

17-1311. Cemetery permanent maintenance fund; requirements; use; purpose; trust instruments, terminated, transferred or amended. (a) A cemetery corporation shall maintain in a permanent maintenance fund with a trustee a percentage of the purchase price based upon the funding requirement as such term is defined in K.S.A. 2014 Supp. 17-1301c, and amendments thereto. Deposits to the permanent maintenance fund shall be made within 30 days following each calendar month end, after the moneys are received. Moneys placed in such fund under the provisions of K.S.A. 17-1308, and amendments thereto, shall be credited for the purposes of fulfilling such requirement. Moneys in such fund may be held and invested subject to the requirements of subsections (a) through (f) of K.S.A. 58-24a02, and amendments thereto, but the total amount of money invested in any mortgage upon real property shall not exceed an amount equal to 75% of the market value of such property at the time of such investment. No part of the principal of the fund shall ever be used for any purpose except for investment. In no event shall any loan of the funds be made to any stockholder, officer or employee of such cemetery corporation, or to any person related, by blood or marriage, to a stockholder, officer or employee. The treasurer of such corporation may deposit, to the credit of such fund, donations or bequests for the fund and may retain property so acquired without limitation as to time and without regard to its suitability for original purchase.

(b) The primary purpose of the permanent maintenance fund is to maintain the corpus of the fund. The income earned from the permanent maintenance fund may be dispersed to the cemetery. All capital gains shall be allocated to principal after liability for any capital gains tax has been paid as allowed by K.S.A. 17-1312, and amendments thereto.

(c) The cemetery corporation shall obtain prior written approval from the secretary of state before the trust instrument shall be terminated, transferred, or amended. The cemetery corporation shall provide the secretary of state copies of any amendments to the trust instrument before the amendments shall become effective.

History: L. 1901, ch. 102, § 5; R.S. 1923, 17-1311; L. 1931, ch. 147, § 1; L. 1963, ch. 138, § 1; L. 1968, ch. 330, § 3; L. 1971, ch. 71, § 1; L. 1978, ch. 76, § 1; L. 1985, ch. 91, § 1; L. 1989, ch. 48, § 77; L. 1994, ch. 229, § 4; L. 2001, ch. 75, § 6; L. 2011, ch. 78, § 16; L. 2014, ch. 118, § 5; July 1.