

AN ACT

ENTITLED, An Act to revise certain provisions regarding the exemption of charitable gift annuities from insurance regulation.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 58-1-16 be amended to read as follows:

58-1-16. No provision of Title 58 applies to any qualified organization which issues a charitable gift annuity within this state if the qualified organization has operated for a period of ten years and has a minimum of five hundred thousand dollars in unrestricted cash, cash equivalents, or publicly traded securities, exclusive of the assets funding the annuity agreement as of the date of the annuity agreement. For the purposes of this section, a charitable gift annuity means a giving plan or method by which a gift of cash or other property is made to a qualified organization in exchange for its agreement to pay an annuity. For the purposes of this section, a qualified organization means an organization which is either domiciled in South Dakota and has its principal place of business in South Dakota or is qualified to do business in South Dakota as a foreign corporation, and which is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code as a charitable organization and regularly files a copy of Federal Form 990 in the Office of the Attorney General or is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code as a religious organization or is exempt as a publicly owned or nonprofit, privately endowed educational institution approved, accredited, or licensed by the state board of education, the north central association of colleges and schools, or an equivalent public authority of the jurisdiction where the institution is located.

Section 2. That chapter 58-1 be amended by adding thereto a NEW SECTION to read as follows:

The provisions of this Act do not apply to any qualified organization that met the requirements of § 58-1-16 and issued any charitable gift annuity prior to July 1, 2001.

An Act to revise certain provisions regarding the exemption of charitable gift annuities from insurance regulation.

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I certify that the attached Act originated in the

SENATE as Bill No. 201

Secretary of the Senate

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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 201
File No. _____
Chapter No. _____

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Received at this Executive Office this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby approved this _____ day of _____ , A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____ , 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State