

## RÉSUMÉ DIGEST

ACT 344 (SB 11)

2018 Regular Session

Peacock

Present federal law (the Internal Revenue Code or "IRC") allows certain eligible distributions from tax-qualified governmental pension plans like the Clerks' of Court Retirement and Relief Fund (Clerks') to be directly rolled over from the governmental plan to an eligible retirement plan specified by the recipient of the distribution (called a "distributee").

Prior state law authorized a distributee of Clerks' to elect to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee. Provided that an eligible retirement plan is:

- (1) An individual retirement account (IRC Section 408(a)).
- (2) An individual retirement annuity (IRC Section 408(b)).
- (3) A qualified trust (IRC Section 401(a)).

Prior law restricted the rollover to an individual retirement account or annuity if the distributee is a surviving spouse. New law retains prior law.

New law provides that an inherited individual retirement account established for a non-spouse beneficiary in accordance with IRC Section 402(c)(11) is an eligible retirement plan. Further provides that any rollover to a non-spouse beneficiary shall be made only to an inherited individual retirement account.

Effective June 30, 2018.

(Amends R.S. 11:1532)