



# VELFERÐARRÁÐUNEYTIÐ

## *Ministry of Welfare*

**Act on the Affairs of the Elderly, No. 125/1999,**  
as amended by Act No. 172/2000, No. 67/2001, No. 124/2001, No. 74/2002,  
No. 93/2002, No. 150/2002, No. 120/2003, No. 38/2004, No. 123/2004, No. 129/2004,  
No. 122/2005, No. 147/2006, No. 166/2006, No. 29/2007, No. 32/2007, No. 40/2007,  
No. 105/2007, No. 140/2007, No. 160/2007, No. 17/2008, No. 112/2008, No. 173/2008,  
No. 36/2009, No. 70/2009, No. 97/2009, No. 120/2009, No. 136/2009, No. 153/2010,  
No. 162/2010, No. 164/2010, No. 126/2011, No. 164/2011, No. 178/2011, No. 28/2012,  
No. 134/2012, No. 146/2012, No. 79/2013, No. 86/2013, No. 135/2013, No. 140/2013,  
No. 8/2014, No. 125/2014, No. 88/2015, No. 124/2015, No. 125/2015, No. 130/2015,  
No. 116/2016, No. 126/2016, No. 96/2017, No. 37/2018, No. 47/2018 and No. 50/2018.

### CHAPTER I

#### **Purpose and Definitions.**

##### *Purpose.*

##### Article 1

The purpose of this Act is to ensure that the elderly have access to the health and social care services they require and that such services are provided at the most appropriate level of service based on the needs and condition of the elderly person in question.

It is moreover the purpose of the Act to ensure that the elderly are able, for as long as possible, to enjoy a normal domestic life and that they are assured the required institutional services when needed.

In the implementation of this Act it should be ensured that the elderly enjoy equal rights with other citizens and that their right to self-determination is respected.

##### *Definitions.*

##### Article 2

For the purposes of this Act the following definitions shall apply:

1. *Elderly*: A person who has reached the age of 67 years.
- [2.] *[Resident:]*<sup>1)</sup> A person residing in an institution in accordance with indent 1 of the first paragraph of Article 14, and a person residing for more than six months out of the preceding 12 months in an institution in accordance with indent 2 of the first paragraph of Article 14 or residing in a nursing ward of an institution covered by the State Budget.]<sup>2)</sup>
- [3.]<sup>2)</sup> *Geriatric affairs*: Issues which concern the elderly and which are subject to the supervision of [the Minister]<sup>3)</sup>. Included are [the services to which the elderly are entitled, other than health services],<sup>4)</sup> under this Act and the Senior Citizens' Construction Fund.
- [4.]<sup>2)</sup> *[Competence and health assessment]*<sup>1)</sup> *of the elderly*: A professional individual-based assessment of the need for [admission]<sup>1)</sup> to an institution.
- [5.]<sup>2)</sup> *Working districts of [councils for the elderly]*<sup>5)</sup>: Health care centre districts ...<sup>6)</sup> under the Act Health Service Act.

[6.]<sup>2)</sup> *[Residents' committee:]*<sup>1)</sup> The elected representatives of the residents of an institution form [its residents' committee].<sup>1)</sup>

<sup>1)</sup> Act No. 28/2012, Article 1. <sup>2)</sup> Act No. 74/2002, Article 26. <sup>3)</sup> Act No. 162/2010, Article 21. <sup>4)</sup> Act No. 160/2007, Article 19. <sup>5)</sup> Act No. 37/2018, Article 19. <sup>6)</sup> Act No. 93/2002, Article 23.

## CHAPTER II

### Management of geriatric affairs and the organisation of geriatric services.

*Supreme authority.*

#### Article 3

[[The Minister]<sup>1)</sup> is the chief administrative authority of geriatric affairs under this Act and the chief administrative authority of health services for the elderly.]<sup>2)</sup>

[[The Ministry]<sup>2)</sup> is responsible for policy formulation and planning in geriatric affairs for the country as a whole.]<sup>3)</sup> Furthermore, the Ministry is responsible for the promotion of public discussion and public presentation of the living conditions of the elderly and the options available to them.

<sup>1)</sup> Act No. 126/2011, Article 293. <sup>2)</sup> Act No. 162/2010, Article 21. <sup>3)</sup> Act No. 160/2007, Article 20.

*Joint committee on the affairs of the elderly.*

#### Article 4

[[The Minister appoints a five-member Joint Committee on the Affairs of the Elderly. One of the members shall be nominated by the National Federation of Senior Citizens, one member by the Geriatric Council of Iceland, one member by the Association of Local Authorities in Iceland and two members shall be appointed without nomination and one of them shall chair the Committee.]<sup>1)</sup> The Minister shall appoint one of the members to chair the Committee. Alternates shall be appointed in the same manner as the principal members. ...<sup>2)</sup><sup>3)</sup>

<sup>1)</sup> Act No. 162/2010, Article 21. <sup>2)</sup> Act No. 135/2013, Article 1. <sup>3)</sup> Act No. 38/2004, Article 1.

#### Article 5

The Joint Committee on the affairs of the elderly is entrusted with the following tasks:

1. To advise [the Minister]<sup>1)</sup> and Social Security and the State Government as regards issues which concern the elderly.
2. To act as an intermediary between ministries, institutions and associations involved in issues which concern the elderly.
3. ...<sup>2)</sup>

<sup>1)</sup> Act No. 162/2010, Article 21. <sup>2)</sup> Act No. 135/2013, Article 2.

*[Councils for the elderly.]*<sup>1)</sup>

#### Article 6

[Council for the elderly]<sup>1)</sup> shall function in each health care centre district (*cf.* Health Service Act). Municipalities may form joint [councils for the elderly]<sup>1)</sup> when feasible.

The cost of the work carried out by [councils for the elderly]<sup>1)</sup> shall be paid by the municipalities in the area where [the council]<sup>1)</sup> operates in proportion to the number of residents in each municipality.

<sup>1)</sup> Act No. 37/2018, Article 19.

#### Article 7

[Municipal councils in health care centre districts (*cf.* the Health Service Act) shall appoint five representatives to [the council for the elderly]<sup>1)</sup> following municipal elections. [The medical director of a health care centre shall nominate a physician specialising in the field of geriatric or general medicine and the nursing director shall nominate a nurse with experience in geriatric services.]<sup>2)</sup> Municipal councils shall appoint, without nomination, two representatives who have experience of social services for the elderly. One of these shall be a social worker or have comparable education. Associations of the elderly in the area shall nominate one representative from their own membership ...<sup>3)</sup><sup>4)</sup>

Municipal councils shall elect a chairman for [the councils for the elderly]<sup>1)</sup> from among [the members of the council]<sup>1)</sup>.

<sup>1)</sup> Act No. 37/2019, Article 19. <sup>2)</sup> Act No. 93/2002, Article 24. <sup>3)</sup> Act No. 29/2007, Article 1. <sup>4)</sup> Act No. 67/2001, Article 1.

#### Article 8

[Councils for the elderly]<sup>1)</sup> shall be responsible for the following tasks in its district:

1. Monitoring the health and social welfare of the elderly and co-ordinating services.
2. Submitting proposals to the municipal councils concerning geriatric services.
3. Seeking to ensure that the elderly receive the services they need and informing the elderly of options available to them.
4. ...<sup>2)</sup>

[The council for the elderly]<sup>1)</sup> shall be guided in its work by the purpose of the Act as stated in Article 1.

<sup>1)</sup> Act No. 37/2018, Article 19. <sup>2)</sup> Act No. 29/2007, Article 2.

### CHAPTER III

#### The Senior Citizens' Construction Fund.

#### Article 9

The Senior Citizens' Construction Fund is responsible for promoting and strengthening geriatric services throughout Iceland.

[The Minister appoints the Fund's Board. One of the Board members shall be nominated by the National Federation of Senior Citizens, one by the Association of Local Authorities in Iceland and one by the Althingi's Budget Committee. One Board member shall be appointed without nomination and he/she shall be the chairman. Alternates shall be appointed in the same manner as the principal members.]<sup>1)</sup>

[Funds from the Senior Citizens' Construction Fund shall be used:

1. For the construction of service centres and [day-care centres],<sup>2)</sup> (*cf.* indents 2 and 3 of Article 13) and the construction of institutions for the elderly (*cf.* Article 14) but not, however, for the construction of apartments owned by individuals, NGOs and municipalities.
2. To meet the costs of necessary alterations and maintenance of buildings used for services to the elderly (*cf.* indents 2 and 3 of Articles 13 and 14), with the exception of apartments owned by individuals, NGOs and municipalities.
3. For the maintenance of the premises of [day-care centres and]<sup>2)</sup> homes for the elderly and nursing homes.
4. ...<sup>3)</sup>
5. For other projects which contribute to the development of geriatric services.

Furthermore, the Senior Citizens' Construction Fund may pay the part of rent which constitutes initial cost in relation to rent in a nursing home for the elderly which has been approved for construction after 1 January 2005 at the expense of parties other than the State, following a call for tenders. It is a condition for the payment of rent that no grants from the Senior Citizens' Construction Fund according to [the third paragraph]<sup>1)</sup> or other grants from the State must have been provided for the construction of the nursing home. Rent paid in this manner is regarded as the equivalent of initial cost. Exemptions may be granted from the tendering procedures under sentence 1 in special circumstances and when a tender is not believed to result in lower rental costs for the State and the municipalities.

When the State and municipalities have co-operated in the building of nursing homes the participation of the municipality shall not be less than the equivalent of 15% of the initial cost and the proportion of ownership shall be the same as the division of initial costs. The participation of municipalities in the payment of rent for nursing homes according to [the fourth paragraph]<sup>1)</sup> shall not be less than the equivalent of 15% of the rent. If a municipality participates in the initial cost or rental payment in respect of the construction of other nursing homes, its approval of participation in the payment shall be granted

before the issue of a construction permit and operation licence. Contributions from the Senior Citizens' Construction Fund constitute State contributions.

[Contributions under the third paragraph and rent under the fourth paragraph shall not be granted unless the Minister has issued a construction permit and an operating licence according to Article 16.]<sup>1)</sup> Applications for allocations from the Senior Citizens' Construction Fund shall be submitted on the appropriate forms prepared by [the Ministry].<sup>4)</sup> The forms shall be accompanied by separate documents stipulating the terms for the allocation.]<sup>5)</sup>

Construction work under [the third paragraph]<sup>1)</sup> shall, as appropriate, fall within the scope of the Public Projects Procedure Act.

<sup>1)</sup> Act No. 135/2013, Article 3. <sup>2)</sup> Act No. 28/2012, Article 2. <sup>3)</sup> Act No. 166/2006, Article 14. <sup>4)</sup> Act No. 162/2010, Article 21. <sup>5)</sup> Act No. 38/2004, Article 2.

#### Article 10

[The Director of Internal Revenue shall impose special tax on those who are tax liable under Article 1 of Act on Income Tax, concurrently of tax assessment under Article 93 of the same Act. Income of the tax goes to the Treasury.]<sup>1)</sup> The tax shall be [ISK 11,175]<sup>2)</sup> for each taxpayer, and it shall be revised annually when the government budget is prepared.

Exempt from this tax are children under the age of 16 and those who are 70 years and older by the end of the income year. Also exempt from the tax are individuals who have an income tax base, according to indents 1 and 3 of Article 61 of Act No. 90/2003, on Income Tax, which is less than [[ISK 1,361,468]<sup>3)</sup> for the year preceding the tax assessment year].<sup>4)</sup> In the case of married couples or people with joint taxation, the joint capital income according to the third paragraph of Article 66 of Act No. 90/2003 shall, however, be divided in equal portions between them when this income criteria is determined. These income criteria shall be adjusted every year in accordance with the adjustments to personal tax allowances according to section A of Article 67 of Act No. 90/2003, on Income Tax, and the revenue collection ratio for the relevant withholding tax year according to the first paragraph of Article 9 of Act No. 45/1987, on Withholding Tax. [The Director of Internal Revenue]<sup>5)</sup> shall cancel this tax with respect to the elderly and the disabled who stay in residential care homes.]<sup>6)</sup>

The levy and collection of this tax shall, as appropriate, be governed by the rules applicable to the levy and collection of income tax pursuant to [Act on Income Tax, No. 90/2003.]<sup>7)</sup> Instead of ten due dates, however, there shall be one due date, [1 June]<sup>8)</sup> of each year. If the publication of the Register of Levies is postponed until after [1 June]<sup>8)</sup> the due date will be transposed to the first day of the month following the publication of the Register of Levies.

[The revenues of the Senior Citizens' Construction Fund are annual allocation on grounds of allocation of funds in each Budget, voluntary contributions and other incidental income. The allocation shall at least amount to planned Budget on revenues of the tax under the first paragraph.]<sup>1)</sup>

In the mid-month of each quarter [the Ministry in charge of financial accounts of the state]<sup>9)</sup> shall deliver to the Senior Citizens' Construction Fund a quarter of the income of the Fund for that year.

<sup>1)</sup> Act No. 47/2018, Article 15. <sup>2)</sup> Act No. 96/2017, Article 28. <sup>3)</sup> Act No. 120/2009, Article 17. <sup>4)</sup> Act No. 36/2009, Article 1. <sup>5)</sup> Act No. 136/2009, Article 94. <sup>6)</sup> Act No. 32/2007, Article 1. <sup>7)</sup> Act No. 129/2004, Article 136. <sup>8)</sup> Act No. 50/2018, Article 17. <sup>9)</sup> Act No. 126/2011, Article 293.

#### Article 11

The Senior Citizens' Construction Fund shall be in the custody of [the Ministry].<sup>1)</sup> [The Board of the Senior Citizens' Construction Fund shall be responsible for the administration of the Fund. The Board shall have a special secretary and all costs due to the Board's work shall be paid by the Senior Citizens' Construction Fund.]<sup>2)</sup>

[The Board of the Senior Citizens' Construction Fund shall submit proposals annually to the Minister concerning allocations.]<sup>2)</sup>

<sup>1)</sup> Act No. 162/2010, Article 21. <sup>2)</sup> Act No. 135/2013, Article 4.

## Article 12

[The Minister]<sup>1)</sup> shall establish further provisions on the Senior Citizens' Construction Fund by the issue of a regulation<sup>2)</sup> and shall moreover establish its working procedures.

<sup>1)</sup> Act No. 162/2010, Article 21. <sup>2)</sup> Regulation No. 468/2014.

## CHAPTER IV

### Geriatric services.

#### *Open geriatric services.*

## Article 13

Open geriatric services according to this Act include:

1. Home care services provided to the elderly residing at home. The service shall be based on case-by-case assessments of service needs and shall be geared to support for self-help. The service is twofold. On the one hand there is the health care aspect of the home care services ...<sup>1)</sup> (*cf.* the Health Service Act). On the other hand there is the social aspect of the home care services provided by the municipality in question, or the parties with which the municipalities have contracted (*cf.* the Act on Local Authorities' Social Services). Home care services shall be provided in the evening, at night and on week-ends if necessary. An effort shall be made to organise and co-ordinate the health care and social aspects of the home care services with the welfare and needs of the elderly person in mind.
2. Service centres for the elderly which are operated by municipalities to ensure that senior citizens are provided with company, nourishment, exercise, recreation, entertainment and health surveillance. Service centres may work independently or in connection with other services enjoyed by the elderly.
3. [Day-care centres]<sup>2)</sup> for the elderly as a supporting measure for those who require supervision and care on a regular basis in order to continue to live at home. [Day-care centres]<sup>2)</sup> for the elderly shall provide nursing services and be fitted with facilities for exercise and medical services. Transportation services shall be provided to and from the home of the individual, as well as health assessments, exercise, recreation, social support, education, counselling and assistance in the activities of daily life. Construction permits and operating licences for [day-care centres]<sup>2)</sup> for the elderly shall be governed by the provisions of [Article 16].<sup>3)</sup>
4. Serviced apartments for the elderly which may be privately owned, rented or residential rights apartments. Prior to the construction of serviced apartments for the elderly, construction permits must be obtained from [the Minister]<sup>1)</sup> (*cf.* Article 16). Serviced apartments for the elderly shall be fitted with security systems and a choice of varied services, such as catering, laundry and cleaning and access to social activities. Payment for services provided shall be governed by the provisions of Article 20. The residents of serviced apartments shall be entitled to the same home and watch services as other residents of the municipality.

<sup>1)</sup> Act No. 28/2012, Article 2. <sup>2)</sup> Act No. 160/2007, Article 26. <sup>3)</sup> Act No. 38/2004, Article 3.

#### *Institutions for the elderly.*

## Article 14

Institutions for the elderly according to this Act are:

1. Homes for the elderly, communal residences and apartments which are specifically designed for the needs of the elderly who are unable to maintain a home in spite of home care services. These institutions shall feature 24 hour surveillance, a security system in each apartment and a choice of varied services, such as catering, laundry, cleaning and social and recreational activities. Facilities shall be available for nursing, medical aid and rehabilitation. Services shall be based on individual-based assessments of the needs of the elderly person and shall be geared to assistance to self-help.
2. Nursing homes or nursing wards in geriatric institutions intended for elderly individuals who are too ill to reside in homes for the elderly, communal residences or specially designed apartments