

Sales/Use/Indirect:

South Carolina DOR Addresses Recent Decision Declaring Durable Medical Equipment Exemption Void

Information Letter 24-10, S.C. Dept. of Rev. (7/24). The South Carolina Department of Revenue issued an information letter discussing its implementation of a recent South Carolina Supreme Court decision, which declared South Carolina's statutory sales tax exemption for the sale of durable medical equipment (DME) entirely void because it invalidly discriminated against interstate commerce in violation of the dormant Commerce Clause [see *Case No. 2023-000317*, S.C. (6/26/24), and *State Tax Matters*, Issue 2024-26, for more details on this recent decision]. Specifically, the letter gives notice that South Carolina's sales and use tax exemption for DME under S.C. Code Ann. section 12-36-2120(74) is "now invalid" and, accordingly, "sellers of DME are required to collect and remit sales tax on their sales of DME within this State after June 26, 2024." Additionally, the letter addresses sales of DME to "Medicaid and/or Medicare beneficiaries, where South Carolina or United States funds under either the Medicaid or Medicare programs are used to partially or fully pay for the DME on behalf of the beneficiaries." Please contact us with any questions.

URL: <https://dor.sc.gov/resources-site/lawandpolicy/Advisory%20Opinions/IL24-10.pdf>

URL: <https://www.sccourts.org/opinions/HTMLFiles/SC/28211.pdf>

URL: https://dhub.deloitte.com/Newsletters/Tax/2024/STM/240628_15.html

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