

CHAPTER 43—S.F.No. 1754

An act relating to religious corporations; permitting a church benefits board to act as a trustee of a trust; amending Minnesota Statutes 2008, section 317A.909.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2008, section 317A.909, is amended to read:

317A.909 CORPORATIONS FOR RELIGIOUS PURPOSES.

Subdivision 1. **Benefits for members.** When authorized by its members or otherwise, a corporation formed for a religious purpose may provide directly or through a church benefits board for:

(1) support and payment of benefits to its ministers, teachers, employees, or functionaries and to the ministers, teachers, employees, or functionaries of a nonprofit organization affiliated with it or under its jurisdiction;

(2) payment of benefits to the surviving spouses, children, dependents, or other beneficiaries of the persons named in clause (1);

(3) collection of contributions and other payments; or

(4) creation, maintenance, investment, management, and disbursement of necessary endowment, reserve, and other funds for these purposes, including a trust fund or corporation that funds a "church plan" as defined in section 414(e) of the Internal Revenue Code of 1986, as amended through December 31, 1988.

Subd. 2. **Insurance laws not applicable.** The insurance laws of this state do not apply to the operations of a corporation under subdivision 1.

Subd. 3. **Property exempt from taxation.** Except for property leased or used for profit, personal and real property that a religious corporation necessarily uses for a religious purpose is exempt from taxation.

Subd. 5. **Church benefits board.** A "church benefits board" is an organization described in section 414(e)(3)(A) of the Internal Revenue Code of 1986, as amended through December 31, 1988, whether a civil law corporation or otherwise, the principal purpose or function of which is the administration or funding of a plan or program for the provision of retirement benefits or welfare benefits for the employees of a church or a convention or association of churches, if the organization is controlled by or associated with a church or a convention or association of churches.

Subd. 6. **Church benefits board as trustee.** A church benefits board may act as trustee under a lawful trust and may act as agent for the performance of a lawful act relating to the purposes of the trust.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to trusts whenever created.

Presented to the governor May 5, 2009

Signed by the governor May 7, 2009, 4:24 p.m.