

A medical appliance is defined as an item that is intended by its manufacturer for use in directly substituting for a malfunctioning part of the body. See 86 Ill. Adm. Code 130.310(c). (This is a GIL).

November 20, 2008

Dear Xxxxx:

This letter is in response to your letter dated October 27, 2008, in which you request information. The Department issues two types of letter rulings. Private Letter Rulings ("PLRs") are issued by the Department in response to specific taxpayer inquiries concerning the application of a tax statute or rule to a particular fact situation. A PLR is binding on the Department, but only as to the taxpayer who is the subject of the request for ruling and only to the extent the facts recited in the PLR are correct and complete. Persons seeking PLRs must comply with the procedures for PLRs found in the Department's regulations at 2 Ill. Adm. Code 1200.110. The purpose of a General Information Letter ("GIL") is to direct taxpayers to Department regulations or other sources of information regarding the topic about which they have inquired. A GIL is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120. You may access our website at [www.tax.illinois.gov](http://www.tax.illinois.gov) to review regulations, letter rulings and other types of information relevant to your inquiry.

The nature of your inquiry and the information you have provided require that we respond with a GIL. In your letter you have stated and made inquiry as follows:

ABC would like a written opinion on the taxability *Comfort Personal Cleansing Shield Incontinence Care Disposable Washcloths*. The wipes are available for retail purchase and are used to relieve minor skin irritation due to incontinence. I have attached an example of the item from our website.

Can you please let me know if these items should be charging the full sales tax rate or low sales tax rate?

Thank you for your time and assistance in this matter.

**DEPARTMENT'S RESPONSE:**

For your information, see 86 Ill. Adm. Code 130.310, which is the Department's regulation for "Food, Drugs, Medicines and Medical Appliances" and can be found on the Department's website. Medical appliances are not taxed at the 6.25% State rate. These items are taxed at a lower State rate of 1%. Medical appliances are defined as an item which is intended by its manufacturer for use in directly substituting for a malfunctioning part of the body. See Section 130.310(c). Medical devices that are used for diagnostic or treatment purposes do not qualify for the lower tax rate.

Although diapers for incontinent adults, as well as undergarments for incontinent adults qualify for the low rate of tax (see Section 130.310(c)(3)), please note that supplies, such as non-sterile cotton swabs, disposable baby diapers, toilet paper, tissues and towelettes and cosmetics do not qualify for the reduced rate. However, sterile dressing, bandages and gauze do qualify for the medical rate. Based on the information you provided, it appears that the product about which you inquired is more akin to a towelette and, thus, would not qualify for the medical rate.

I hope this information is helpful. If you require additional information, please visit our website at [www.tax.illinois.gov](http://www.tax.illinois.gov) or contact the Department's Taxpayer Information Division at (217) 782-3336.

Very truly yours,

Debra M. Boggess  
Associate Counsel

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