

**SENATE BILL REPORT**

**SB 5024**

**AS OF JANUARY 24, 1991**

**Brief Description:** Protecting pensions from out of state judgments.

**SPONSORS:** Senators L. Smith, Bauer, Saling, Thorsness, Johnson, Roach, McCaslin, McDonald, Sellar, West, Rasmussen and Nelson.

**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 retirement income and other property in this state owned by the taxpayer is exempt from execution, garnishment, or seizure.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** none requested