

SENATE BILL REPORT

SB 5000

AS OF JANUARY 24, 1991

Brief Description: Exempting property from execution when another state attempts to take it for failure to pay income tax on pension benefits.

SPONSORS: Senators Bauer, McCaslin, Sutherland, Snyder, Nelson, Rasmussen, Conner and Thorsness.

SENATE COMMITTEE ON GOVERNMENTAL OPERATIONS

Staff: Rod McAulay (786-7754)

Hearing Dates: January 28, 1991

BACKGROUND:

Washington residents who formerly worked in another state which imposes an income tax on their state pension or retirement benefits continue to be liable for such taxes. They can be sued for such taxes even though they no longer use the taxing state's services, participate in its elections, or take advantage of tax exemptions or credits available to its residents.

SUMMARY:

When another state attempts to collect an income tax on state pension or retirement benefits paid to a former employee of that state who is now a Washington resident, the property of the Washington resident is exempt from execution, attachment, garnishment, or seizure. This exemption extends to any money which the taxpayer may leave to his or her family in the event the taxpayer dies or absconds.

Appropriation: none

Revenue: none

Fiscal Note: none requested