

1.1 moves to amend H.F. No. 1987; S.F. No. 1692, as follows:

1.2 Page 10, after line 17, insert:

1.3 "Sec. 8. Minnesota Statutes 2010, section 356.635, subdivision 6, is amended to read:

1.4 Subd. 6. **Eligible retirement plan.** (a) An "eligible retirement plan" is:

1.5 (1) an individual retirement account under section 408(a) or 408A of the federal
1.6 Internal Revenue Code;

1.7 (2) an individual retirement annuity plan under section 408(b) of the federal Internal
1.8 Revenue Code;

1.9 (3) an annuity plan under section 403(a) of the federal Internal Revenue Code;

1.10 (4) a qualified trust plan under section 401(a) of the federal Internal Revenue Code
1.11 that accepts the distributee's eligible rollover distribution;

1.12 (5) an annuity contract under section 403(b) of the federal Internal Revenue Code;

1.13 (6) an eligible deferred compensation plan under section 457(b) of the federal
1.14 Internal Revenue Code, which is maintained by a state or local government and which
1.15 agrees to separately account for the amounts transferred into the plan; or

1.16 (7) in the case of an eligible rollover distribution to a nonspousal beneficiary, an
1.17 individual account or annuity treated as an inherited individual retirement account under
1.18 section 402(c)(11) of the federal Internal Revenue Code.

1.19 (b) For distributions of after-tax contributions which are not includable in gross
1.20 income, the after-tax portion may be transferred only to an individual retirement
1.21 account or annuity described in section 408(a) or (b) of the federal Internal Revenue
1.22 Code, to a Roth individual retirement account described in section 408A of the federal
1.23 Internal Revenue Code, or to a qualified ~~defined contribution~~ plan described in either
1.24 section 401(a) or 403(a) of the federal Internal Revenue Code, that agrees to separately
1.25 account for the amounts transferred, including separately accounting for the portion of
1.26 the distribution which is includable in gross income and the portion of the distribution
1.27 which is not includable.

2.1 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2008.

2.2 Sec. 9. Minnesota Statutes 2010, section 356.635, subdivision 9, is amended to read:

2.3 Subd. 9. **Military service.** Contributions, benefits, including death and disability
2.4 benefits under section 401(a)(37) of the Internal Revenue Code, and service credit with
2.5 respect to qualified military service must be provided according to section 414(u) of the
2.6 Internal Revenue Code.

2.7 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2007."

2.8 Amend the title accordingly