



Department of
Taxation

ST 1989-03 - Human Organs and Tissue - February 1, 1989; Updated November 2004; Updated May 2020

This release is being updated to clarify the example contained herein and to update citations.

The transfer of human organs, bone, tissue, blood and blood products, for the purpose of injecting, transfusing, or transplanting into a human body, are not transactions subject to Ohio sales and use taxes.

R.C. 2108.30 declares the transfer of these products for such purposes "not to be a sale" but, rather, the provision of a "service." Moreover, R.C. 2108.18 and federal law, 42 U.S.C. 274e prohibit the transfer of human organs for transplantation "for valuable consideration." However, this law does allow payment of reasonable expenses associated with the removal, transportation, preservation, etc. of the organs.

The sale or purchase of human hair, manufactured items, animal organs, and other products not of human origin for transplantation or implantation is not covered by these provisions and are subject to the sales and use tax. Tax is due on any of these items sold to physicians or for-profit hospitals when not being "resold", since these persons are providing medical services and are the "consumers" of all tangible personal property purchased by them for use in treating patients. For example, a physician purchases an artificial joint and surgically implants it in the patient. Unless another exemption exists, the physician must pay sales or use tax on the artificial joint because the physician is "consuming" it (for tax purposes) in providing medical services.

If you have any questions regarding this matter, please contact our Taxpayer Service Center at 1-888-405-4039, or e-mail us through our website at tax.ohio.gov.

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