



STATE BOARD OF EQUALIZATION

916-445-6493

May 11, 1984

This is to confirm our telephone conversation held on May 11, 1984 regarding your inquiry as to the application of tax to the sale of Fogarty embolectomy catheters. We understand that your facility provides hemodialysis treatment to patients, and that you purchase embolectomy catheters solely for use in such medical treatment.

Tax does not apply to the sale of prescription "medicines," as that term is defined under Section 6369 of the Revenue and Taxation Code and Sales and Use Tax Regulation 1591. Subsection (j) of Regulation 1591 provides that certain "appliances" and related supplies necessary as the result of any surgical procedure by which an artificial opening is created in the human body for the elimination of natural waste, shall be deemed to be dispensed on prescription within the meaning of [Revenue and Taxation Code] section 6369." Included within the meaning of the term "appliances and related supplies" are kidney dialysis machines (hemodialysis and peritoneal dialysis) and certain related supplies.

We have previously decided that Fogarty embolectomy catheters qualify as tax exempt "medicines" under Regulation 1591 (j) when they are used in the treatment of patients undergoing hemodialysis. Accordingly, your purchase of this item is not subject to tax. We suggest that when you purchase this type of catheter for use in patient hemodialysis, you should provide your supplier with an exemption certificate which contains the required information as described in Subsection (c)(1) of Regulation 1667.

Enclosed for your reference are copies of Sales and Use Tax Regulation 1591 "Prescription Medicines," and Regulation 1667 "Exemption Certificates." If you have any further questions, please write this office.

Very truly yours,

Charles J. Graziano
Tax CounselCJG:ba
Enc