

charge. In addition to the charge or additional charge, the charge payer shall pay a penalty as provided in section 421.27. The charge payer shall also pay interest on the charge or additional charge at the rate in effect under section 421.7 for each month counting each fraction of a month as an entire month, computed from the date the return was required to be filed. The penalty and interest shall be paid to the department and disposed of in the same manner as the charge imposed under this chapter. Unpaid penalties and interest may be enforced in the same manner as the charge imposed by this chapter.

Sec. 13. Section 450.63, Code 1989, is amended to read as follows:

450.63 MATURITY OF TAX — INTEREST — PENALTY.

~~1. All taxes not paid within the time prescribed in this chapter are subject to a penalty as provided in subsection 2 section 421.27 and shall draw interest at the rate in effect under section 421.7 until paid.~~

~~2. If a person liable for the payment of tax as stated in section 450.5 fails to remit at least ninety percent of the tax due with the filing of the return on or before the due date or pays less than ninety percent of any tax required to be shown on the return, there shall be added to the tax a penalty of seven and one-half percent of the amount of the tax due, except as provided in section 421.27. The penalty imposed under this subsection is not subject to waiver.~~

Sec. 14.

This Act takes effect January 1, 1991.

Sec. 15.

Section 6 of this Act applies retroactively to tax years beginning in the 1985 and 1986 calendar years.

Sec. 16.

Sections 1 through 4 and 7 through 12 of this Act are applicable to tax years beginning on or after January 1, 1991.

Sec. 17.

Section 13 of this Act is applicable to deaths occurring on or after January 1, 1991.

Approved April 17, 1990

CHAPTER 1173

TAXATION OF HEALTH MAINTENANCE ORGANIZATIONS ON MEDICAL ASSISTANCE PAYMENTS

S.F. 2407

AN ACT relating to the premium taxation on certain health maintenance organization payments.

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

Section 1. Section 514B.31, Code 1989, is amended to read as follows:

514B.31 TAXATION.

Payments received by a health maintenance organization for health care services, insurance, indemnity, or other benefits to which an enrollee is entitled through a health maintenance organization authorized under this chapter and payments by a health maintenance organization to providers for health care services, to insurers, or corporations authorized under chapter 514 for insurance, indemnity, or other service benefits authorized under this chapter are not premiums received and taxable under the provisions of section 432.1 for the first five years

of the existence of the health maintenance organization, its successors or assigns. After the first five years, the payments received shall be considered premiums received and shall be taxable under the provisions of section 432.1. However, payments made by the United States secretary of health and human services under contracts issued under section 1833 or 1876 of the federal Social Security Act, section 4015 of the federal Omnibus Budget Reconciliation Act of 1987, or chapter 249A for enrolled members shall not be considered premiums received and shall not be taxable under section 432.1.

Approved April 17, 1990

CHAPTER 1174
BLOOD CENTER LICENSURE
S.F. 2049

AN ACT relating to the licensing of blood collection, blood processing, and plasmapheresis centers, and providing for a repeal.

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

Section 1. NEW SECTION. 135.23 LICENSURE OF BLOOD COLLECTION, BLOOD PROCESSING, OR PLASMAPHERESIS CENTERS.

A person shall not establish, conduct, manage, or operate a blood collection, blood processing, or plasmapheresis center without obtaining a license from the department. To obtain an Iowa license, a blood collection, blood processing, or plasmapheresis center shall provide verification of current licensure or proper registration with the United States food and drug administration and shall comply with all applicable federal regulations. Each blood collection, blood processing, or plasmapheresis center shall submit to the department, on an ongoing basis, copies of the center's most recent proficiency testing results and on-site inspection reports required for licensure, registration, or accreditation with the United States food and drug administration, the American association of blood banks, the centers for disease control of the United States department of health and human services, the college of American pathologists, or the joint commission on accreditation of health care organizations. The purpose of the reports is to ensure compliance with the federal licensure, registration, or accreditation requirements. The department shall provide technical assistance to blood collection, blood processing, and plasmapheresis centers to ensure compliance with the requirements of the organizations named pursuant to this section. The department may assess an annual licensing fee of no more than one hundred dollars.

Sec. 2. Section 1 of this Act is repealed July 1, 1991.

Approved April 19, 1990