

Sales/Use/Indirect:

South Carolina: New Law Expands Eligibility for Durable Medical Equipment Exemption to Cure Constitutional Defect

H.B. 3800, signed by gov. 5/12/25. Effective immediately, new law amends South Carolina's existing statutory sales tax exemption on durable medical equipment (DME) and related supplies in response to the South Carolina Supreme Court's 2024 decision that declared this exemption entirely void because it invalidly discriminated against interstate commerce in violation of the dormant Commerce Clause due to the phrase "whose principal place of business is located in this state" [see Case No. 2023-000317, S.C. (6/26/24), and *State Tax Matters*, Issue 2024-26, for more details on this 2024 decision], by removing the requirement that the seller's principal place of business be located in South Carolina. According to accompanying bill notes, these changes amend the statutory exemption to "remove the phrase that was ruled unconstitutional." Please contact us with any questions.

URL: <https://www.scstatehouse.gov/billsearch.php?billnumbers=3800>

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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