VIRGINIA ACTS OF ASSEMBLY -- 2001 SESSION

CHAPTER 717

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

[H 1730]

Approved March 26, 2001

Be it enacted by the General Assembly of Virginia:
1. That § 6.1-32.12 of the Code of Virginia is amended and reenacted as follows:
§ 6.1-32.12. Exemptions.
For the purposes of this article, a person or legal entity does not engage in the trust business by:
1. Rendering services as an attorney at law in the performance of duties as a fiduciary;
2. Rendering services as a certified or registered public accountant in the performance of duties as such;
3. Acting as trustee under a deed of trust made only as security for the payment of money or for the performance of another act;
4. Acting as a trustee in bankruptcy or as a receiver;
5. Holding trusts of real estate for the primary purpose of subdivision, development or sale, or to facilitate any business transaction with respect to such real estate;
6. Engaging in the business of an escrow agent;
7. Holding assets as trustee of a trust created for charitable purposes. *This subdivision 7 shall apply only if:*
(a) the trustee is an entity exempt from federal income tax under § 501 (c) (3) of the Internal Revenue Code; and
(b) the trust is (i) exempt from federal income taxes under § 501 (c) (3) of the Internal Revenue Code; (ii) a charitable remainder trust described in § 664 of the Internal Revenue Code; (iii) a pooled income fund described in § 642 (c) (5) of the Internal Revenue Code; or (iv) a trust the charitable interest in which is either a guaranteed annuity or a fixed percentage distributed yearly of the fair market value of the trust property, described in § 2055 (e) (2) (B) or § 2522 (c) (2) (B) of the Internal Revenue Code;
8. Receiving rents and proceeds of sale as a licensed real estate broker on behalf of the principal; or
9. Engaging in securities transactions as a broker-dealer or salesman.