

HOUSE BILL 843

By Johnson C

AN ACT to amend Tennessee Code Annotated, Title 56,
Chapter 52, relative to charitable gift annuities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 56-52-102(a), is amended by deleting subdivision (2)(B) in its entirety and by substituting instead the following language:

(B) "Charitable gift annuity" does not include a charitable remainder trust or a charitable lead trust or other similar arrangement where the charitable organization does not issue an annuity and incur a financial obligation to guarantee annuity payments.

"Charitable gift annuity" also does not mean any transfer of cash, securities, annuities or other property by a donor to a charitable organization in return for an annuity where a commission is paid to any person as a result of the transfer unless:

(i) The charitable organization reinsures the obligation incurred pursuant to the annuity issued through the purchase of a commercial insurance annuity from an insurance company authorized under this title to conduct the business of insurance in this state; and

(ii) The commission is paid to a person licensed under chapter 6, part 1, of this title.

SECTION 2. Tennessee Code Annotated, Section 56-52-103(e), is amended by inserting the language "except as provided in § 56-52-102(a)(2)(B)" at the end of the subsection.

SECTION 3. This act shall take effect January 1, 2010, the public welfare requiring it.