

531—11.5(99G) Assignment of prizes. Payments of prizes shall be made as follows:

11.5(1) The lottery shall pay all prizes to only one person or one legal entity per winning ticket.

11.5(2) If a prize is payable in installments, all future installments of the prize must be made to the person or legal entity that received the initial installment of the prize or to a person designated by the court to receive payment following the prizewinner's death, unless otherwise assigned according to these rules.

11.5(3) Payment of a prize may be made to the estate of a deceased prizewinner or to another person pursuant to an appropriate judicial order.

11.5(4) The right to control receipt of a lottery prize shall be substantially limited. See 26 U.S.C. 451 and Treas. Reg. 1.451-2(a). The right to receive payment of a lottery prize or a future installment of a lottery prize shall not be sold, assigned or otherwise transferred in any manner without an appropriate judicial order or statutory authorization. An appropriate judicial order is an order of a court of competent jurisdiction.

11.5(5) In the event that a legal entity other than an individual is entitled to a lottery prize won jointly by more than one individual, the individuals originally entitled to share the prize cannot sell, assign or otherwise transfer their interest in the legal entity receiving prize payment or their right to receive future payments from the legal entity without an appropriate judicial order or statutory authorization. An appropriate judicial order is an order of a court of competent jurisdiction.

This rule is intended to implement Iowa Code Supplement sections 99G.9(3), 99G.21, and 99G.31.