

**SENATE BILL REPORT**

**ESHB 1105**

**AS REPORTED BY COMMITTEE ON GOVERNMENTAL OPERATIONS,  
APRIL 3, 1991**

**Brief Description:** Exempting property in this state from execution in favor of another state.

**SPONSORS:** House Committee on Revenue (originally sponsored by Representatives Jones, Betrozoff, Kremen, Dellwo, Hargrove, Inslee, Miller, Fraser, Haugen, Wilson, Winsley, Ferguson, Riley, Broback, Edmondson, D. Sommers, May, Wynne, Chandler, Brumsickle and Orr).

**HOUSE COMMITTEE ON REVENUE**

**SENATE COMMITTEE ON GOVERNMENTAL OPERATIONS**

**Majority Report:** Do pass as amended.

Signed by Senators McCaslin, Chairman; Roach, Vice Chairman; Madsen, Matson, and Sutherland.

**Staff:** Rod McAulay (786-7754)

**Hearing Dates:** April 3, 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 any state attempts to collect an income tax on pension or retirement benefits paid to a former resident of that state who is now a Washington resident, the retirement income and all other property in this state owned by the taxpayer is exempt from execution, garnishment, or seizure.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** none requested

**SUMMARY OF PROPOSED SENATE AMENDMENT:**

Protection is extended to surviving spouses and dependents. The exemption to include homesteaded property and all other real and personal property is clarified. Placement of amendments in code is corrected and a statement of intent is added.

**TESTIMONY FOR:**

The bill will protect assets of retired persons from collection of income taxes on pensions and retirement benefits. It will provide relief for many Washington residents.

**TESTIMONY AGAINST:** None

**TESTIFIED:** Representative Jones, original sponsor (pro); Senator L. Smith (pro)