



Substitute House Bill No. 6772

Public Act No. 15-167

AN ACT EXTENDING CREDITOR PROTECTION TO AMOUNTS PAYABLE TO A PARTICIPANT OF OR BENEFICIARY UNDER AN ANNUITY PURCHASED TO FUND EMPLOYEE OR RETIREE RETIREMENT BENEFITS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subsection (a) of section 52-321a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):

(a) (1) Except as provided in subsection (b) of this section, any interest in or amounts payable to a participant or beneficiary from [(1) any] the following shall be exempt from the claims of all creditors of such participant or beneficiary: (A) Any trust, custodial account, annuity or insurance contract established as part of a Keogh plan or a retirement plan established by a corporation which is qualified under Section 401, 403, 404 or 409 of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended; [, (2)] (B) any individual retirement account which is qualified under Section 408 of said internal revenue code to the extent funded, including income and appreciation, [(A)] (i) as a roll-over from a qualified retirement plan, as provided in [subdivision (1) of this section] subparagraph (A) of this

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subdivision, pursuant to Section 402(a)(5), 403(a) or 408(d)(3) of said internal revenue code, or [(B)] (ii) by annual contributions which do not exceed the maximum annual limits set forth in Section 219(b) of said internal revenue code, determined without regard to any reduction or limitation for active participants required by Section 219(g) of said internal revenue code; [, (3) (A)] (C) (i) any simple retirement account established and funded pursuant to Section 408(p) of said internal revenue code, [(B)] (ii) any simple plan established and funded pursuant to Section 401(k)(11) of said internal revenue code, [(C)] (iii) any Roth IRA established and funded pursuant to Section 408A of said internal revenue code, [(D)] (iv) any education individual retirement account established and funded pursuant to Section 530 of said internal revenue code, [(E)] (v) any account established pursuant to any qualified tuition program, as defined in Section 529(b) of the Internal Revenue Code, or [(F)] (vi) any simplified employee pension established under Section 408(k) of said internal revenue code to the extent such pension is funded by annual contributions within the limits of Section 408(j) of said internal revenue code or roll-over contributions from a qualified plan, as provided in [subdivision (1) of this subsection] subparagraph (A) of this subdivision, pursuant to Section 402(a)(5), 403(a) or 408(d)(3) of said internal revenue code; [, (4)] (D) any medical savings account established under Section 220 of said internal revenue code, to the extent such account is funded by annual deductible contributions or a roll-over from any other medical savings account as provided in Section 220(f)(5) of said internal revenue code; [, or (5)] (E) any pension plan, annuity or insurance contract or similar arrangement not described in [subdivision (1) or (2) of this subsection] subparagraph (A) or (B) of this subdivision, established by federal or state statute for federal, state or municipal employees for the primary purpose of providing benefits upon retirement by reason of age, health or length of service; [, shall be exempt from the claims of all creditors of such participant or beneficiary] or (F) any allocated or unallocated group annuity contract

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issued to an employer or a pension plan for the purpose of providing retirement benefits to employees or retirees of such employer under a defined benefit plan, which retirement benefits were protected under the Employee Retirement Income Security Act of 1974 or the federal Pension Benefit Guaranty Corporation prior to the effective date of the group annuity contract and which group annuity contract benefits will not be protected under the Employee Retirement Income Security Act of 1974 or the federal Pension Benefit Guaranty Corporation on and after the effective date of the group annuity contract.

(2) Any such trust, account, contract, plan or other arrangement under subdivision (1) of this subsection shall be (A) conclusively presumed to be a restriction on the transfer of a beneficial interest of the debtor in a trust that is enforceable under the laws of this state, and (B) considered a trust which has been created by or which has proceeded from a person other than such participant or beneficiary, even if such participant or beneficiary is a self-employed individual, a partner of the entity sponsoring the Keogh plan or a shareholder of the corporation sponsoring the retirement plan.

Approved July 2, 2015