

§10983. Withdrawal of funds

1. Use of funds. An account holder may withdraw funds from the account with the approval of the community development organization administrator without penalty for the following expenditures:

A. Expenses for education or job training or to attend an accredited or approved postsecondary education or training institution; [PL 2019, c. 239, §4 (NEW).]

B. The purchase or repair of a home that is or will be the person's principal residence; [PL 2019, c. 239, §4 (NEW).]

C. The purchase or repair of a vehicle used for transportation to work or to attend an education or training program; [PL 2019, c. 239, §4 (NEW).]

D. Expenses for an emergency that may cause the loss of shelter, employment or other basic necessities; [PL 2019, c. 239, §4 (NEW).]

E. Capital to start or purchase a small business for any family member who is 18 years of age or older; or [PL 2019, c. 239, §4 (NEW).]

F. Health care costs exceeding \$500 not covered by public or private insurance. [PL 2019, c. 239, §4 (NEW).]

[PL 2019, c. 239, §4 (NEW).]

2. Unauthorized withdrawal; penalty. Money withdrawn from an account by an account holder that is not withdrawn pursuant to subsection 1 may be subject to a penalty of 15%. All penalties must be paid by the account holder and deposited into the family development account reserve fund of the community development organization.

[PL 2019, c. 239, §4 (NEW).]

3. Death of account holder. When opening an account an account holder may name a beneficiary and contingent beneficiaries. An account holder may change beneficiaries at any time. When an account holder dies the account must be transferred to the ownership of the designated beneficiary or, if there is none or if the transfer is not possible, the account must be transferred to the estate of the deceased.

[PL 2019, c. 239, §4 (NEW).]

4. Exempt from taxation. Account balances and withdrawals are exempt from taxation pursuant to Title 36, chapter 803.

[PL 2019, c. 239, §4 (NEW).]

SECTION HISTORY

PL 2019, c. 239, §4 (NEW).

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