
DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Pearson

HB No. 41

Abstract: Provides relative to maintaining the federal tax qualification status of the Clerks' of Court Retirement and Relief Fund (CCRS).

Present law creates the CCRS. Provisions within present law qualify the CCRS to be a "qualified plan" under the provisions of the federal tax code. Such status affords certain benefits to the plan and its members (for example, earnings within the plan are not taxed until distribution).

Proposed law retains present law and makes changes to present law in order to comply with federal tax regulations.

Proposed law provides that a member who is reemployed after military service shall receive service credit for the period of this military service if he remits employee contributions which would have been required but for military service.

Proposed law, effective Jan. 1, 2007, provides that if a member dies during leave for military service, his beneficiary is entitled to any benefit, except benefits that accrued during military service, that would have been provided had the member resumed employment and then died.

Proposed law provides relative to the maximum compensation that members may receive under the federal tax code.

Present law provides optional retirement selections for members relating to how the member would like his benefits to be paid. Proposed law retains present law and further requires payment of at least 50% of a member's benefits to his surviving spouse if he chooses an option with an annuity.

Present law authorizes a member to roll an eligible distribution over to another tax vehicle recognized by the federal tax code. Proposed law requires notice to the member on certain information on tax consequences relative to the transfer.

Proposed law authorizes any future amendments necessary to comply with the federal tax code to be promulgated by the governing board by rule, utilizing the Administrative Procedure Act.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 11:1532; Adds R.S. 11:1518, 1521.2, 1524(C), and 1533(F))

