

HOUSE BILL NO. 521

INTRODUCED BY D. HAWK

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING PROPERTY EXEMPT FROM EXECUTION; EXEMPTING TAX REFUNDS FROM EXECUTION; AMENDING SECTION 25-13-608, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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, Roth individual retirement accounts, as defined in 26 U.S.C. 408A, to the extent of qualified contributions made before the suit resulting in judgment was filed and the earnings on those contributions, and rollover contributions, as defined in 26 U.S.C. 408(d)(3);
- (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

1 through 9, and 13, as provided by 19-2-1004;

2 (j) benefits or payments paid or payable from a retirement system or plan within Title 19, chapter 20,
3 as provided by 19-20-706;

4 (k) the judgment debtor's interest in any unmatured life insurance contracts owned by the judgment
5 debtor; ~~and~~

6 (l) as provided in 25-13-603, a medical care savings account under Title 15, chapter 61, a health
7 savings account under 26 U.S.C. 223, or a medical savings account under 26 U.S.C. 220 to the extent of
8 contributions made before the suit resulting in judgment was filed and the earnings on those contributions; and

9 (m) money refunded as part of a judgment debtor's federal and state tax refunds.

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

13 (a) child support; or

14 (b) maintenance to be paid to a spouse or former spouse."
15

16 NEW SECTION. Section 2. Effective date. [This act] is effective on passage and approval.

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