

Tax and Licensing Division  
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## Tax Compliance Guide

### Medical/Dental Service Providers

(2/2022)

Medical and dental procedures are generally considered professional services. Therefore, professional fees collected by medical and dental practitioners are not subject to Aurora sales tax. If, however, the practitioner also sells tangible personal property in addition to patient services, such sales are subject to Aurora sales tax. The practitioner must collect sales tax on taxable sales and remit collected funds to the City. Examples of taxable items include, but are not limited to, vitamins and nutritional supplements; books, magazines, or other publications; therapeutic devices; and toothbrushes or other dental hygiene products. Prescription drugs and prosthetic devices are exempt from Aurora sales tax.

The *Aurora Municipal Code* also imposes a use tax upon the privilege of using, storing, distributing, or otherwise consuming tangible personal property or taxable services in the City. Use tax applies to the extent a sufficient, legally-imposed sales tax was not paid at the time of purchase, lease, or rental. Common examples of property subject to use tax in the medical/dental industry include, but are not limited to:

- ❖ Disposable supplies such as rubber gloves, tongue depressors, cotton balls, cotton swabs, syringes, floss, mouthwash, fluoride trays, napkins, towels, cups, disposable instruments, and other similar items
- ❖ Tools, instruments, furniture, removable fixtures, and medical equipment
- ❖ Impression material
- ❖ Temporary solutions, germicides, and sterilization solutions
- ❖ Braces, retainers, and other orthodontic devices
- ❖ Nonprescription drugs and therapeutic devices
- ❖ Office supplies, cleaning supplies, uniforms, and office equipment
- ❖ Publications, journals, newsletters, and printed or digital resource materials
- ❖ Complimentary items such as toothbrushes, toothpaste, floss, samples, and toys

#### Examples

1. A dentist purchases several items from a dental supply company: tools, rubber gloves, fluoride trays, amalgam and germicide. The supply company is located outside the City and does not collect Aurora sales tax. The dentist must remit Aurora

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use tax on these items on their next periodic City sales/use tax return.

2. A dentist purchases a retainer, night guard, and braces from a dental lab. The lab is located outside the City and does not collect Aurora sales tax. The dentist must remit Aurora use tax on these items. As a service provider these types of purchases are considered used by the dentist when providing services.
3. In conjunction with their medical practice, a doctor sells vitamins and nutritional supplements. The doctor must separately state these items from charges for professional services on their billing statements and collect and remit Aurora sales tax from patients.

#### Related Topics

Medical Exemptions  
Use Tax

#### Citations

*Aurora Municipal Code*  
§ 130-31. Definitions  
§ 130-33. Legislative Intent  
§ 130-156. Taxable Items  
§ 130-157. Items exempt from taxation.  
§ 130-196. Levy

#### Contact Us

For additional assistance, please contact us:

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