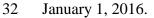
## GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2015

U

## BILL DRAFT 2015-RBxz-4 [v.5] (11/20)

## (THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION) 1/12/2015 10:55:56 AM

	Short Title:	Short Title: Rollovers into Qualifying Bailey Plans.		
	Sponsors: (Primary Sponsor).			
	Referred to:			
1	A BILL TO BE ENTITLED			
2	AN ACT TO LIMIT THE TAX EXEMPTION FOR RETIREMENT PLAN DISTRIBUTIONS			
3	ROLLED OVER INTO A QUALIFYING TAX-EXEMPT BAILEY RETIREMENT TO			
4	ROLLOVER DISTRIBUTIONS FROM ANOTHER QUALIFYING TAX-EXEMPT			
5	BAILEY RETIREMENT ACCOUNT, AS RECOMMENDED BY THE REVENUE			
6	LAWS STUDY COMMITTEE.			
7	The General Assembly of North Carolina enacts:			
8	<b>SECTION 1.</b> G.S. 105-153.5(b)(5) reads as rewritten:			
9	(b) Other Deductions. – In calculating North Carolina taxable income, a taxpayer may			
10	deduct from the taxpayer's adjusted gross income any of the following items that are included			
11	in the taxpayer's adjusted gross income:			
12				
13	(5	·	mount received during the taxable year from or	
14	or federal government retirement plans to the extent the amount is exempt			
15	from tax under this Part pursuant to a court order in settlement of <u>one or</u>			
16 17	more of the cases listed in this subdivision. The deduction provided by this			
17	subdivision does not apply to distributions from a retirement plan exemption from tax under this subdivision to the extent attributable to a rollover from			
18 19	retirement account that is not exempt under this subdivision. The portion			
20	a distribution that is attributable to a rollover from a retirement account the			
20	is not exempt under this subdivision is taxable in accordance with th			
21	methodology used by Superior Court Judge Jack A. Thompson in his Order			
23	Regarding the Optional Retirement Program for State Institutions for Higher			
24	Education, signed on November 19, 1999. This subdivision applies to a court			
25	order in settlement of any of the following cases:			
26		a.	Bailey v. State, 92 CVS 10221, 94 CVS 6904,	95 CVS 6625, 95 CVS
27			8230.	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
28		b.	Emory v. State, 98 CVS 0738.	
29		с.	Patton v. State, 95 CVS 04346.	
30		.".		
31	SI	ECTION 2	. This act becomes effective for taxable years	beginning on or after
27	Innuary 1 20	16	•	. –





D