

**M e m o r a n d u m**

**425.0163.450**

To: Mr. Donald Herrmann  
Senior Tax Auditor  
Refunds Section (MIC:39)

Date: July 2, 1997

From : John L. Waid  
Senior Tax Counsel

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Subject: [No Permit Number]  
Drainage Catheters- Related Supplies

I am responding to your memorandum dated April 18, 1997, following up on my memorandum to you, dated March 31, 1997, regarding the apparent confusion in the concept of related supplies as applied to urinary incontinence catheters. We agree that this issue is not free from doubt. As I noted in my previous memorandum, we also agree that the concept of "related supplies" applies only to ostomy devices under section 6369(g), (See Regulation 1591(j)). It is sometimes blurred due to the wording of the section which is to create a separate statutory basis for exemption. When the statute was enacted, it could have been interpreted to merely implement Subsection (c)(4); but, our current interpretation is of such long standing as to require a regulation amendment to change it.

JLW:rz