

Oppose Sales Tax on Veterinary Services

The NC Veterinary Medical Association opposes subjecting veterinary services to sales tax, as proposed in the Senate budget.

Veterinarians are health care providers and provide services that safeguard public health. Veterinary services are medically necessary; veterinary care should not be treated any different than human medical care.

Imposing sales tax on veterinary services restricts access to care and impacts public health of both animals and humans. Veterinary care is essential to protecting the public from zoonotic diseases such as rabies, leptospirosis, flea and tick borne diseases.

The American Veterinary Medical Association's 2011 survey determined that the 29.3% of dog owners and 21.5% cat owners who did not visit a veterinarian in the prior year cited inability to pay as the reason. Adding approximately 6 to 7 percent to the cost of veterinary care will only weaken delivery of needed medical services.

The Senate budget does not seek to expand sales tax in a broad way to other service providers. As such, veterinarians would be unfairly burdened for the benefit of other taxpayers, as the bill is currently written.

Any reduction in corporate and personal income taxes for Veterinarians as provided in the Senate budget would likely be offset by lost income from changes in client visits and spending patterns.

Unlike human health care, veterinary services are not widely covered by insurance but are almost exclusively paid for out of pocket. Drug costs have risen dramatically in the past few years, limiting access to effective veterinary care. Increased costs will lead to increased pet abandonment and euthanasia.

Agribusiness is NC's #1 industry and Veterinarians play an important role in maintaining the health of food production animals raised in NC. Independent owner/producers will be forced to pay more to protect the health of their livestock and flocks. NC Agribusiness Council, NC State Grange, NC Pork Council and NC Cattlemen Association oppose taxation of Veterinary services.

Taxing spay/neuter surgeries decreases access necessary to address NC's pet overpopulation problem, resulting in further overcrowding in shelters and more feral dogs and cats which can contract and transmit diseases to humans.

Only 5 states tax Veterinary services (Delaware, Hawaii, New Mexico, South Dakota and Washington) according to the Federation of Tax Administrators website (updated 2010). Animal owners in border counties will seek care in adjacent states.

For further information, please contact:

*Jon Carr, lobbyist, NC Veterinary Medical Association
jcarr@jordanprice.com*