

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 87th General Assembly
3 Regular Session, 2009
4
5 By: Senator Faris
6
7

A Bill

SENATE BILL 209

For An Act To Be Entitled

9 AN ACT TO AMEND ARKANSAS CODE § 24-7-733 TO
10 COMPLY WITH SECTION 415 OF THE INTERNAL REVENUE
11 CODE CONCERNING BENEFITS PAID TO A MEMBER OF THE
12 ARKANSAS TEACHER RETIREMENT SYSTEM UNDER A LIFE
13 ANNUITY; AND FOR OTHER PURPOSES.

Subtitle

16 TO AMEND ARKANSAS CODE § 24-7-733 TO
17 COMPLY WITH SECTION 415 OF THE INTERNAL
18 REVENUE CODE.

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

23 SECTION 1. Arkansas Code § 24-7-733 is amended to read as follows:
24 24-7-733. Limitation on benefits.

25 (a) Notwithstanding the provisions of this subchapter, benefits paid
26 under the Arkansas Teacher Retirement System shall not exceed the limitations
27 of section 415 of the Internal Revenue Code that are applicable to
28 governmental retirement plans, including, ~~but not limited to,~~ without
29 limitation the dollar limitations in section 415(b)(1)(A) of the Internal
30 Revenue Code.

31 (b) ~~For purposes of determining compliance with section 415 of the~~
32 ~~Internal Revenue Code, "compensation" shall be defined as set forth in United~~
33 ~~States Treasury Regulation § 1.415-2(d)(2) as it existed on January 1, 2001,~~
34 ~~and shall include any elective deferrals as defined in section 402(g)(3) of~~
35 ~~the Internal Revenue Code and any amount which is contributed or deferred by~~
36 ~~a member's employer at the election of the member and which is not includable~~



1 ~~in the gross income of the member by reasons of section 125 or section 457 of~~
2 ~~the Internal Revenue Code~~ Benefits paid to a member under the life annuity
3 under § 24-7-706 shall not exceed the limitations stated in Section 415 of
4 the Internal Revenue Code.

5
6 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
7 General Assembly of the State of Arkansas that certain provisions of the
8 Arkansas Teacher Retirement System Act are badly in need of revision and
9 updating to bring them into conformance with sound public pension policy;
10 that such revision and updating is of great importance to members of the
11 Arkansas Teacher Retirement System and to other citizens of the State of
12 Arkansas; and that this act is immediately necessary in order to maintain an
13 orderly system of benefits for the members of the Arkansas Teacher Retirement
14 System. Therefore, an emergency is declared to exist and this act being
15 necessary for the preservation of the public peace, health, and safety shall
16 become effective on July 1, 2009.

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36