

CHAPTER 247**TAX EXEMPT SERVICES FOR DISABLED AND ADULT DAY CARE***S.F. 564*

AN ACT relating to the exemption of certain nonprofit corporations providing services to disabled persons and adult day care services from the sales, services and use tax, prohibiting the collection for certain sales, services and use tax not paid by those corporations.

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

Section 1. Section 422.45, Code 1985, is amended by adding the following new subsection: **NEW SUBSECTION.** The gross receipts from the sale or rental of tangible personal property or from services performed, rendered, or furnished to the following nonprofit corporations:

a. Residential care facilities and intermediate care facilities for the mentally retarded and residential care facilities for the mentally ill licensed by the department of health under chapter 135C.

b. Residential facilities for mentally retarded children licensed by the department of human services pursuant to chapter 237.

c. Rehabilitation facilities that provide accredited rehabilitation services to persons with disabilities which are accredited by the commission on accreditation of rehabilitation facilities or the accreditation council for services for mentally retarded and other developmentally disabled persons and adult day care services approved for reimbursement by the state department of human services.

d. Community mental health centers accredited by the department of human services pursuant to chapter 225C.

Sec. 2. Sales, services and use taxes which were payable on transactions occurring between July 1, 1980 and July 1, 1985 involving the retail sale or rental of tangible personal property or from services performed, rendered, or furnished to the nonprofit corporations described in section 1 of this Act and which have not been paid by those nonprofit corporations are no longer due and payable after July 1, 1985, and the department of revenue shall not collect these taxes, notwithstanding any other provision of law.

Sec. 3. This Act is effective July 1, 1985.

Approved May 31, 1985