

2020 Kansas Statutes

74-50,205. Same; establishment of account by financial institution; duties; deposits, limitations. (a) Financial institutions seeking to open and maintain individual development accounts approved by the secretary for account holders shall be permitted to establish individual development accounts pursuant to K.S.A. 74-50,201 through 74-50,208, and amendments thereto.

(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 three-to-one match ratio;

(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 any of the purposes listed in subsections (a) through (e) of K.S.A. 74-50,204, 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 30% of an account holder's annual personal income not to exceed \$4,000, except when necessary to comply with the emergency withdrawal provisions contained in K.S.A. 74-50,206, and amendments thereto. The total balance in an individual development account at any time shall not exceed \$50,000.

History: L. 2005, ch. 104, § 5; Apr. 21.