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SENATE BILL 526 By
McNally

HOUSE BILL 543
By Rhinehart

AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 6, Part 3, relative to purchases made by managed care organizations participating in the TennCare program.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 6, Part 3, is amended by adding the following language as a new section to be designated as follows:

Section 67-6-385. There is exempt from the sales and use tax imposed by this chapter any drug, medical equipment or device, or medical supply item purchased or rented with funds derived from capitation payments, or any supplemental payments, provided to a managed care organization participating in the TennCare Program.

The provisions of this act shall be retroactive to January 1, 1994.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it .