HOUSE BILL NO. 384

AN ACT TO AMEND SECTION 85-3-1, MISSISSIPPI CODE OF 1972, TO EXEMPT INDIVIDUAL RETIREMENT ACCOUNTS FROM SEIZURE UNDER EXECUTION OR ATTACHMENT; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. Section 85-3-1, Mississippi Code of 1972, is amended as follows:

85-3-1. There shall be exempt from seizure under execution or attachment:

(a) Tangible personal property of the following kinds selected by the debtor, not exceeding Ten Thousand Dollars ($10,000.00) in cumulative value:

(i) Household goods, wearing apparel, books, animals or crops;
(ii) Motor vehicles;
(iii) Implements, professional books or tools of the trade;
(iv) Cash on hand;
(v) Professionally prescribed health aids.

Household goods, as used in this paragraph (a) means clothing, furniture, appliances, one (1) radio and one (1) television, linens, china, crockery, kitchenware, and personal effects (including wedding rings) of the debtor and his dependents; however, works of art, electronic entertainment equipment (except one (1) television and one (1) radio), jewelry (other than wedding rings), and items acquired as antiques are not included within the scope of the term "household goods". This paragraph (a) shall not
apply to distress warrants issued for collection of taxes due the state or to wages described in Section 85-3-4.

(b) (i) The proceeds of insurance on property, real and personal, exempt from execution or attachment, and the proceeds of the sale of such property.

(ii) Income from disability insurance.

(iii) Payment under a stock bonus, pension, profit-sharing, annuity, or similar plan or contract on account of illness, disability, death, age or length of service, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor, unless:

A. Such plan or contract was established by or under the auspices of an insider that employed the debtor at the time the debtor's rights under such plan or contract arose; or

B. Such payment is on account of age or length of service; and

C. Such plan or contract does not qualify under Section 401(a), 403(a), 403(b), 408 or 409 of the Internal Revenue Code of 1954.

(c) All property, real, personal and mixed, for the collection or enforcement of any order or judgment, in whole or in part, issued by any court for civil or criminal contempt of said court; expressly excepted herefrom are such orders or judgments for the payment of alimony, separate maintenance and child support actions.

(d) All property in this state, real, personal and mixed, for the satisfaction of a judgment or claim in favor of another state or political subdivision of another state for failure to pay that state's or that political subdivision's income tax on benefits received from a pension or other retirement plan so used in this paragraph (d), "pension or other retirement plan" includes:
(i) An annuity, pension, or profit-sharing or stock bonus or similar plan established to provide retirement benefits for an officer or employee of a public or private employer or for a self-employed individual;

(ii) An annuity, pension, or military retirement pay plan or other retirement plan administered by the United States; and

(iii) An individual retirement account.

(e) An individual retirement account.

(f) Nothing in this section shall in any way affect the rights or remedies of the holder or owner of a statutory lien or voluntary security interest.

SECTION 2. This act shall take effect and be in force from and after July 1, 2002.