

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.

Act 425 of the Regular Session

1 State of Arkansas  
2 87th General Assembly  
3 Regular Session, 2009  
4

As Engrossed: H2/6/09

A Bill

SENATE BILL 229

5 By: Senator J. Jeffress  
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8 **For An Act To Be Entitled**

9 AN ACT TO CLARIFY THAT LUMP-SUM BENEFITS PAID TO  
10 A MEMBER UNDER THE ARKANSAS TEACHER RETIREMENT  
11 SYSTEM ARE INTENDED TO BE TREATED FOR TAX  
12 PURPOSES AS PROCEEDS FROM A LIFE INSURANCE  
13 POLICY; AND FOR OTHER PURPOSES.  
14

15 **Subtitle**

16 TO CLARIFY THAT LUMP-SUM BENEFITS PAID  
17 TO A MEMBER UNDER THE ARKANSAS TEACHER  
18 RETIRMENT SYSTEM ARE INTENDED TO BE  
19 TREATED FOR TAX PURPOSES AS PROCEEDS  
20 FROM A LIFE INSURANCE POLICY.  
21

22  
23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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25 SECTION 1. Arkansas Code § 24-7-720, concerning the payment of lump-  
26 sum benefits, is amended to add an additional subsection to read as follows:

27 (g) A lump-sum payment under this section is intended to be exempt  
28 from income tax.  
29

30 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the  
31 General Assembly of the State of Arkansas that certain provisions of the  
32 Arkansas Teacher Retirement System Act are badly in need of revision and  
33 updating to bring them into conformance with sound public pension policy;  
34 that such revision and updating is of great importance to members of the  
35 Arkansas Teacher Retirement System and to other citizens of the State of



1 Arkansas; and that this act is immediately necessary in order to maintain an  
2 orderly system of benefits for the members of the Arkansas Teacher Retirement  
3 System. Therefore, an emergency is declared to exist and this act being  
4 necessary for the preservation of the public peace, health, and safety shall  
5 become effective on July 1, 2009.

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7 */s/ J. Jeffress*

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9 **APPROVED: 3/13/2009**

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