

### Annuities – Summary of State Exemptions<sup>1</sup>

State	Statute(s)	Only Retirement Annuities Exempt	Exemption limited to specific dollar amount	Broad exemption	Exemption limited to certain beneficiaries	No exemption for annuities	Exempt only if annuity contract provides for such an exemption
Alabama	Ala. Code § 27-14-32(a)(2), (3)		up to \$250 per month		1		
Alaska	Alaska Stat. § 09.38.025(a); Alaska Admin. Code, tit. 8, § 95.030		up to \$500,000 for accrued dividends and loan values				
Arizona	Ariz. Rev. Stat. Ann. § 33-1126(A)(7)			contract must have been owned by the debtor for a continuous two-year period and must name the debtor, debtor's surviving spouse, child, parent, brother or sister, or dependent family member as beneficiary			

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<sup>1</sup> This comparison of state laws does not describe the exceptions to creditor protection for annuities that are found in most states. Common exceptions are: (1) the contract must be held for a certain period of time before the exemption will apply; (2) child support claims; (3) alimony claims; (4) obligations of support; and (5) fraudulent transfer.

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Arkansas	Ark. Code Ann. § 23-79-134(a)(2); <i>Walker v. Walker</i> , 303 Ark. 34, 37-38, 791 S.W.2d 710, 712 (1990)		up to \$500, if the debtor is married or head of a family; up to \$200, if the debtor is single <sup>2</sup>				
California	Cal. Civ. Proc. Code § 704.100(b), (c)		aggregate loan value of unmatured annuity exempt up to \$9,700 (\$19,400 for spouses) <sup>2</sup>		benefits exempt to the extent reasonably necessary for support of debtor, spouse, or dependents		
Colorado	Colo. Rev. Stat. Ann. § 10-7-106						X
Connecticut	Conn. Gen. Stat. Ann. §§ 52-352b(m), 52-321a	X					

<sup>2</sup> The exemption is limited to the “exemptions granted [the] annuitant by law” (i.e. Ark. Const. Art. 9, §§ 1, 2).

<sup>3</sup> Debtor may elect to apply separate exemptions in bankruptcy.

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Delaware	Del. Code Ann. tit. 18, § 2728(a), (b)		up to \$350 per month				
Florida	Fla. Stat. Ann. § 222.14			must be issued upon the lives of citizens or residents of Florida			
Georgia	Ga. Code Ann. § 33-28-7			must be issued to citizens or residents of Georgia			
Hawaii	Haw. Rev. Stat. Ann. § 431:10-232				proceeds and aggregate net cash value exempt if payable to spouse, child, or other dependent		
Idaho	Idaho Code § 41-1836(1), (2)		up to \$1,250 per month				

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Illinois	735 Ill. Comp. Stat. Ann. 5/12-1001(f); 215 Ill. Comp. Stat. Ann. 5/238				proceeds and aggregate net cash value exempt if payable to spouse, child, parent, or other dependent		
Indiana	Ind. Code Ann. § 27-2-5-1(b)						X
Iowa	Iowa Code Ann. § 627.6(8)(e)	must be issued upon the life of a resident of Iowa					
Kansas	Kan. Stat. Ann, § 60-2313	exemption limited to government employees					
Kentucky	Ky. Rev. Stat. Ann. § 304.14-330(1)(b)		up to \$350 per month				

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Louisiana	La. Rev. Stat. Ann. § 22:912(B)			X			
Maine	Me. Rev. Stat. Ann. tit. 24-A, §§ 2431(1), 2428(2)		up to \$450 per month		proceeds and avails are exempt if policy is effected in favor of another individual		
Maryland	Md. Code Ann., Ins. § 16-111				proceeds exempt if made for the benefit of spouse, child, or dependent relative		
Massachusetts	Mass. Gen. Laws Ann. ch. 175, § 119A						X

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Michigan	Mich. Comp. Laws Ann. § 500.2207(2)				proceeds and avails are free from claims of creditor of the person effecting the policy when policy is effected in favor of another individual		
Minnesota	Minn. Stat. Ann. § 61A.12(1)				proceeds are free from claims of creditors of the person effecting the policy when policy is effected in favor of another individual		

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Mississippi	Miss. Code Ann. § 85-3-1(c); § 83-7-5	X				generally no exemption for private annuities	while the proceeds are still in the hands of the annuity company, they are not subject to the beneficiary's creditors if the contract so provides
Missouri	Mo. Ann. Stat. § 513.430(1)(10)(e)	X					
Montana	Mont. Code Ann. § 33-15-514		up to \$350 per month				

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Nebraska	Neb. Rev. Stat. § 44-371(1)(a), (b)		up to \$100,000 accrued proceeds, cash values, or benefits		proceeds, cash values, and benefits accrued are exempt from claims of creditors of annuitant if effected in favor of another and from claims of creditors of the beneficiary if related to annuitant by blood or marriage		
Nevada	Nev. Rev. Stat. Ann. § 687B.290(1)		up to \$350 per month				
New Hampshire	N.H. Rev. Stat. Ann. § 511:2(XIX)	X					
New Jersey	N.J. Stat. Ann. § 17B:24-7(a)		up to \$500 per month				



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New Mexico	N.M. Stat. Ann. §§ 42-10-3, 42-10-7			must be issued upon the life of a citizen or resident of New Mexico <sup>3</sup>			
New York	N.Y. Ins. Law § 3212(a), (d)			X			
North Carolina	N.C. Gen. Stat. § 1C-1601(a)(9)	X					

<sup>3</sup> Despite the fact that New Mexico's statutes addressing the exemption of annuities (§§ 42-10-3; 42-10-5) specifically exempt payments from "garnishment," a later section (§ 42-10-7) specifically states that these provisions are not applicable to taxes or garnishment.

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North Dakota	N.D. Cent. Code § 28-22-03.1(7), (8)(e)		exempt up to \$100,000 per policy with an aggregate limit of \$200,000		exempt to the extent reasonably necessary for support of debtor or the debtor's dependents		
Ohio	Ohio Rev. Code Ann. § 3911.10				annuity contract, together with the proceeds and avails free from all claims of creditors of annuitant if made payable to spouse, children, or dependents of insured, certain charities, or any creditor, or to a trustee for such beneficiaries		

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Oklahoma	Okla. Stat. Ann. tit. 36, § 3631.1(A)			X			
Oregon	Or. Rev. Stat. § 743.049(1), (2)		up to \$500 per month				
Pennsylvania	42 Pa. Cons. Stat. Ann. § 8124(c)(3), (6)		for contracts issued to insured who is beneficiary up to \$100 per month		net amount payable under annuity exempt if made for benefit of or assigned to spouse, children, or a dependent relative of insured		
Rhode Island	R.I. Gen. Laws § 9-26-4(12)	X					
South Carolina	S.C. Code Ann. § 38-63-40(B)						X

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South Dakota	S.D. Codified Laws §§ 58-12-6, 58-12-8, 58-12-9		up to \$250 per month <sup>4</sup>				
Tennessee	Tenn. Code Ann. § 56-7-203				net amount payable under any annuity contract which is made for the benefit of, or assigned to, the spouse, children or dependent relatives of the insured is exempt		
Texas	Tex. Ins. Code Ann. § 1108.051			X			
Utah	Utah Code Ann. § 78B-5-505(1)(a)	X					

<sup>4</sup> Proposed legislation would increase the exemption to \$1,500 (2008 SD S.B. 102).

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Vermont	Vt. Stat. Ann. tit. 8, § 3709, 3705		up to \$350 per month				X
Virginia	Va. Code Ann. § 34-34	X					
Washington	Wash. Rev. Code Ann. § 48.18.430(1)		up to \$2,500 per month				
West Virginia	W. Va. Code § 38-10-4(j)	X		X			
Wisconsin	Wis. Stat. Ann. § 815.18(3)(j)	X					
Wyoming	Wyo. Stat. Ann. § 26-15-132(a), (b)		up to \$350 per month				
Washington D.C.	D.C. Code § 15-501	X		payment exempt for D.C. residents and persons earning major portion of livelihood in D.C.			