

By the Committee on Banking and Insurance; and Senator Laurent

311-2004-99

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A bill to be entitled
An act relating to annuities; amending s.
627.481, F.S.; prescribing conditions under
which a subunit of an organized domestic or
foreign nonstock corporation or an
unincorporated charitable trust may enter into
annuity agreements; providing an effective
date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsection (1) of section 627.481, Florida
Statutes, is amended to read:

627.481 Requirements for certain annuity agreements.--

(1) Any duly organized domestic or foreign nonstock
corporation, or any unincorporated charitable trust, that:if
~~such corporation or trust~~

(a) Has been in active operation for at least 5 years
prior thereto and has qualified as an exempt organization
under the Internal Revenue Code, 26 U.S.C. s. 501(c)(3), or

(b) Has been wholly controlled for at least 10 years
by a corporation or trust qualified under paragraph (a), has
been a corporation or trust for at least 2 years, and has
engaged in the selling of annuity agreements authorized under
this section in at least three other states without complaint,

may enter into annuity agreements with donors in accordance
with this section. Such corporation or trust may receive gifts
conditioned upon, or in return for, its agreement to pay an
annuity to the donor or other designated beneficiary or
beneficiaries and to make and carry out such annuity

1 agreement. Annuity benefits under any such annuity agreement
2 must be calculated to return to such corporation or trust upon
3 the death of the annuitant a residue at least equal to
4 one-half the original gift or other consideration for such
5 annuity.

6 Section 2. This act shall take effect upon becoming a
7 law.

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9 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
10 COMMITTEE SUBSTITUTE FOR
11 Senate Bill 2326

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12 Requires that a corporation or trust selling charitable
13 annuity agreements must have been wholly controlled for at
14 least 10 years by a non-profit corporation or trust which has
15 been active for at least 5 years.

16 Changes the effective date from July 1, 1999, to upon becoming
17 law.

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