

**701—287.8(422,423) Exempt sales of nonprescription medical devices, other than prosthetic devices.** A prescription is not required for sales of the medical devices mentioned in subrule 20.8(1) to be exempt from tax if those devices are purchased for human use or consumption.

**287.8(1) Definitions.**

*“Anesthesia trays”* includes, without limit, paracervical anesthesia trays, saddle block anesthesia trays, spinal anesthesia trays, and continuous epidural anesthesia trays.

*“Biopsy”* means the removal and examination of tissue from a living body, performed to establish a precise diagnosis.

*“Biopsy needles”* includes, without limit, needles used to perform liver, kidney, other soft tissue, bone, and bone marrow biopsies. Menghini technique aspirating needles, rosenthal-type needles, and “J” Jamshidi needles are all examples of biopsy needles.

*“Cannula”* means a tube inserted into a body duct or cavity to drain fluid, insert medication including oxygen, or to open an air passage. Examples are lariat nasal cannulas and ableson cricothyrotomy cannula.

*“Catheter”* means a tubular, flexible, surgical instrument used to withdraw fluids from or introduce fluids into a body cavity, or for making examinations. Examples are: robinson/nelaton catheters, all types of foley catheters (e.g., pediatric and irrigating), three-way catheters, suction catheters, IV catheters, angiocath catheters and male and female catheters.

*“Catheter trays.”* Universal foley catheter trays, economy foley trays, urethral catheterization trays and catheter trays with domed covers are nonexclusive examples of these trays.

*“Diabetic testing materials”* means all materials used in testing for sugar or acetone in the urine, including, but not limited to, Clinitest, Tes-tape, and Clinistix; also, all materials used in monitoring the glucose level in the blood, including, but not limited to, bloodletting supplies and test strips.

*“Drug infusion device”* means a device designed for the slow introduction of a drug solution into the human body. The term includes devices which infuse by means of pumps or gravity flow (drip infusion).

*“Fistula”* means an abnormal passage usually between the internal organs or between an internal organ and the surface of the body.

*“Hypodermic syringe”* means an instrument for applying or administering liquid into any vessel or cavity beneath the skin. This includes the needle portion of the syringe if it accompanies the syringe at the time of purchase, and it also includes replacement needles.

*“Insulin”* means a preparation of the active principle of the pancreas, used therapeutically in diabetes and sometimes in other conditions.

*“Intraocular lens”* means a lens located inside the eye.

*“Kit”* means a combination of medical equipment and supplies used to perform one particular medical procedure which is packaged and sold as a single item.

*“Medical device,”* for the purposes of this rule, means medical equipment or supplies intended to be dispensed for human use with or without a prescription to an ultimate user.

*“Myelogram”* means a radiographic picture of the spinal cord. A “radiographic” picture is one taken using radiation other than visible light.

*“Nebulizer”* means a mechanical device which converts a liquid to a spray or fog.

*“Oxygen equipment”* means all equipment used to deliver medicinal oxygen including, but not limited to, face masks, humidifiers, cannula, tubing, mouthpieces, tracheotomy masks or collars, regulators, oxygen concentrators and oxygen accessory racks or stands.

*“Set.”* See “Kit” above.

*“Tray.”* See “Kit” above.

**287.8(2)** Sales of the following medical devices are exempt from tax. If a medical device is of such a type that it can be rented as well as sold, the rental of that device is exempt as of the date that the sale of that device is exempt, except as set out in “b” below.

a. Insulin, hypodermic syringes, and diabetic testing materials.

b. As of July 1, 1992, sales of oxygen equipment; as of July 1, 1993, the rental of oxygen equipment.

c. Effective July 1, 1994, and retroactive to July 1, 1993, sales of hypodermic needles, anesthesia trays, biopsy trays and needles, cannula systems, catheter trays, invasive catheters, dialyzers, drug infusion devices, fistula sets, hemodialysis devices, insulin infusion devices, intraocular lenses, irrigation solutions, intravenous administering sets, solutions and stopcocks, myelogram trays, nebulizers, small vein infusion kits, spinal puncture trays, transfusion sets and venous blood sets are no longer taxable.

**287.8(3)** Component parts. Sales of any component parts of the trays, systems, devices, sets, or kits listed above are taxable unless the sale of a component part, standing alone, is otherwise exempt under these rules. For instance, the sale of a biopsy needle or an invasive catheter would be exempt from tax whether or not it was purchased for use as a component part in a biopsy tray or catheter tray, so long as the needle or catheter will be dispensed for human use to an ultimate user. Conversely, sales of catheter introducers, disposable latex gloves, rayon balls, forceps, and specimen bottles are exempt when those items are sold as part of a catheter tray, but are not exempt when those items are sold individually.

**287.8(4)** Sales of the medical devices mentioned in this rule may be exempt for periods other than those set out in this rule. For instance, a medical device might be prescribed by a practitioner or its sale or rental might be “covered” by Medicare or Medicaid. See subrule 20.7(1) and rule 20.10(422,423) for more information.

This rule is intended to implement Iowa Code section 422.45.

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