

SENATE BILL 1245

By Hensley

AN ACT to amend Tennessee Code Annotated, Title 67 and Title 68, Chapter 11, relative to nursing homes with delinquent payments of the annual nursing home tax.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 68-11-216(c)(7), is amended by adding the following as a new subdivision (c)(7)(C):

(C)

(i) In cases when a nursing home is the sole licensed nursing home located in an economically distressed county as determined by the commissioner of economic and community development, has failed to pay the tax and any applicable penalty for more than two (2) years as imposed under this subsection (c) and is currently attempting to comply in good faith with alternate payment plan approved by the commissioner, then the nursing home may apply for and the commissioner shall approve a special alternate payment plan under this subdivision (c)(7)(C).

(ii) The special alternate payment plan shall recalculate the penalty imposed under subdivision (c)(7)(A) from the beginning of the delinquency as follows:

(a) When any person fails to timely make any return or report or fails to timely pay any taxes shown to be due on the return or report, there shall be imposed against that person a penalty in the amount of five percent (5%) of the unpaid tax amount for each thirty (30) days or fraction thereof that the tax remains unpaid subsequent to the delinquency date,

up to a maximum of twenty-five percent (25%) of the unpaid amount.

Where a return or report is delinquent, the minimum penalty shall be fifteen dollars (\$15.00), regardless of the amount of tax due or whether there is any tax due; and

(b) A return, report, or payment shall be considered untimely if not made on or before the delinquency date under the applicable statutes, including any extensions of time granted. In the case of an untimely return, report, or payment, the penalty shall be calculated as of the original delinquency date, without reference to any extensions granted.

(iii) A nursing home in compliance with the special alternate payment plan shall not be liable for any amount of penalty and interest calculated under subdivision (c)(7)(A) that is in excess of the amount of interest and penalty under this subdivision (c)(7)(C).

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it. It is the clear and unequivocal intent of the general assembly that this subsection has retroactive application to July 1, 2009.