

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
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5 By: Senator J. Jeffress
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A Bill

SENATE BILL 229

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

Subtitle

15 TO CLARIFY THAT LUMP-SUM BENEFITS PAID
16 TO A MEMBER UNDER THE ARKANSAS TEACHER
17 RETIRMENT SYSTEM ARE INTENDED TO BE
18 TREATED FOR TAX PURPOSES AS PROCEEDS
19 FROM A LIFE INSURANCE POLICY.
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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 and treated for tax purposes as proceeds from a life
29 insurance policy.
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31 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
32 General Assembly of the State of Arkansas that certain provisions of the
33 Arkansas Teacher Retirement System Act are badly in need of revision and
34 updating to bring them into conformance with sound public pension policy;
35 that such revision and updating is of great importance to members of the
36 Arkansas Teacher Retirement System and to other citizens of the State of



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

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