

SENATE, No. 3124

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED NOVEMBER 5, 2020

Sponsored by:

Senator NILSA I. CRUZ-PEREZ

District 5 (Camden and Gloucester)

SYNOPSIS

Exempts personal protective equipment from sales and use tax.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT exempting personal protective equipment from sales and
2 use tax, amending P.L.1980, c.105.

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4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

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7 1. Section 13 of P.L.1980, c.105 (C.54:32B-8.1) is amended to
8 read as follows:

9 13. a. Receipts from sales of the following sold for human use
10 are exempt from the tax imposed under the "Sales and Use Tax
11 Act":

12 (1) drugs sold pursuant to a doctor's prescription;

13 (2) over-the-counter drugs;

14 (3) diabetic supplies;

15 (4) prosthetic devices;

16 (5) tampons or like products;

17 (6) medical oxygen;

18 (7) human blood and its derivatives;

19 (8) durable medical equipment for home use;

20 (9) mobility enhancing equipment sold by prescription; **[and]**

21 (10) repair and replacement parts for any of the foregoing
22 exempt devices and equipment **[.]** and

23 (11) personal protective equipment.

24 b. As used in this section:

25 "Drug" means a compound, substance, or preparation, and any
26 component of a compound, substance, or preparation, other than
27 food and food ingredients, dietary supplements, or alcoholic
28 beverages:

29 (1) recognized in the official United States Pharmacopoeia,
30 official Homeopathic Pharmacopoeia of the United States, or
31 official National Formulary, and supplement to any of them; or

32 (2) intended for use in the diagnosis, cure, mitigation, treatment,
33 or prevention of disease; or

34 (3) intended to affect the structure or any function of the body.

35 "Over-the-counter-drug" means a drug that contains a label
36 which identifies the product as a drug, required by 21 CFR 201.66.

37 The label includes:

38 (1) a "Drug Facts" panel or

39 (2) a statement of the "active ingredient" or "active ingredients"
40 with a list of those ingredients contained in the compound,
41 substance or preparation. "Over-the-counter drug" does not include
42 a grooming and hygiene product.

43 "Grooming and hygiene product" is soap or cleaning solution,
44 shampoo, toothpaste, mouthwash, anti-perspirant, or sun tan lotion

EXPLANATION – Matter enclosed in bold-faced brackets **[thus] in the above bill is not enacted and is intended to be omitted in the law.**

Matter underlined thus is new matter.

1 or screen, regardless of whether the item meets the definition of
2 "over-the-counter drug."

3 "Prescription" means an order, formula, or recipe issued in any
4 form of oral, written, electronic, or other means of transmission by
5 a duly licensed practitioner authorized by the laws of this State.

6 "Prosthetic device" means a replacement, corrective, or
7 supportive device including repair and replacement parts for same
8 worn on or in the body in order to:

- 9 (1) artificially replace a missing portion of the body; or
- 10 (2) prevent or correct a physical disability; or
- 11 (3) support a weak or disabled portion of the body.

12 "Durable medical equipment" means equipment, including repair
13 and replacement parts, but not including mobility enhancing
14 equipment, that:

- 15 (1) can withstand repeated use;
- 16 (2) is primarily and customarily used to serve a medical
17 purpose;
- 18 (3) is generally not useful to a person in the absence of illness or
19 injury; and
- 20 (4) is not worn in or on the body.

21 "Mobility enhancing equipment" means equipment, including
22 repair and replacement parts, other than durable medical equipment,
23 that:

- 24 (1) is primarily and customarily used to provide or increase the
25 ability to move from one place to another and which is appropriate
26 for use either at home or in a motor vehicle; and
- 27 (2) is not generally used by persons with typical mobility; and
- 28 (3) does not include any motor vehicle or equipment on a motor
29 vehicle normally provided by a motor vehicle manufacturer.

30 "Personal protective equipment" means coveralls, face shields,
31 gloves, gowns, masks, respirators, and other equipment designed to
32 protect the wearer from the spread of infection or illness.

33 c. Receipts from sales of supplies purchased for use in
34 providing medical services for compensation, but not transferred to
35 the purchaser of the service in conjunction with the performance of
36 the service, shall be considered taxable receipts from retail sales
37 notwithstanding the exemption from the tax imposed under the
38 "Sales and Use Tax Act" provided under this section.

39 (cf: P.L.2017, c.131, s.214)

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41 2. This act shall take effect immediately.

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STATEMENT

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46 This bill exempts personal protective equipment from taxation
47 under the "Sales and Use Tax Act." The director of the Center for
48 Disease Control emphasized the importance of masks while

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1 testifying before the Senate Appropriations Committee of the
2 United States Senate.

3 Personal protective equipment includes coveralls, face shields,
4 gloves, gowns, masks, respirators, and other equipment designed to
5 protect the wearer from the spread of an infection or illness.