

Sec. 7. **VALIDITY OF EXISTING PLACARDS.** Notwithstanding the amendment to section 321L.2, subsection 3, paragraph "b", subparagraph (1), by this Act, a person with disabilities windshield placard issued prior to July 1, 2000, may be used until it otherwise becomes invalid.

Approved May 19, 2000

CHAPTER 1207

SALES AND USE TAXES — NONPROFIT HOSPITAL CONSTRUCTION CONTRACTS

H.F. 2563

AN ACT exempting from the sales and use taxes the gross receipts from all sales of goods and services used in fulfillment of a construction contract for a nonprofit hospital, providing for refunds, and including an effective and retroactive applicability date provision.

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

Section 1. Section 422.45, Code Supplement 1999, is amended by adding the following new subsection:

NEW SUBSECTION. 54B. The gross receipts from all sales of goods, wares, or merchandise, or from services rendered, furnished, or performed which are used in the fulfillment of a written construction contract with a nonprofit hospital licensed pursuant to chapter 135B if all of the following apply:

- a. The sales and delivery of the goods, wares, or merchandise, or the services rendered, furnished, or performed occurred between July 1, 1998, and December 31, 2001.
- b. The written construction contract was entered into prior to December 31, 1999, or bonds to fund the construction were issued prior to December 31, 1999.
- c. The sales or services were purchased by a contractor as the agent for the hospital or were purchased directly by the hospital.

Sec. 2. **REFUNDS.** Refunds of taxes, interest, or penalties which arise from claims resulting from the enactment of section 422.45, subsection 54B, in this Act, for sales or services occurring between July 1, 1998, and December 31, 2001, shall be limited to twenty-five thousand dollars in the aggregate and shall not be allowed unless refund claims are filed prior to April 1, 2002, notwithstanding any other provision of law. If the amount of claims totals more than twenty-five thousand dollars in the aggregate, the department of revenue and finance shall prorate the twenty-five thousand dollars among all claimants in relation to the amounts of the claimants' valid claims.

Sec. 3. **EFFECTIVE DATE AND RETROACTIVE APPLICABILITY PROVISION.** This Act, being deemed of immediate importance, takes effect upon enactment and applies retroactively to July 1, 1998.

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