

WEST VIRGINIA LEGISLATURE

2017 REGULAR SESSION

Introduced

House Bill 2351

**FISCAL
NOTE**

BY DELEGATE PYLES

[Introduced February 13, 2017; Referred
to the Committee on Health and Human Resources
then Finance.]

1 A BILL to amend the Code of West Virginia, 1931, as amended by adding thereto a new section,
 2 designated §11-15-3d, relating to providing for a sales tax of five percent for over the
 3 counter medicines and nutritional supplements; and providing that the tax be used to offset
 4 public employees insurance premiums.

Be it enacted by the Legislature of West Virginia:

1 That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new
 2 section, designated §11-15-3d, to read as follows

ARTICLE 15. CONSUMERS SALES AND SERVICE TAX.

§11-15-3d. Rate of tax on over the counter medicines and nutritional supplements; use of tax.

1 (a) Rate of tax. -- Notwithstanding any provision of this article or article fifteen-a of this
 2 chapter to the contrary, after June 30, 2017, the rate of tax on sales, purchases and uses of:

3 (1) All nonprescription, over the counter medicines, including, but not limited to,
 4 medications sold for relief of cough, cold, flu, allergies, aches, pains, itching, indigestion,
 5 constipation and diarrhea and conditions affecting the ears, nose, throat and digestive tract,
 6 whether they be taken orally, topically or inserted into the body; and

7 (2) All vitamins and other nutritional supplements
 8 shall be five percent of its sales price.

9 (b) Calculation of tax on fractional parts of a dollar. -- The tax computation under this
 10 section shall be carried to the third decimal place and the tax rounded up to the next whole cent
 11 whenever the third decimal place is greater than four and rounded down to the lower whole cent
 12 whenever the third decimal place is four or less. The seller may elect to compute the tax due on
 13 a transaction on a per item basis or on an invoice basis provided the method used is consistently
 14 used during the reporting period.

15 (c) Use of tax. – All proceeds from the collection of the tax imposed by the section shall
 16 be transferred to the Public Employees Insurance Agency and used by that agency to offset costs

17 related to insurance premiums charged to public employees.

NOTE: The purpose of this bill is to provide for a sales tax of five percent for over the counter medicines and nutritional supplements. The bill provides that the tax be used to offset public employees insurance premiums.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.