

3     **625.18 Bill of costs on appeal.** In cases of appeals from [the district]  
4     *a trial court*, the *supreme court* clerk, if final judgment is rendered  
5     in the supreme court, shall make a complete bill of costs in [the court  
6     below] *that court* which shall be filed in the office of the clerk of the  
7     [supreme] *trial court* and taxed with the costs in the action therein.

1     SEC. 2. Section six hundred twenty-five point nineteen (625.19),  
2     Code 1971, is amended as follows:

3     **625.19 Costs in supreme court.** When the costs accrued in the  
4     supreme court and the *trial court* [below] are paid to the clerk of the  
5     [supreme] *trial court*, he shall pay so much of them as accrued in the  
6     *supreme court* [below] to the clerk of said court, and take his receipt  
7     therefor.

1     SEC. 3. Section six hundred twenty-five point twenty (625.20),  
2     Code 1971, is amended as follows:

3     **625.20 Duty of clerk [below].** On receiving such costs, the clerk  
4     of the *supreme court* [below] shall charge himself with the money and  
5     pay it to the persons entitled thereto.

Approved June 30, 1971.

Italics indicate new material added to existing statutes; brackets indicate deletions from existing statutes.  
However, see Editor's note, page iii.

## CHAPTER 269

### PRIVATE FOUNDATIONS AND CHARITABLE TRUSTS

#### S. F. 347

AN ACT relating to private foundations and charitable trusts.

*Be It Enacted by the General Assembly of the State of Iowa:*

1     SECTION 1. This Act shall apply only to trusts which are private  
2     foundations as defined in section five hundred nine (509) of the Inter-  
3     nal Revenue Code of 1954, charitable trusts as described in section four  
4     thousand nine hundred forty-seven (4947) (a) (1) of the Internal  
5     Revenue Code of 1954, or split-interest trusts as described in section  
6     four thousand nine hundred forty-seven (4947) (a) (2) of the Internal  
7     Revenue Code of 1954. With respect to any such trust created after  
8     December 31, 1969, this Act shall apply from such trust's creation.  
9     With respect to any such trust created before January 1, 1970, this  
10    Act shall apply only to such trust's federal taxable years beginning  
11    after December 31, 1971.

1     SEC. 2. The trust instrument of each trust to which this Act ap-  
2     plies shall be deemed to contain provisions prohibiting the trustee  
3     from:

4     1. Engaging in any act of self-dealing, as defined in section four  
5     thousand nine hundred forty-one (4941) (d) of the Internal Revenue  
6     Code of 1954, which would give rise to any liability for the tax im-  
7     posed by section four thousand nine hundred forty-one (4941) (a) of  
8     the Internal Revenue Code of 1954;

9     2. Retaining any excess business holdings, as defined in section  
10    four thousand nine hundred forty-three (4943) (c) of the Internal

11 Revenue Code of 1954, which would give rise to any liability for the  
12 tax imposed by section four thousand nine hundred forty-three (4943)  
13 (a) of the Internal Revenue Code of 1954;

14 3. Making any investments which would jeopardize the carrying  
15 out of any of the exempt purposes of the trust, within the meaning  
16 of section four thousand nine hundred forty-four (4944) of the In-  
17 ternal Revenue Code of 1954, so as to give rise to any liability for  
18 the tax imposed by section four thousand nine hundred forty-four  
19 (4944) (a) of the Internal Revenue Code of 1954; and

20 4. Making any taxable expenditures, as defined in section four  
21 thousand nine hundred forty-five (4945) (d) of the Internal Revenue  
22 Code of 1954, which would give rise to any liability for the tax im-  
23 posed by section four thousand nine hundred forty-five (4945) (a) of  
24 the Internal Revenue Code of 1954.

25 However, this section shall not apply either to those split-interest  
26 trusts or to amounts thereof which are not subject to the prohibitions  
27 applicable to private foundations by reason of the provisions of sec-  
28 tion four thousand nine hundred forty-seven (4947) of the Internal  
29 Revenue Code of 1954.

1 SEC. 3. The trust instrument of each trust to which this Act  
2 applies, except split-interest trusts, shall be deemed to contain a pro-  
3 vision requiring the trustee to distribute for the purposes specified in  
4 the trust instrument for each taxable year of the trust amounts at  
5 least sufficient to avoid liability for the tax imposed by section four  
6 thousand nine hundred forty-two (4942) (a) of the Internal Revenue  
7 Code of 1954.

1 SEC. 4. Nothing in this Act shall impair the rights and powers of  
2 the courts or the attorney general of this state with respect to any  
3 trust.

1 SEC. 5. All references to sections of the Internal Revenue Code  
2 of 1954 shall mean the Code as amended to and including January  
3 1, 1971.

1 SEC. 6. Nothing in this Act shall limit the power of a person who  
2 creates a trust after the effective date of this Act or the power of a  
3 person who has retained or has been granted the right to amend a  
4 trust created before the effective date of this Act, to include a specific  
5 provision in the trust instrument or an amendment to the trust in-  
6 strument as the case may be, which provides that some or all of the  
7 provisions of sections two (2) and three (3) of this Act shall have  
8 no application to such trust.

Approved April 26, 1971.