

SALES TAX NOTES

Here in a nutshell are the sales tax rules.

1. All drugs and medicines are exempt, no matter who buys them from whom. This includes nitrous oxide and other anesthetics.
2. Supplies like gold, amalgam, porcelain are not exempt when the dentist buys them, because he is using them in the patient for compensation.
3. Supplies like gold, amalgam, porcelain are exempt if a dental laboratory purchases them, because the laboratory is only going to resell the item to the dentist. If the dentist has his own in-house dental laboratory that manufactures items just like an outside dental laboratory would, then the supplies like gold, amalgam, or porcelain that are attributable to the laboratory in the dentist's office would be exempt. Note that it is very, very rare that a dentist has his own dental laboratory, and to come under this rare exemption, the laboratory must be a real operation and not a sham one that the dentist wants to classify as a "laboratory".
4. Orthodontic appliances, except for space maintainers, are not exempt from sales tax when a dentist purchases them. They are all exempt if the patient purchases them.
5. Crowns, bridges, dentures, and all other dental services are exempt when the patient purchases them, because they are classified as either medical services or prosthetic devices.
6. Crowns, bridges, and dentures are exempt when the dentist purchases them too, because their category as prosthetic devices overrides anything else. For a crown to qualify it must be permanently attached to a tooth.

