



North Carolina Department of Revenue

Roy Cooper
Governor

Ronald G. Penny
Secretary

October 20, 2020

[Redacted]

Re: Private Letter Ruling Request

[Redacted]
Account ID: [Redacted]
FEIN: [Redacted]

Dear [Redacted]:

The Department has completed its review of your request for a written determination on behalf of your client, [Redacted], ("Taxpayer"). In making this written determination, the Department has considered the facts presented in your initial request as well as any supplemental information provided to the Department for consideration.

This private letter ruling is a written determination issued under N.C. Gen. Stat. § 105-264.2 and applies the tax law to a specific set of existing facts furnished by you on behalf of Taxpayer. This written determination is applicable only to Taxpayer as addressed herein and no precedential value except to Taxpayer.

Overview and Relevant Facts

You state Taxpayer purchases the [Redacted] Coronary Stent System ("Product") from [Redacted]. [Redacted]

Product is "a coronary stent that improves luminal diameter in patients including those with diabetes mellitus, with symptomatic heart disease." The drug coating is slowly released and intended to inhibit restenosis by reducing vessel smooth muscle cell proliferation. Disposable devices associated with implantation may be included."

RE: [REDACTED]
October 20, 2020
Page: 3

Ruling

Based on the information furnished, the Product purchased by Taxpayer is a coronary artery stent that contains a drug that is released into the coronary artery. The Product meets the definition of the term "prosthetic device" as provided in N.C. Gen. Stat. § 105-164.3(159) by providing support to a weak or deformed portion of the body and by preventing or correcting a physical malfunction by keeping the coronary artery from narrowing so that the blood can flow properly throughout the body. Taxpayer's purchases of Product are specifically exempted from North Carolina sales and use tax under the provisions of N.C. Gen. Stat. § 105-164.13(12)a.

This ruling is based solely on the facts submitted to the Department of Revenue for consideration of the transactions described. If the facts and circumstances given are not accurate, or if they change, then the taxpayer requesting this ruling may not rely on it. If a taxpayer relies on this ruling and the Department discovers, upon examination, that the fact situation of the taxpayer is different in any material aspect from the facts and circumstances given in this ruling, then the ruling will not afford the taxpayer any protection. It should be noted that this document is not to be cited as precedent and that a change in statute, a regulation, or case law could void this ruling.

Issued on behalf of the Secretary of Revenue
By the Sales and Use Tax Division