

HOUSE _____ **AMENDMENT NO.** _____

Offered By

AMEND House Committee Substitute for Senate Bill No. 145, Page 1, Section A, Line 3, by inserting after all of said section and line, the following:

“50.1260. [1.] A distributee may elect to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover to the extent and in the time and manner as set forth in regulations and as otherwise provided by the board.

[2. An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include any distribution that is one of a series of substantially equal periodic payments, not less frequently than annually, made for the life, or life expectancy, of the distributee or the joint lives, or joint life expectancy, of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required pursuant to 26 U.S.C. 401(a)(9); and the portion of any distribution that is not includable in gross income, determined without regard to the exclusion for net unrealized appreciation with respect to employer securities.

3. An eligible retirement plan is an individual retirement account, an individual retirement annuity, an annuity plan described in 26 U.S.C. 403(a), or a qualified trust described in 26 U.S.C. 401(a) that accepts the distributee's eligible rollover distribution. However, in the case of an eligible rollover distribution to the surviving spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity.

4. A distributee includes a member, the member's surviving spouse and the member's former spouse who is the alternate payee pursuant to a qualified domestic relations order.

5. A direct rollover is a payment made, in accordance with the provisions of section 50.1250, to the eligible retirement plan specified by the distributee.

6. A distributee may elect a complete direct rollover with respect to all of the distribution or a partial direct rollover with respect to a portion of the distribution with the remainder paid directly to the distributee. The amount of a partial direct rollover must be at least five hundred

dollars.

7. A distributee who does not make any election shall be deemed to have rejected the direct rollover option.

8. A distribution of less than two hundred dollars that otherwise would be an eligible rollover distribution shall not be an eligible rollover distribution if it is reasonable to expect that all such distributions to the distributee from the plan during the same calendar year will not exceed two hundred dollars.]”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.