

HOUSE BILL 2839

By Towns

AN ACT to amend Tennessee Code Annotated, Section 26-2-111, relative to personal property exempted from execution, seizure, or attachment.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 26-2-111(1)(D), is amended by deleting the following language:

To the same extent that earnings are exempt pursuant to § 26-2-106, a payment under a stock bonus, pension, profitsharing, annuity, or similar plan or contract on account of death, age or length of service, unless:

and substituting instead:

To the same extent that earnings are exempt pursuant to § 26-2-106, a payment under a stock bonus, pension, profitsharing, annuity, or similar plan or contract on account of death, age, or length of service, where such payments are not exempted under § 26-2-105, unless:

SECTION 2. Tennessee Code Annotated, Section 26-2-111(1)(D)(ii), is amended by deleting the second sentence and substituting instead:

Assets of such funds or plans are not exempt if the debtor may, at the debtor's option, prior to age fifty-eight (58), accelerate payment so as to receive payment in a lump sum or in periodic payments over a period of sixty (60) months or less;

SECTION 3. Tennessee Code Annotated, Section 26-2-111(1)(D), is amended by adding the following new subdivision:

(iii) No part of this section removes the subpoena prohibition found in § 26-2-105(b) for plans qualified under §§ 401(a), 403(a), 403(b), 408, 408A, or 409 of the

Internal Revenue Code (26 U.S.C. §§ 401(a), 403(a), 403(b), 408, 408A, or 409). No part of this section makes plan payments or assets of plans qualified under §§ 401(a), 403(a), 403(b), 408, 408A, or 409 of the Internal Revenue Code (26 U.S.C. §§ 401(a), 403(a), 403(b), 408, 408A, or 409) available to creditors unless otherwise available pursuant to the exemption exceptions found in § 26-2-105.

SECTION 4. This act takes effect upon becoming a law, the public welfare requiring it.