

SECOND REGULAR SESSION

# HOUSE BILL NO. 1064

## 92ND GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES SANDER (Sponsor), MYERS, MOORE,  
MUNZLINGER AND DIXON (Co-sponsors).

Read 1<sup>st</sup> time January 13, 2004, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

2752L.011

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### AN ACT

To repeal section 513.430, RSMo, and to enact in lieu thereof one new section relating to exemptions from attachment and execution.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Section 513.430, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 513.430, to read as follows:

513.430. 1. The following property shall be exempt from attachment and execution to the extent of any person's interest therein:

(1) Household furnishings, household goods, wearing apparel, appliances, books, animals, crops or musical instruments that are held primarily for personal, family or household use of such person or a dependent of such person, not to exceed one thousand dollars in value in the aggregate;

(2) Jewelry held primarily for the personal, family or household use of such person or a dependent of such person, not to exceed five hundred dollars in value in the aggregate;

(3) Any other property of any kind, not to exceed in value four hundred dollars in the aggregate;

(4) Any implements, **breeding stock, dairy cattle**, professional books or tools of the trade of such person or the trade of a dependent of such person not to exceed two thousand dollars in value in the aggregate;

(5) Any motor vehicle, not to exceed one thousand dollars in value;

(6) Any mobile home used as the principal residence, not to exceed one thousand dollars in value;

(7) Any one or more unmatured life insurance contracts owned by such person, other than a credit life insurance contract;

19 (8) The amount of any accrued dividend or interest under, or loan value of, any one or  
20 more unmaturing life insurance contracts owned by such person under which the insured is such  
21 person or an individual of whom such person is a dependent; provided, however, that if  
22 proceedings under Title 11 of the United States Code are commenced by or against such person,  
23 the amount exempt in such proceedings shall not exceed in value one hundred fifty thousand  
24 dollars in the aggregate less any amount of property of such person transferred by the life  
25 insurance company or fraternal benefit society to itself in good faith if such transfer is to pay a  
26 premium or to carry out a nonforfeiture insurance option and is required to be so transferred  
27 automatically under a life insurance contract with such company or society that was entered into  
28 before commencement of such proceedings. No amount of any accrued dividend or interest  
29 under, or loan value of, any such life insurance contracts shall be exempt from any claim for  
30 child support. Notwithstanding anything to the contrary, no such amount shall be exempt in such  
31 proceedings under any such insurance contract which was purchased by such person within one  
32 year prior to the commencement of such proceedings;

33 (9) Professionally prescribed health aids for such person or a dependent of such person;

34 (10) Such person's right to receive:

35 (a) A Social Security benefit, unemployment compensation or a local public assistance  
36 benefit;

37 (b) A veteran's benefit;

38 (c) A disability, illness or unemployment benefit;

39 (d) Alimony, support or separate maintenance, not to exceed five hundred dollars a  
40 month;

41 (e) Any payment under a stock bonus plan, pension plan, disability or death benefit plan,  
42 profit-sharing plan, nonpublic retirement plan or any plan described, defined, or established  
43 pursuant to section 456.072, RSMo, the person's right to a participant account in any deferred  
44 compensation program offered by the state of Missouri or any of its political subdivisions, or  
45 annuity or similar plan or contract on account of illness, disability, death, age or length of  
46 service, to the extent reasonably necessary for the support of such person and any dependent of  
47 such person unless:

48 a. Such plan or contract was established by or under the auspices of an insider that  
49 employed such person at the time such person's rights under such plan or contract arose;

50 b. Such payment is on account of age or length of service; and

51 c. Such plan or contract does not qualify under Section 401(a), 403(a), 403(b), 408, 408A  
52 or 409 of the Internal Revenue Code of 1986, as amended, (26 U.S.C. 401(a), 403(a), 403(b),  
53 408, 408A or 409);

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55 except that any such payment to any person shall be subject to attachment or execution pursuant  
56 to a qualified domestic relations order, as defined by Section 414(p) of the Internal Revenue  
57 Code of 1986, as amended, issued by a court in any proceeding for dissolution of marriage or  
58 legal separation or a proceeding for disposition of property following dissolution of marriage by  
59 a court which lacked personal jurisdiction over the absent spouse or lacked jurisdiction to  
60 dispose of marital property at the time of the original judgment of dissolution;

61 (f) Any money or assets, payable to a participant or beneficiary from, or any interest of  
62 any participant or beneficiary in, a retirement plan or profit-sharing plan that is qualified under  
63 Section 401(a), 403(a), 403(b), 408, 408A or 409 of the Internal Revenue Code of 1986, as  
64 amended, except as provided in this paragraph. Any plan or arrangement described in this  
65 paragraph shall not be exempt from the claim of an alternate payee under a qualified domestic  
66 relations order; however, the interest of any and all alternate payees under a qualified domestic  
67 relations order shall be exempt from any and all claims of any creditor, other than the state of  
68 Missouri through its division of family services. As used in this paragraph, the terms "alternate  
69 payee" and "qualified domestic relations order" have the meaning given to them in Section  
70 414(p) of the Internal Revenue Code of 1986, as amended.

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72 If proceedings under Title 11 of the United States Code are commenced by or against such  
73 person, no amount of funds shall be exempt in such proceedings under any such plan, contract,  
74 or trust which is fraudulent as defined in section 456.630, RSMo, and for the period such person  
75 participated within three years prior to the commencement of such proceedings. For the purposes  
76 of this section, when the fraudulently conveyed funds are recovered and after, such funds shall  
77 be deducted and then treated as though the funds had never been contributed to the plan, contract,  
78 or trust;

79 (11) The debtor's right to receive, or property that is traceable to, a payment on account  
80 of the wrongful death of an individual of whom the debtor was a dependent, to the extent  
81 reasonably necessary for the support of the debtor and any dependent of the debtor.

82 2. Nothing in this section shall be interpreted to exempt from attachment or execution  
83 for a valid judicial or administrative order for the payment of child support or maintenance any  
84 money or assets, payable to a participant or beneficiary from, or any interest of any participant  
85 or beneficiary in, a retirement plan which is qualified pursuant to Section 408A of the Internal  
86 Revenue Code of 1986, as amended.