

65-7105. Same; administration of accounts by financial institutions; duties. (a) Financial institutions seeking to administer individual development accounts approved by the institute shall be permitted to establish individual development accounts pursuant to K.S.A. 65-7101 through 65-7107, and amendments thereto. The financial institution shall certify to the institute, on forms prescribed by the institute and accompanied by any documentation required by the institute, that such accounts have been established pursuant to this act and that deposits have been made on behalf of the account holder.

(b) A financial institution establishing an individual development account shall:

(1) Keep the account in the name of the account holder;

(2) permit deposits to be made in the account by the following, subject to the indicated conditions:

(A) The account holder; or

(B) a community-based organization on behalf of the account holder. Such a deposit may include moneys to match the account holder's deposits, up to a five to one match rate;

(3) require the account to earn at least the market rate of interest; and

(4) permit the account holder to withdraw moneys upon approval of a community-based organization from the account for the purpose as provided in K.S.A. 65-7104, and amendments thereto.

(c) The total of all deposits by the account holder into an individual development account in a calendar year shall not exceed \$5,000. The total balance in an individual development account at any time shall not exceed \$50,000.

History: L. 2001, ch. 176, § 5; July 1.