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## Overview

This bill protects donations to charities and religious organization as defined by federal law from creditors who are seeking to collect against insolvent persons who may have donated to charities or religious organizations. The existing law and provisions of this bill provide certain exceptions for when the donation can be captured by the creditors.

### Section

- 1** **Definitions.** Changes the definition of transfers in the Uniform Voidable Transfers Act to exclude donations or contributions, including notes, stocks, and bonds, to charitable or religious organizations, except when the donation happened within two years of the start of an action against the debtor, the donation was made by the debtor, and the donation was done to intentionally defraud a creditor or was made at the time the debtor was insolvent or about to be insolvent. This provision will protect contributions made to charitable and religious organizations in certain situations so that donations cannot be made “void” by the court and force the return of the donation.

Effective date: This section is effective the day after final enactment and applies to cases of action arising before, on, or after that date.