

[Jen Wickham](#) - Mon, 6/15/2015 - 09:44

On April 17, 2013 Governor Scott Walker signed into Wisconsin law new and much less stringent regulations regarding gift annuities (2013 Wisconsin Act 271). The new regulations became effective the next day. Prior to the change in law, Wisconsin was a highly regulated state when it came to gift annuities. Requirements included:

- Active operation of the charity for at least 10 years
- Application to the Office of the Commissioner of Insurance (OCI) plus \$200 in filing fees
- Filing prototype agreements with the OCI
- Maintenance of reserves on active annuities plus a surplus of 10% of the reserve amount or \$100,000, whichever was greater
- Annual filing by March 1 of a statement of reserves, plus a \$50 fee

The new law provides gift annuities with a general exemption from insurance regulation, thereby removing all of these requirements. In their place, Wisconsin now only requires:

- Continuous operation of the charity for at least 3 years
- That annuity agreements include the following specified disclosure language: A qualified charitable gift annuity is not insurance under the laws of Wisconsin and is not subject to regulation by the commissioner of insurance of Wisconsin or protected by an insurance guaranty fund or an insurance guaranty association.

Charities that had existing Wisconsin annuities at the time the new law went into effect are required to provide notice of the law change to those donors/annuitants. While there is no deadline for doing this, it would be a mark of good stewardship to send the notice soon after the change. While no specific text is required, email support@pgcalc.com to receive sample language we have created.

On April 24, we sent an email to all *Planned Giving Manager (PGM)* clients with instructions on how to update their copy of *PGM 7.1* so that their Wisconsin gift annuity agreements would include Wisconsin's new disclosure language. If you are running *PGM 7.0* or earlier, or you expect to use *PGM* to produce any Wisconsin agreements, you should install this update. Please contact our Client Services team

at support@pgcalc.com or 888-474-2252 for more information.

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