the years since 1967 has been that, as Senator Hall explained, during the debate on the committee amendments that technology has advanced and we have a number of pieces of equipment that are sold under the same circumstances that are dealt with by the same people that are also granted the sales tax exemption but which we want to be sure are covered in statute and that's the purpose of LB 444. We make sure that we put in a definition of durable medical equipment that is exempt and that durable medical equipment consists of equipment that's primarily and customarily used to serve a medical purpose, generally is not useful to a person in the absence of illness or injury and is appropriate for use in the home. LB 444 goes on to make it very clear that the exemption only applies to equipment that is prescribed by a physician. So if you just walk into a drug store and decide you want to buy a pair of crutches because you twisted your ankle, you will pay sales tax on that just as you do now. LB 444, to my understanding, in no way expands the exemptions that are granted at all and, in fact, by making clear that a prescription is required, which is, by the way, ambiguous under current law, it might even tighten the categories to which this exemption applies. With that, I would urge the advancement of LB 444.

PRESIDENT MOUL: Thank you, Senator Will. Senator Wesely.

SENATOR WESELY: Thank you, Madam President. I guess I...I was trying to listen to Senator Will's explanation of the bill, I would ask if he could answer some questions.

SENATOR WILL: Certainly.

SENATOR WESELY: I guess what I'm trying to find is are you...were you saying that this does not expand the sales tax exemption?