

BY: Committee on Ways and Means

AMENDMENTS TO HOUSE BILL 58  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “Delegate Brooks” and substitute “Delegates Brooks, Kaiser, Kelly, Afzali, Ali, D. Barnes, Buckel, Ebersole, Hornberger, C. Howard, Long, Luedtke, Mosby, Patterson, Reilly, Rose, Shoemaker, Tarlau, Turner, Walker, and Wilkins”; strike beginning with the first “certain” in line 3 down through “disabled;” in line 6 and substitute “an individual retirement account or a certain annuity within a certain subtraction modification for certain retirement income under certain circumstances; repealing a certain obsolete provision relating to a certain retirement plan;”; and in line 6, strike “altering a certain definition;”.

AMENDMENT NO. 2

On pages 1 and 2, strike in their entirety the lines beginning with line 21 on page 1 through line 18 on page 2, inclusive, and substitute:

“(3) (i) “Employee retirement system” means a plan:

1. established and maintained by an employer for the benefit of its employees; and

2. qualified under § 401(a), § 403, or § 457(b) of the Internal Revenue Code.

(ii) “Employee retirement system” does not include:

1. EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, an individual retirement account or annuity under § 408 of the Internal Revenue Code;

(Over)

**HB0058/105969/1 Committee on Ways and Means**  
**Amendments to HB 58**  
**Page 2 of 2**

2. a Roth individual retirement account under § 408A of the Internal Revenue Code;

3. [a rollover individual retirement account;

4.] a simplified employee pension under Internal Revenue Code § 408(k); or

[5.] 4. an ineligible deferred compensation plan under § 457(f) of the Internal Revenue Code.”;

in line 26, strike the brackets; in the same line, strike “A QUALIFIED”; and in the same line, strike “PLAN”.

On page 3, after line 14, insert:

**“(F) FOR PURPOSES OF THIS SECTION, A DISTRIBUTION FROM AN INDIVIDUAL RETIREMENT ACCOUNT OR AN ANNUITY ESTABLISHED UNDER § 408 OF THE INTERNAL REVENUE CODE SHALL BE TREATED AS INCOME FROM AN EMPLOYEE RETIREMENT SYSTEM IF CONTRIBUTIONS TO THE INDIVIDUAL RETIREMENT ACCOUNT OR ANNUITY CONSIST ENTIRELY OF THE TAX-FREE ROLLOVER OF DISTRIBUTIONS FROM AN EMPLOYEE RETIREMENT SYSTEM.”.**