

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.