

HOUSE BILL NO. 311

INTRODUCED BY T. JACOBSON

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE RETIREMENT, DEFERRED COMPENSATION, AND EDUCATIONAL SAVINGS ACCOUNTS OR PLANS THAT ARE EXEMPT FROM THE EXECUTION OF A CIVIL JUDGMENT AGAINST THE PERSON'S PROPERTY; AND AMENDING SECTION 25-13-608, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 25-13-608, MCA, is amended to read:

"25-13-608. Property exempt without limitation -- exceptions. (1) A judgment debtor is entitled to exemption from execution of the following:

- (a) professionally prescribed health aids for the judgment debtor or a dependent of the judgment debtor;
- (b) benefits the judgment debtor has received or is entitled to receive under federal social security or local public assistance legislation, except as provided in subsection (2);
- (c) veterans' benefits, except as provided in subsection (2);
- (d) disability or illness benefits, except as provided in subsection (2);
- (e) except as provided in subsection (2), individual retirement accounts, as defined in 26 U.S.C. 408(a), ~~to the extent of deductible contributions made before the suit resulting in judgment was filed and the earnings on those contributions, and~~ Roth individual retirement accounts, as defined in 26 U.S.C. 408A, and amounts payable from accounts or plans governed under 26 U.S.C. 401(a), 26 U.S.C. 401(c), 26 U.S.C. 401(k), 26 U.S.C. 403, or 26 U.S.C. 457 to the extent of qualified contributions made before the suit resulting in judgment was filed and the earnings on those contributions;
- (f) benefits paid or payable for medical, surgical, or hospital care to the extent they are used or will be used to pay for the care;
- (g) maintenance and child support;
- (h) a burial plot for the judgment debtor and the debtor's family;
- (i) benefits or payments paid or payable from a retirement system or plan within Title 19, chapters 3, 5 through 9, and 13, as provided by 19-2-1004;
- (j) benefits or payments paid or payable from a retirement system or plan within Title 19, chapter 20, as

1 provided by 19-20-706; ~~and~~

2 (k) the judgment debtor's interest in any unmaturred life insurance contracts owned by the judgment
3 debtor; and

4 (l) amounts payable from a qualified tuition program, as defined in 26 U.S.C. 529, or a Coverdell
5 education savings account, as defined in 26 U.S.C. 530.

6 (2) Veterans' and social security legislation benefits based upon remuneration for employment, disability
7 benefits, and assets of individual retirement accounts are not exempt from execution if the debt for which
8 execution is levied is for:

9 (a) child support; or

10 (b) maintenance to be paid to a spouse or former spouse."

11 - END -