

CHAPTER 1064**TAXATION LUMP SUM DISTRIBUTION OF INCOME UNDER FEDERAL LAW***S.F. 400*

AN ACT providing for the taxation of a lump sum distribution of an individual, estate or trust who has elected to have the distribution separately taxed under the Internal Revenue Code of 1954 and providing for a retroactive effective date.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 422.5, Code 1981, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. In addition to the other taxes imposed by this section, a tax is imposed on the amount of a lump sum distribution for which the taxpayer has elected under section 402(e) of the Internal Revenue Code of 1954 to be separately taxed for federal income tax purposes for the tax year. The rate of tax is equal to twenty-five percent of the separate federal tax imposed on the amount of the lump sum distribution. A nonresident is liable for this tax only on that portion of the lump sum distribution allocable to Iowa. The total amount of the lump sum distribution subject to separate federal tax shall be included in net income for purposes of determining eligibility under the five thousand dollar or less exclusion.

Sec. 2. This Act is retroactive to January 1, 1982 for tax years beginning on or after January 1, 1982.

Approved April 5, 1982

CHAPTER 1065**DEPARTMENT OF HEALTH INSPECTION OF HEALTH CARE FACILITY PLANS***S.F. 24*

AN ACT relating to the requirement that plans and specifications for new health care facilities and remodeling of or additions to existing health care facilities be submitted to the department of health for preliminary inspection and approval or recommendations and that the department either waive or pay the costs to correct any deficiencies which were not noted by the department in the plans or specifications.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 135C.16, subsection 2, Code 1981, is amended to read as follows:

2. The department shall prescribe by rule that any licensee or applicant for license desiring to make specific types of physical or functional alterations or additions to its facility or to construct new facilities shall, before commencing such the alteration or additions or new construction, submit plans and specifications therefor to the department for preliminary inspection and approval or recommendations with respect to the compliance with the department's rules and standards herein authorized. When the plans and specifications submitted as required by this subsection have been properly approved by the department or other appropriate state agency, the facility or the portion of the facility constructed or altered in accord with the plans so approved and specifications shall not for a period of at least five years from completion of the construction or alteration be considered deficient or ineligible for licensing by reason of failure to meet any rule or standard established subsequent to approval of the plans and specifications, unless a clear and present danger exists that would adversely affect the residents of the facility. When construction or alteration of a facility or portion of a facility has been completed in accord with plans and specifications submitted as required by this subsection and properly approved by the department or other appropriate state agency, and it is discovered that the facility or portion of a facility is not in compliance with a requirement of this chapter or of the rules or standards adopted pursuant to it and in effect at the time the plans and specifications were submitted, and the deficiency was apparent from the plans and specifications submitted but was not noted or objected to by the department or other appropriate state agency, the department or agency responsible for the oversight shall either waive the requirement or reimburse the licensee or applicant for any costs which are necessary to bring the new or reconstructed facility or portion of a facility into compliance with the requirement and which the licensee or applicant would not have incurred if the facility or portion of the facility had been constructed in compliance with the requirements of this chapter or of the rules or standards adopted pursuant to it and in effect at the time the plans and specifications were submitted. If within two years from the completion of the construction or alteration of the facility or portion thereof, a department or agency of the state orders that the new or reconstructed facility or portion thereof be brought into compliance with the requirements of this chapter or the rules or standards adopted pursuant to it and in effect at the time the plans and specifications were submitted, the state shall have a claim for damages to the extent of any reimbursement paid to the licensee or applicant against any person who designed the facility or portion thereof for negligence in the preparation of the plans and specifications therefor, subject to all defenses based upon the negligence of the state in reviewing and approving those plans and specifications, but not thereafter.

The provisions of this subsection shall not apply where the deficiency presents a clear and present danger to the safety of the residents of the facility.

Approved April 6, 1982