

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 6.1-32.12 of the Code of Virginia, relating to charitable corporations*
3 *serving as trustees of certain charitable trusts.*

4 [H 1730]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 6.1-32.12 of the Code of Virginia is amended and reenacted as follows:**

8 § 6.1-32.12. Exemptions.

9 For the purposes of this article, a person or legal entity does not engage in the trust business by:

10 1. Rendering services as an attorney at law in the performance of duties as a fiduciary;
11 2. Rendering services as a certified or registered public accountant in the performance of duties as
12 such;

13 3. Acting as trustee under a deed of trust made only as security for the payment of money or for the
14 performance of another act;

15 4. Acting as a trustee in bankruptcy or as a receiver;

16 5. Holding trusts of real estate for the primary purpose of subdivision, development or sale, or to
17 facilitate any business transaction with respect to such real estate;

18 6. Engaging in the business of an escrow agent;

19 7. Holding assets as trustee of a trust created for charitable purposes. *This subdivision 7 shall apply*
20 *only if:*

21 *(a) the trustee is an entity exempt from federal income tax under section 501 (c) (3) of the Internal*
22 *Revenue Code; and*

23 *(b) the trust is (i) exempt from federal income taxes under section 501 (c) (3) of the Internal*
24 *Revenue Code; (ii) a charitable remainder trust described in section 664 of the Internal Revenue Code;*
25 *(iii) a pooled income fund described in section 642 (c) (5) of the Internal Revenue Code; or (iv) a trust*
26 *the charitable interest in which is either a guaranteed annuity or a fixed percentage distributed yearly*
27 *of the fair market value of the trust property, described in section 2055 (e) (2) (B) or 2522 (c) (2) (B)*
28 *of the Internal Revenue Code;*

29 8. Receiving rents and proceeds of sale as a licensed real estate broker on behalf of the principal; or

30 9. Engaging in securities transactions as a broker-dealer or salesman.

ENROLLED

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