356.441 PAYMENT ACCEPTANCE ALLOWED.

Subdivision 1. **Payment authorization.** The repayment of a refund and interest on that refund or the payment of equivalent contributions and interest for an eligible leave of absence, as permitted under laws governing any public pension plan in Minnesota, may be made:

(1) with funds distributed or transferred from a plan qualified under the federal Internal Revenue Code of 1986, section 401, subsection (a) or (k); 403; 408; or 457, subsection (b), as amended from time to time; or

(2) with funds distributed from an individual retirement account or individual retirement annuity, if done solely in a manner that is eligible for treatment as a nontaxable rollover or transfer under the applicable federal law.

Subd. 2. **Separate accounting requirement.** Nontaxable rollovers or transfer amounts under subdivision 1 received by a public pension fund must be separately accounted for as member contributions not previously taxed. Before accepting any rollovers or transfers to which this section applies, the executive director shall require the member to provide written documentation to demonstrate that the amounts to be rolled over or transferred are eligible for a tax-free rollover or transfer and qualify for that treatment under the federal Internal Revenue Code of 1986, as amended.

History: *2002 c 392 art 11 s 34; 2004 c 267 art 9 s 22*