38.1057 Retirement allowances, benefits, and credits not subject to taxation; subject to taxation beginning January 1, 2012; subject to public employee retirement benefit protection act.

Sec. 57. (1) Except as otherwise provided in this section, all retirement allowances and other benefits payable under this act and all accumulated credits of members, deferred vested members, and retirants in this retirement system are not subject to taxation by this state or any political subdivisions of this state.

(2) Beginning January 1, 2012, all retirement allowances and other benefits payable under this act and all accumulated credits of members, deferred vested members, and retirants in this retirement system are subject to taxation by this state upon distribution to a member, deferred vested member, or retirant.

(3) All retirement allowances and other benefits payable under this act and all accumulated contributions of members, deferred vested members, and retirants in this retirement system are subject to the public employee retirement benefit protection act, 2002 PA 100, MCL 38.1681 to 38.1689.