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Senate

State of Minnesota

S.F. No. 1870 – Sales tax exemption for items purchased under health plans (as proposed to be amended by the A-1 amendment)

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Under current law, items purchased in transactions covered by Medicare and Medicaid are exempt from sales tax. Additionally, many drugs and medical devices are exempt when purchased for human use. Accessories and supplies required for effective use of prosthetic devices or durable medical equipment are also exempt.

This bill would exempt:

- Prescribed medical supplies; and
- Items purchased in transactions covered by a private health plan or qualified health plan, as both terms are defined under current law, that are not already exempt under the exemptions described above.

Effective for sales and purchases made after June 30, 2021.