

**RULES
OF
THE TENNESSEE DEPARTMENT OF HEALTH
BUREAU OF ADMINISTRATIVE SERVICES**

**CHAPTER 1200—28—2
ANNUAL NURSING HOME TAX**

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1200—28—2—.01 PURPOSE. The purpose of these regulations is to establish procedures for collection of the nursing home tax required by T.C.A. §68—11—216(d) for only those fiscal years for which the annual nursing home tax is statutorily authorized.

***Authority:** Public Chapter 953, Acts of 1992; T.C.A. §§68—11—201, 68—11—216, 67—1—901, 9—8—307(a)(0) and 4—5—201 et seq. **Administrative History:** Original rule filed August 30, 1990; effective October 14, 1990. Amendment filed September 25, 1991; effective November 9, 1991. Repeal and new rule filed September 29, 1992; effective November 13, 1992. Amendment filed November 15, 1993; effective March 30, 1994.*

1200—28—2—.02 DEFINITIONS.

- (1) The term “nursing home” shall have the same meaning as that found at T.C.A. §68—11—201(15).
- (2) The term “commissioner” means the Commissioner of the Department of Health or his designee.
- (3) The term “department” means the Department of Health.
- (4) The term “beds” means nursing home beds licensed by the State of Tennessee including those in state-owned or operated facilities but excluding beds specifically certified as intermediate care beds for the mentally retarded.

***Authority:** Public Chapter 953, Acts of 1992; T.C.A. §§68—11—201, 68—11—216, 67—1—901, 9—8—307(a)(0) and 4—5—201 et seq. **Administrative History:** Original rule filed August 30, 1990; effective October 14, 1990. Amendment filed September 25, 1991; effective November 9, 1991. Repeal and new rule filed September 29, 1992; effective November 13, 1992. Amendment filed November 15, 1993; effective March 30, 1994.*

1200—28—2—.03 CALCULATION OF TAX.

- (1) The nursing home tax shall be calculated as provided in T.C.A. §68—11—216(d).
- (2) The beds to be used for the purpose of calculating the tax each year shall be the number of nursing home beds, except those certified for Medicaid as ICF/MR, licensed as of July 1 of each year.
- (3) The nursing home tax shall be as follows:
 - (a) Twenty-six hundred dollars (\$2,600) per bed licensed as of July 1 each year.

(Rule 1200-28-2-.03, continued)

- (b) Beds licensed after July 1 each year shall pay a prorated amount of the applicable annual tax so that the tax applies only for the days such new beds are licensed. The proration shall be calculated by multiplying the applicable tax by the percentage of days the beds are licensed during the year.
- (4) Any change that reduces the number of licensed beds in a facility shall not result in a refund being issued to the nursing home.

Authority: Public Chapter 953, Acts of 1992; T.C.A. §§68—11—201, 68—11—216, 67—1—901, 9—8—307(a)(0) and 4—5—201 et seq. **Administrative History:** Original rule filed August 30, 1990; effective October 14, 1990. Amendment filed September 25, 1991; effective November 9, 1991. Repeal and new rule filed September 29, 1992; effective November 13, 1992. Amendment filed November 15, 1993; effective March 30, 1994.

1200—28—2—.04 PAYMENT OF TAX.

- (1) The Department will issue after July 1 each year a single notice to each nursing home of the total amount of the tax due. This will constitute the only required notice. If the tax changes for any reason after July 1 the facility will be notified of the amount of the change in the tax.
- (2) The nursing home tax shall be paid in equal monthly installments of one-twelfth (1/12) of the total tax. Payments are due on or before the fifteenth of each month, beginning August 15 each year and ending July 15 of the following year.
- (3) If the tax is increased during the year due to an increase in the number of licensed beds, the amount of increase will be distributed equally across the remaining monthly for which the tax has not yet been paid. Accordingly, an adjusted bill shall be provided the nursing home.
- (4) A payment shall be deemed to have been made upon the date of deposit in the United States mail.

Authority: Public Chapter 953, Acts of 1992; T.C.A. §§68—11—201, 68—11—216, 67—1—901, 9—8—307(a)(0) and 4—5—201 et seq. **Administrative History:** Original rule filed August 30, 1990; effective October 14, 1990. Amendment filed September 25, 1991; effective November 9, 1991. Repeal and new rule filed September 29, 1992; effective November 13, 1992. Amendment filed November 15, 1993; effective March 30, 1994.

1200—28—2—.05 PENALTY AND INTEREST. A nursing home that fails to pay the required tax in accordance with this chapter shall pay the penalty imposed under T.C.A. §68—11—216(d). The penalty and interest shall be calculated based on total amount outstanding. The total amount outstanding shall be considered the amount(s) outstanding for all past installment period(s). The penalty and interest shall continue to accrue until the total tax due is paid along with any penalty and interest.

Authority: Public Chapter 953, Acts of 1992; T.C.A. §§68—11—201, 68—11—216, 67—1—901, 9—8—307(a)(0) and 4—5—201 et seq. **Administrative History:** Original rule filed August 30, 1990; effective October 14, 1990. Amendment filed September 25, 1991; effective November 9, 1991. Repeal and new rule filed September 29, 1992; effective November 13, 1992. Amendment filed November 15, 1993; effective March 30, 1994.

1200—28—2—.06 CHALLENGES TO TAX. Any challenge to this tax shall be brought pursuant to T.C.A. §§67—1—901 et seq., and 9—8—307(a)(0).

Authority: Public Chapter 953, Acts of 1992; T.C.A. §§68—11—201, 68—11—216, 67—1—901, 9—8—307(a)(0) and 4—5—201 et seq. **Administrative History:** Original rule filed August 30, 1990; effective October 14, 1990. Amendment filed September 25, 1991; effective November 9, 1991. Repeal and new rule filed September 29, 1992; effective November 13, 1992.