



**Revenue Ruling No. 12-003**

**May 24, 2012**

**Sales Tax**

**Tax Collection by Veterinarians**

The professional services of veterinarians in examining, diagnosing, and treating animals are not subject to the sales tax. Neither are the sales and use of pharmaceuticals administered to livestock used for agricultural purposes, except as otherwise provided in R.S. 47:301(16)(f). Sales of feed and feed additives for the purpose of sustaining animals which are held primarily for commercial, business, or agricultural use are exempted from taxation by R.S. 47:305 A(4). However, other pharmaceuticals, drugs, treatment devices, and tangible personal property used by veterinarians or furnished by veterinarians to animal owners, as a part of the professional services, are subject to sales and use tax. (The various exemptions found in R.S. 47:305 D, involving drugs, orthotic and prosthetic devices, and patient aids, cannot be extended to property prescribed, used, or sold by veterinarians in the care and treatment of animals.)

Veterinarians are considered the final consumers of all medications and treatment devices that they administer during treatment. Unless specifically exempted or excluded from taxation, tax will be due on the cost price as defined in R.S. 47:301(3).

Veterinarian may also sell medication and treatment devices to be administered by animal owners, along with merchandise such as flea collars and leashes. Any of these items transferred to the animal owners, but not administered by the veterinarians, shall be considered sales at retail subject to sales taxes. Veterinarians are required to itemize such retail sales separately from their professional services, and to collect sales tax on the full "sales price" in accordance with R.S. 47:301(13).

Veterinarians are considered dealers who must register with the Department for sales tax purposes. As dealers, veterinarians are required to remit use taxes directly to the state when the vendor fails to collect proper tax on purchases, and they must report sales taxes on retail sales on sales tax returns.

Cynthia Bridges  
Secretary

A Revenue Ruling is issued under the authority of LAC 61III.101 C. A Revenue Ruling is written to provide guidance to the public and to Department of Revenue employees. It is a written statement issued to apply principles of law to a specific set of facts. A Revenue Ruling does not have the force and effect of law and is not binding on the public. It is a statement of the department's position and is binding on the department until superseded or modified by a subsequent change in statute, regulation, declaratory ruling, or court decision.