

Excise Tax Advisory

Excise Tax Advisories are interpretive statements authorized by RCW 34.05.230.

ETA 3206.2018

Issue Date: April 16, 2018

Retail Sales and Use Tax Exemption for Sales of Nebulizers in the Form of a Refund

Purpose

This Excise Tax Advisory (ETA) explains that the retail sales and use tax exemption for the sale of nebulizers under [RCW 82.08.803](#) and [82.12.803](#) must be taken in the form of a refund and not as a point of sale exemption. See also, [WAC 458-20-18801](#).

Retail sales and use tax exemption for sales of nebulizers

A "nebulizer" is a device, not including a building fixture, that converts a liquid medication into a mist so that it can be inhaled.

RCW 82.08.803 and 82.12.803 provide a retail sales and use tax exemption, respectively, for:

- sales of nebulizers, including repair, replacement, and component parts for such nebulizers, if the nebulizer is for human use and sold pursuant to a prescription, and
- charges made for labor and services rendered in respect to the repairing, cleaning, altering, or improving of nebulizers.

Prior to 2007, the exemption was administered as a point of sale exemption whereby the seller did not charge the retail sales or use tax at the time of sale if the buyer provided a valid exemption certificate.

Upon Washington's adoption of the Streamlined Sales and Use Tax Agreement (SSUTA) in 2007, the nebulizer exemption changed from a point of sale exemption to a refund process.

The exemption for sales of nebulizers must be administered in the form of a refund. That is, the seller must collect the retail sales or use tax, and the purchaser must

To request this document in an alternate format, visit <http://dor.wa.gov> and click on "contact us" or call 1-800-647-7706. Teletype (TTY) users may use the Washington Relay Service by calling 711.

General tax information is available on our website at dor.wa.gov.

Questions? Complete the online form at dor.wa.gov/communications or call 800-647-7706. If you want a binding ruling from the Department, complete the form at dor.wa.gov/rulings.

request a refund directly from the Department. This applies to all sales. *See*, WAC 458-20-18801.

**Process for
claiming the
exemption
through a
refund**

Seller

The seller must collect and remit retail sales or use tax on all sales of nebulizers at the time of sale.

Buyer

The buyer must claim the exemption by applying for a refund directly from the Department of the retail sales or use tax paid. Refer to WAC 458-20-229 *Refunds* or dor.wa.gov for more information about the refund procedure.

Note: If a seller or buyer previously received written instructions from the Department inconsistent with the guidance provided in this ETA, they may rely on those instructions up until the issuance date of the ETA.
