How states handle charges incurred for “use tax” on hearing aids.

“In West Virginia, a use tax of 6% is charged to the dispenser based on his/her hearing aid purchase cost. Use tax, as compared to sales tax, is not visible nor directly chargeable to the consumer.”

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| AL | In Alabama, we have to charge sales tax. The amount varies of course with the municipality.  
*Pat Lacoste* |
| AZ | We do not have a "use tax" or any other on hearing aids in Arizona  
*Theresa Webb* |
| CA | In California, we are charged the appropriate sales tax, according to county, on the original invoice from the manufacturer. In San Diego county, the tax is 7.75%  
*Judy Horning*  
I think the West Virginia situation is status quo. In California, the manufacturer charges us a sales tax on our buying price. We cannot charge sales tax on a medical device but the sales tax is rolled into the purchase price. So indirectly the consumer is paying my sales tax at a lower level than their sales tax on the sale price.  
*Cydney Fox* |
| CO | State of Colorado has no tax on "durable medical devices", which constitutes hearing aids and accessories.  
*Nancy Schehr Johnson, M.S., CCC-University of Northern Colorado*  
Hearing aids are not assessed tax (use &/or sales) in Colorado. They are considered a medical device. Battery sales, at least through audiology clinics, are not taxed either.  
*Jennifer Weber, Au.D.  
University of Northern Colorado  
970-351-2012* |
| DC | As per the DC Tax office-**No** Sales or Use Tax on hearing aids (considered medical devices)  
*Lina Kubli* |
| FL | Florida does not charge tax for hearing aids. Can this not be considered a medical expense? We often suggest asking the accountant about using the cost of hearing aids as a part of the medical expenses for tax deduction.  
*Cindy Simon* |
| IA | In Iowa, we do not have sales tax on medical devices or on batteries. There is no tax on medical professional services. Attempts have been in the past in our legislature to tax services but have not been on the legislative screen for years.  
*Stuart Trembath* |
<p>| IL | In Illinois, or at least in our practice, hearing aids are taxed as durable medical goods which means tax is 1.25%. So, although repairs are not taxed, hearing aids, |</p>
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<td>KY</td>
<td>KY does not charge sales or use tax on hearing aids. &lt;br&gt;<strong>Pam Ison</strong></td>
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| MA    | I have not heard of this in Massachusetts. We have it just for equipment, lab supplies etc. that are bought out of state and tax is not charged but not for hearing aids. Please let me know if you hear differently. <br>**Tannya Poulter**<br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br>...
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| WA    | In Washington state, there is no use or sales tax on hearing aids, earmolds for hearing aids or batteries for hearing aids.  
**Shann Rand** |
| WI    | Hearing aids and accessories (batteries, dessicant drying containers, earmold blowers and spray, etc.) are exempt from sales and use tax in WI. They are categorized as durable medical equipment.  
**Meredy Hase, Au.D.** |
| WV    | This is a long story; the short of it is that in WV there is confusion regarding taxes and hearing aids.  
I have been dispensing in WV since 1976 and, until 3 years ago, paid a 6% "use tax" on my cost for those hearing aids. I was audited 3 years ago and the initial determination of the new auditor was that I had to pay tax on ALL hearing aids; that I could not exempt those hearing aids paid for by the state of West Virginia (as I had been doing). My accountant produced a recent ruling pertaining to optometrists saying that all glasses and contact lenses were exempt from use tax since they were a "prescribed" medical device. When presented this document from the tax department, the tax department ruled next in my case that hearing aids, also being medical devices, were exempt from use tax as long as they were "prescribed". The auditor interpreted "prescribed" in a hearing aid fitting then as having a "medical clearance". A lot of my fittings had medical clearances and so the tax department owed me a lot of money, which I took and they closed my audit. With some fear, I next wrote the tax department asking for a more detailed ruling on hearing aids and the "prescription" of them. I sent my curricula vita, an explanation of medical doctors' lack of training and experience in hearing aids and concluded that audiologists are the only professional capable of "prescribing" hearing aids. The tax department never replied to my request, but I have subsequently stopped paying taxes on all hearing aids under on the basis that I am prescribing them. I have a hearing aid prescription form placed in the chart that delineates the color, type, make, model of hearing aids to be fit. This may or may not fly with the tax department when I am again audited, but that's my logic and I'm sticking to it.  
**Gary Harris** |