

By: Representative Fleming

To: Judiciary A

HOUSE BILL NO. 274

1 AN ACT TO AMEND SECTION 85-3-1, MISSISSIPPI CODE OF 1972, TO  
2 EXEMPT FEDERAL EARNED INCOME TAX CREDITS AND CHECKING ACCOUNTS  
3 FROM SEIZURE UNDER EXECUTION OR ATTACHMENT; AND FOR RELATED  
4 PURPOSES.

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

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

8 85-3-1. There shall be exempt from seizure under execution  
9 or attachment:

10 (a) Tangible personal property of the following kinds  
11 selected by the debtor, not exceeding Ten Thousand Dollars  
12 (\$10,000.00) in cumulative value:

13 (i) Household goods, wearing apparel, books,  
14 animals or crops;

15 (ii) Motor vehicles;

16 (iii) Implements, professional books or tools of  
17 the trade;

18 (iv) Cash on hand;

19 (v) Professionally prescribed health aids;

20 (vi) Any items of tangible personal property worth  
21 less than Two Hundred Dollars (\$200.00) each;

22 (vii) Checking account.

23 Household goods, as used in this paragraph (a), means  
24 clothing, furniture, appliances, one (1) radio and one (1)  
25 television, one (1) firearm, one (1) lawnmower, linens, china,  
26 crockery, kitchenware, and personal effects (including wedding  
27 rings) of the debtor and his dependents; however, works of art,  
28 electronic entertainment equipment (except one (1) television and

29 one (1) radio), jewelry (other than wedding rings), and items  
30 acquired as antiques are not included within the scope of the term  
31 "household goods." This paragraph (a) shall not apply to distress  
32 warrants issued for collection of taxes due the state or to wages  
33 described in Section 85-3-4.

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

37 (ii) Income from disability insurance.

38 (c) All property in this state, real, personal and  
39 mixed, for the satisfaction of a judgment or claim in favor of  
40 another state or political subdivision of another state for  
41 failure to pay that state's or that political subdivision's income  
42 tax on benefits received from a pension or other retirement plan.  
43 As used in this paragraph (c), "pension or other retirement plan"  
44 includes:

45 (i) An annuity, pension, or profit-sharing or  
46 stock bonus or similar plan established to provide retirement  
47 benefits for an officer or employee of a public or private  
48 employer or for a self-employed individual;

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

52 (iii) An individual retirement account.

53 (d) One (1) mobile home, trailer, manufactured housing,  
54 or similar type dwelling owned and occupied as the primary  
55 residence by the debtor, not exceeding a value of Thirty Thousand  
56 Dollars (\$30,000.00); in determining this value, existing  
57 encumbrances on said dwelling, including taxes and all other  
58 liens, shall first be deducted from the actual value of said  
59 dwelling. A debtor is not entitled to the exemption of a mobile  
60 home as personal property who claims a homestead exemption under

61 Section 85-3-21, and the exemption shall not apply to collection  
62 of delinquent taxes under Sections 27-41-101 through 27-41-109.

63 (e) Assets held in, or monies payable to the  
64 participant or beneficiary from, whether vested or not, (i) a  
65 pension, profit-sharing, stock bonus or similar plan or contract  
66 established to provide retirement benefits for the participant or  
67 beneficiary and qualified under Section 401(a), 403(a), or 403(b)  
68 of the Internal Revenue Code (or corresponding provisions of any  
69 successor law), including a retirement plan for self-employed  
70 individuals qualified under one of such enumerated sections, (ii)  
71 an eligible deferred compensation plan described in Section 457(b)  
72 of the Internal Revenue Code (or corresponding provisions of any  
73 successor law), or (iii) an individual retirement account or an  
74 individual retirement annuity within the meaning of Section 408 of  
75 the Internal Revenue Code (or corresponding provisions of any  
76 successor law), including a simplified employee pension plan.

77 (f) The assets of a health savings account, including  
78 any interest accrued thereon, established pursuant to a health  
79 savings account program as provided in the Health Savings Accounts  
80 Act, Section 83-62-1 et seq.

81 (g) In addition to all other exemptions listed in this  
82 section, there shall be an additional exemption of property having  
83 a value of Fifty Thousand Dollars (\$50,000.00) of whatever type,  
84 whether real, personal or mixed, tangible or intangible, including  
85 deposits of money, available to any Mississippi resident who is  
86 seventy (70) years of age or older.

87 (h) Federal earned income tax credit proceeds.

88 (i) An amount not to exceed Five Thousand Dollars  
89 (\$5,000.00) of federal tax refund proceeds.

90 (j) An amount not to exceed Five Thousand Dollars  
91 (\$5,000.00) of state tax refund proceeds.

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

95                   **SECTION 2.** This act shall take effect and be in force from  
96 and after July 1, 2007.