

Veterinary Suppliers and the Collection of Sales Tax

Several practitioners have called ISVMA this week regarding a letter they received from a compounding pharmacy regarding resale certificates and the collection of taxes. ISVMA recommends that you speak with your practice accountant to make sure that you are in compliance with the [veterinary sales tax regulation](#) that was approved in 2007.

If you make even a single retail sale, you are considered a retailer for that tax year. If you are a retailer, you CANNOT discharge any of your tax liability by paying your suppliers.

On the other hand, if you do not engage in retail activity, you can discharge your entire tax liability by paying your suppliers tax on the items you purchase from them.

A significant issue in the above referenced letter received by Illinois practitioners is the statement that the supplier, "...may be required to begin charging your company sales tax and may be required to collect sales tax from you for previous purchases."

It is very important to remember that every item (with limited exceptions) that is transferred from one party to another is taxed in Illinois. In other words, you either have to pay your supplier tax on the cost of the item purchases OR you have to charge, collect and remit to the State of Illinois tax on the sales price of the item when you transfer it to a client.

Who should accept the liability if the taxes were not collected and remitted to the State of Illinois is an issue between your practice and the company. Please keep this in mind with any other purchases you make tax free from other suppliers. If you purchase anything from your suppliers tax free, you must charge, collect and remit the tax yourself upon the sale or use of the item.

This would be a good time for your practice to review your compliance with the [veterinary sales tax regulation](#). The ISVMA has resources available on its homepage (www.isvma.org) that include a copy of the [PowerPoint presentation](#) ISVMA used to illustrate how to implement the new regulation in a series of seminars held in several cities in 2008.

Antitrust case could have profound implications on scope of practice

The U.S. Supreme Court announced that it will consider the extent to which state licensure boards are subject to federal antitrust laws. In the case, [North Carolina State Board of Dental Examiners v. Federal Trade Commission \(FTC\)](#), the Fourth Circuit U.S. Court of Appeals ruled that decisions of the North Carolina Board of Dental Examiners related to unauthorized and unlawful practice are subject to federal antitrust law. The dental board had sent cease-and-desist letters to non-dentist teeth-whitening providers, finding that they engaged in unauthorized practice of dentistry. The FTC issued an administrative complaint against the dental board, charging it with violating federal antitrust law by excluding non-dentist teeth whiteners from the market. If affirmed, the appeals court's decision could potentially strip various state licensing boards of their authority to regulate and protect the public from unlawful practice. In a petition filed in November 2013, the AVMA joined the American Dental Association, American Medical Association and several other organizations in urging the Supreme Court to consider the case on the grounds that the public is best served when state regulatory boards are free to make decisions on public health issues without fear of second-guessing under federal antitrust laws.

PUREVAX® Rabies Outage

ISVMA received the following letter from Merial written by Vangie Williams, Director, U.S. Pet Vaccines and Therapeutics:

"I am writing to share some important information regarding Merial PUREVAX® Feline Rabies vaccines. Please feel free to share this information with your members. Merial

has identified an issue in recently manufactured lots of PUREVAX Feline Rabies vaccine and combinations, in which there may be irregularities in the physical appearance of the product after reconstitution. These irregularities are aggregates of protein and may appear as a white precipitate. There may also be changes in the viscosity of the vaccine causing it to appear gel-like. The protein is a normal component of the vaccine but is not usually in this aggregated form.

"As part of our commitment to product quality, Merial has voluntarily stopped distribution of PUREVAX Feline Rabies vaccines as we evaluate the situation further. Customers who experience irregularities after reconstitution of the vaccine should not use the product. Instead, please return the affected vials to Merial. We will replace the product as soon as new supply is available.

"Product that appears to be normal after reconstitution may continue to be used.

"In cooperation with the U.S. Department of Agriculture (USDA), Merial is working to remedy the issue as soon as possible. For the time-being, PUREVAX Feline Rabies vaccines will be on back-order. At this time, we expect to have new product available by mid-June 2014. If this timeline changes significantly, we will notify you as soon as possible.

"If you have any questions or concerns about this vaccine or any Merial product, please call Merial's Veterinary Technical Services at 1-888-MERIAL-1, Option 3.

"We appreciate your business and apologize for the inconvenience. We are fully committed to resolving this issue in a timely manner to ensure quality products for your patients. We will continue to keep you informed."

ISVMA Monthly Legislative Report

In an effort to keep ISVMA members more aware of Illinois politics and legislative and regulatory actions that impact their practices, ISVMA publishes a monthly legislative report. Please read the [March Legislative Report](#).

Veterinarians and CVTs Can Join ISVMA Now and Get Three Months of Membership Free!

If you have a colleague that is not an ISVMA member, now is a great time to encourage them to join. By joining now, you will get the remainder of this membership year (April-June) for free and your membership will be good through June 30, 2015!

SVMA membership continues to grow and we set new membership records every year. We want all veterinarians and CVTs to join 3000 of their colleagues and become an ISVMA member today! Please encourage your colleagues to take a moment and fill out the [online membership application](#) and pay your dues with your VISA or MasterCard.

Do you know about ISVMA's tremendous success lobbying state government on your behalf? Have you seen the new Epitome magazine that is mailed to every DVM and CVT member? Have you participated in ISVMA's high quality, affordable and accessible CE programs? Has your practice saved money through one of our sponsored benefit programs?

Your support and participation are greatly appreciated. If you know a colleague or associate that is not a member of ISVMA, please encourage them to join also! Some of the benefits of membership are listed on the [ISVMA website](#).

EPA: Some flea and tick collars pose danger to children

An Environmental Protection Agency report warns that propoxur, a flea-killing chemical in flea collars marketed by Sergeant's Pet Care Products and Wellmark International, is unsafe for

children. However, the products can be distributed until two years from now, and retailers can continue to sell them after that until their stock is gone. Veterinary dermatologist Daniel Morris says there are safer products available and urges owners to consult with their veterinarian to determine the best approach. [Read entire article...](#)

USDA considers mandatory reports of deadly pig virus outbreaks: industry group

CHICAGO (Reuters) - The United States is considering rules that would require outbreaks of a deadly pig virus to be reported to the government in an effort to improve tracking of the disease, which has already spread to 30 states, an industry group said on Monday.

Porcine Epidemic Diarrhea virus (PEDv) has killed millions of baby pigs since it was first detected in the United States a year ago. PEDv has crimped hog supplies in the United States and sent prices to record highs. It remains unclear how the virus entered the country, and farmers have struggled to find ways to contain it.

The U.S. Department of Agriculture (USDA) has discussed the option of mandatory reporting with the American Association of Swine Veterinarians, said Tom Burkgren, executive director of the association.

PEDv, which is nearly always fatal in piglets, has been difficult to track in part because veterinarians are not required to alert government officials of its presence.

[Read the entire article...](#)

About the Photo

A brightly patterned songbird of the subarctic tundra, the [Smith's Longspur](#) (*Calcarius pictus*) winters only in the center of the United States. It is seen during migration in Illinois. They are appearing in great numbers right now and are most often found in grasslands or unplowed cornfields with an ample supply of foxtail. They form flocks (drives) outside of breeding season and are easy to overlook in their favored habitats.

The adult, breeding male has a streaked brown back and brown wings with two white wing bars and white "shoulder" patch. Its head has dark cap with white supercilium and eye surround, and a white spot on its ear coverts. The underparts and neck are orange-buff. All other plumages recall the breeding male, but are duller overall, lack white "shoulder" patch, have a streaked back and nape; the black elements of the head pattern are replaced by streaked brown; white elements are replaced by buff.

Typically, the male birds found in Illinois during spring migration are transitioning from basic (non-breeding) to alternate (breeding) plumage.

Smith's Longspurs breed (June-August) from northern and central Alaska across northern Canada to the Hudson Bay. They spend winters from southern Nebraska, through eastern Oklahoma, south to Texas, and east to the Mississippi River. The species breeds on dry, hummocky areas of Arctic tundra, sometimes near forest edges and spends winters on open fields.

- o Song is a sweet whistling trill; call is a dry rattle.
- o Longspur refers to the elongated claw of the hind toe.
- o Males are not territorial, but instead compete for fertilizations by copulating with females frequently in order to dilute or displace sperm from other males.
- o Over a period of one week in June, a female will copulate over 350 times on average; this is one of the highest copulation rates of any bird.

I photographed this male Smith's Longspur near Clinton Lake in April 2005.

Contact Us

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