

543B.46 Trust accounts.

1. Each real estate broker who is in the practice of depositing funds in a trust account shall maintain a common trust account in a federally insured depository institution for the deposit of all down payments, earnest money deposits, or other trust funds received by the broker or the broker's salespersons on behalf of the broker's principal, except that a broker acting as a salesperson shall deposit these funds in the common trust account of the broker for whom the broker acts as salesperson. The account shall be an interest-bearing account. The interest on the account shall be transferred quarterly to the treasurer of state and transferred to the Iowa finance authority for deposit in the housing trust fund established in [section 16.181](#) unless there is a written agreement between the buyer and seller to the contrary. The broker shall not benefit from interest received on funds of others in the broker's possession. A broker who is not in the practice of depositing funds in a trust account shall not be required to maintain a common trust account pursuant to [this section](#).

2. Each broker required to maintain a trust account pursuant to [this section](#) shall notify the real estate commission of the name of the federally insured depository institution in which a trust account is maintained and also the name of the account on forms provided therefor.

3. Each broker required to maintain a trust account pursuant to [this section](#) shall authorize the real estate commission to examine each trust account and shall obtain the certification of the federally insured depository institution attesting to each trust account and consenting to the examination and audit of each account by a duly authorized representative of the commission. The certification and consent shall be furnished on forms prescribed by the commission. [This subsection](#) does not apply to an individual farm account maintained in the name of the owner or owners for the purpose of conducting ongoing farm business whether it is conducted by the farm owner or by an agent or farm manager when the account is part of a farm management agreement between the owner and agent or manager. [This subsection](#) also does not apply to an individual property management account maintained in the name of the owner or owners for the purpose of conducting ongoing property management whether it is conducted by the property owner or by an agent or manager when the account is part of a property management agreement between the owner and agent or manager.

4. Each broker required to maintain a trust account pursuant to [this section](#) shall only deposit trust funds as directed by the principal of a transaction constituting dealing in real estate as defined in [section 543B.6](#) in the common trust account and shall not commingle the broker's personal funds or other funds in the trust account with the exception that a broker may deposit and keep a sum not to exceed one thousand dollars in the account from the broker's personal funds, which sum shall be specifically identified and deposited to cover bank service charges relating to the trust account.

5. A broker may maintain more than one trust account provided the commission is advised of said account as specified in [subsections 2 and 3](#) above.

6. The commission shall verify on a test basis, a random sampling of the brokers, corporations, professional corporations, professional limited liability companies, and partnerships for their trust account compliance. The commission may upon reasonable cause, or as a part of or after an investigation, request or order a special report.

7. The examination of a trust account shall be conducted by the commission or the commission's authorized representative.

8. The commission shall adopt rules to ensure implementation of [this section](#).

[C71, 73, 75, 77, 79, 81, §117.46; 81 Acts, ch 54, §23; 82 Acts, ch 1067, §1]

85 Acts, ch 252, §1; 92 Acts, ch 1242, §22, 23

C93, §543B.46

93 Acts, ch 30, §2; 93 Acts, ch 175, §19; 95 Acts, ch 170, §7; 96 Acts, ch 1027, §1; 97 Acts, ch 23, §67; 97 Acts, ch 214, §12; 2007 Acts, ch 13, §6; 2008 Acts, ch 1097, §3; 2012 Acts, ch 1017, §150; 2013 Acts, ch 30, §138; 2014 Acts, ch 1092, §121; 2017 Acts, ch 71, §10

Referred to in [§543B.29](#)

Section amended