

This notice was revoked and replaced on April 30, 2007 by Revenue Notice # 07-06.

Department of Revenue

Revenue Notice # 03-09: MinnesotaCare/Sales Tax - Massage Therapy by Licensed/Registered Health Care Providers

This revenue notice modifies Revenue Notice # 94-11 as it applies to massage services provided by a massage therapist who is also a licensed or registered health care provider. This revenue notice also supplements Revenue Notice # 02-08.

This notice clarifies that massage therapy provided by licensed or registered health care providers is subject to the MinnesotaCare tax or the Minnesota sales tax. A massage therapist, who is also a licensed or registered health care provider, collects the sales tax and does not pay the MinnesotaCare tax if the massage is not for the treatment of an illness, injury, or disease. If the massage is provided as treatment of an illness, injury, or disease, it is subject to the MinnesotaCare tax. All massage services are presumed to be subject to sales tax unless the massage therapist can show that the service was for treatment of illness, injury or disease.

Massage therapy is considered to be for treatment of an illness, injury, or disease if: (1) it is provided upon written referral by a licensed health care provider or a licensed health care facility; (2) the massage is provided within the scope of the health care provider's license or registration; or (3) the massage is provided by an employee of a licensed or registered health care provider.

Examples

- A massage therapist, who is also a registered physical therapist, provides massage therapy upon a written referral from a physician. The service is provided for the treatment of illness, injury, or disease and is thus subject to the MinnesotaCare tax and not the sales tax.
- A nurse provides massage therapy services in his nursing practice (*i.e.*, within the scope of his license). The service is subject to the MinnesotaCare tax and not the sales tax.
- A massage therapist who is also a nurse provides massage therapy services at a beauty salon. The service is not provided upon a written referral by a licensed health care provider and it is not provided within the scope of the nurse's license. The service is subject to sales tax and not the MinnesotaCare tax.
- A massage therapist who is a nurse is employed by an orthopedic physician. The service is subject to the MinnesotaCare tax because all patient services provided by a physician or a physician's employees are subject to the MinnesotaCare tax and not the sales tax.
- A massage therapist who is not licensed or registered as a health care provider provides massage services upon a written referral by a physician for the treatment of an injury. The service is neither subject to the MinnesotaCare tax, nor the sales tax.

Raymond R. Krause
Assistant Commissioner

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