AN ACT

CONCERNING ADDITIONS TO THE STATUTORY PROVISIONS GOVERNING FIRE AND POLICE PENSION PLANS FOR PURPOSES OF COMPLIANCE WITH THE ELIGIBLE ROLLOVER DISTRIBUTION REQUIREMENTS OF THE INTERNAL REVENUE CODE.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 31-30-324.5, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended by the addition of a new subsection to read:

31-30-324.5. Qualification requirements - internal revenue code. (8) Any distributee who is entitled to an eligible rollover distribution, as defined in section 402 (c) (4) of the internal revenue code, from the pension fund on or after January 1, 1993, may elect to have the portion of such distribution which would otherwise be included in the gross income of the distributee for federal income tax purposes transferred directly to an eligible retirement plan, as defined in section 402 (a) (5) (E) (iv) of the internal revenue code, designated by the distributee.

SECTION 2. 31-30-416.5, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended by the addition of a new subsection to read:

31-30-416.5. Qualification requirements - internal revenue code. (8) Any distributee who is entitled to an eligible rollover distribution, as defined in section 402 (c) (4) of the internal revenue code, from the pension fund on or after January 1, 1993, may elect to have the portion of such distribution which would otherwise be included in the gross income of the distributee for federal income tax purposes transferred directly to an eligible retirement plan, as defined in section 402 (a) (5) (E) (iv) of the internal revenue code, designated by the distributee.

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.
SECTION 3. 31-30-521.5, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

31-30-521.5. Qualification requirements - internal revenue code. (8) ANY DISTRIBUTEE WHO IS ENTITLED TO AN ELIGIBLE ROLLOVER DISTRIBUTION, AS DEFINED IN SECTION 402 (c) (4) OF THE INTERNAL REVENUE CODE, FROM THE PENSION FUND ON OR AFTER JANUARY 1, 1993, MAY ELECT TO HAVE THE Portion OF SUCH DISTRIBUTION WHICH WOULD OTHERWISE BE INCLUDED IN THE GROSS INCOME OF THE DISTRIBUTEE FOR FEDERAL INCOME TAX PURPOSES TRANSFERRED DIRECTLY TO AN ELIGIBLE RETIREMENT PLAN, AS DEFINED IN SECTION 402 (a) (5) (E) (iv) OF THE INTERNAL REVENUE CODE, DESIGNATED BY THE DISTRIBUTEE.

SECTION 4. 31-30-620.5, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

31-30-620.5. Qualification requirements - internal revenue code. (8) ANY DISTRIBUTEE WHO IS ENTITLED TO AN ELIGIBLE ROLLOVER DISTRIBUTION, AS DEFINED IN SECTION 402 (c) (4) OF THE INTERNAL REVENUE CODE, FROM THE PENSION FUND ON OR AFTER JANUARY 1, 1993, MAY ELECT TO HAVE THE Portion OF SUCH DISTRIBUTION WHICH WOULD OTHERWISE BE INCLUDED IN THE GROSS INCOME OF THE DISTRIBUTEE FOR FEDERAL INCOME TAX PURPOSES TRANSFERRED DIRECTLY TO AN ELIGIBLE RETIREMENT PLAN, AS DEFINED IN SECTION 402 (a) (5) (E) (iv) OF THE INTERNAL REVENUE CODE, DESIGNATED BY THE DISTRIBUTEE.

SECTION 5. 31-30-1019 (2), Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

31-30-1019. Qualification requirements - internal revenue code. (2) The statewide pension plan established by this part 10 to provide retirement benefits for members hired on or after April 8, 1978, shall satisfy the qualification requirements specified in section 401 of the internal revenue code, as applicable to governmental plans. In order to meet those requirements, the statewide pension plan is subject to the following provisions, notwithstanding any other provision of this part 10:

(j) ANY DISTRIBUTEE WHO IS ENTITLED TO AN ELIGIBLE ROLLOVER DISTRIBUTION, AS DEFINED IN SECTION 402 (c) (4) OF THE INTERNAL REVENUE CODE, FROM THE STATEWIDE PENSION PLAN ON AND AFTER JANUARY 1, 1993, MAY ELECT TO HAVE THE Portion OF SUCH DISTRIBUTION WHICH WOULD OTHERWISE BE INCLUDED IN THE GROSS INCOME OF THE DISTRIBUTEE FOR FEDERAL INCOME TAX PURPOSES TRANSFERRED DIRECTLY TO AN ELIGIBLE RETIREMENT PLAN, AS DEFINED IN SECTION 402 (a) (5) (E) (iv) OF THE INTERNAL REVENUE CODE, DESIGNATED BY THE DISTRIBUTEE.

SECTION 6. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: April 7, 1993