

# OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION  
TONY MASTIN, DIRECTOR

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May 15, 2002

Re: Our File No. LR-02-059; Sales tax on the sale of joint prostheses.

Dear

This is in response to your inquiry concerning the sales taxability of total joint prostheses.

The sale of the prostheses would not be exempt when sold to a medical care provider by your company. However, a medical service provider, that distributes the device to a patient who is covered by Medicare or Medicaid and for whom the cost of the device is reimbursed by Medicare or Medicaid, may be eligible for a refund, directly, of the sales or use tax paid on the purchase of the device, from the Oklahoma Tax Commission, if the service provider follows the requirements of Oklahoma Tax Commission rule 710:65-13-173.

This response applies only to the circumstances set out in your request of March 19, 2002. Pursuant to Commission Rule 710:1-3-73(e), this Letter Ruling may be generally relied upon **only** by the entity to whom it is issued, assuming that all pertinent facts have been accurately and completely stated, and that there has been no change in applicable law.

If I can be of further assistance, please feel free to contact me.

Sincerely,  
OKLAHOMA TAX COMMISSION

  
Michael G. Pillow  
Tax Policy Analyst

ENCLOSURE