

STATE EMPLOYEES' RETIREMENT ACT (EXCERPT)
Act 240 of 1943

38.40 Allowances, benefits, and other rights; exemption from taxation; subject to tax beginning January 1, 2012; subject to public employee retirement benefit protection act.

Sec. 40. (1) Except as otherwise provided in this section, the right of a person to a pension, an annuity, a retirement allowance, and any optional benefit and any other right accrued or accruing to any person under the provisions of this act, the various funds created by this act, and all money and investments and income of the funds are exempt from any state, county, municipal, or other local tax.

(2) Beginning January 1, 2012, the right of a person to a pension, an annuity, a retirement allowance, and any optional benefit, and any other right accrued or accruing to any person under the provisions of this act, is subject to state tax upon distribution to the person from the various funds created by this act.

(3) The right of a person to a pension, an annuity, a retirement allowance, any optional benefit, any other right accrued or accruing to any person under the provisions of this act, the various funds created by this act, and all money and investments and income of the funds is subject to the public employee retirement benefit protection act, 2002 PA 100, MCL 38.1681 to 38.1689.

History: 1943, Act 240, Eff. July 30, 1943;—CL 1948, 38.40;—Am. 1985, Act 35, Imd. Eff. June 13, 1985;—Am. 1991, Act 48, Imd. Eff. June 27, 1991;—Am. 2002, Act 99, Imd. Eff. Mar. 27, 2002;—Am. 2011, Act 41, Imd. Eff. May 25, 2011.