

§ 120-4.16. Repayments and purchases.

(a) Repealed by Session Laws 2024-10, s. 17(d), effective June 20, 2024.

(b) Purchase of Service Credits Through Rollover Contributions From Certain Other Plans. – Notwithstanding any other provision of this Article to the contrary, subject to the requirements of this subsection and any rules adopted, or policies established, by the Board of Trustees and without regard to any limitations on contributions otherwise set forth in this Article, payments or repayments made for membership or creditable service allowed under this Article may be made by a member through rollover contributions to the Annuity Savings Fund from any of the following sources:

- (1) An annuity contract described in Section 403(b) of the Internal Revenue Code.
- (2) An eligible plan under Section 457(b) of the Internal Revenue Code that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state.
- (3) An individual retirement account or annuity described in Section 408(a) or 408(b) of the Internal Revenue Code that is eligible to be rolled over and would otherwise be includible in gross income.
- (4) A qualified plan described in Section 401(a) or 403(a) of the Internal Revenue Code.

No rollover contribution shall be made under this section, and the Retirement System shall not accept any amount as a rollover contribution, unless the amount required for the payment or repayment is eligible to be rolled over to a qualified trust in accordance with applicable law and the member provides evidence satisfactory to the Retirement System that the amount qualifies for rollover treatment. Unless received by the Retirement System in the form of a direct rollover, the rollover contribution must be paid to the Retirement System on or before the 60th day after the date it was received by the member.

(b1) Repealed by Session Laws 2024-10, s. 17(d), effective June 20, 2024.

(c) Purchase of Service Credits Through Plan-to-Plan Transfers. – Notwithstanding any other provision of this Article to the contrary, subject to the requirements of this section and any rules adopted, or policies established, by the Board of Trustees and without regard to any limitations on contributions otherwise set forth in this Article, payments or repayments made for membership or creditable service allowed under this Article may be made by a member through a direct transfer to the Annuity Savings Fund of funds from any of the following sources:

- (1) An annuity contract described in Section 403(b) of the Internal Revenue Code.
- (2) An eligible plan under Section 457(b) of the Internal Revenue Code that is maintained by a state, a political subdivision of a state, or any agency or instrumentality of a state or a political subdivision of a state.
- (3) Supplemental Retirement Income Plans A, B, or C of North Carolina.
- (4) Any other defined contribution plan qualified under Section 401(a) of the Internal Revenue Code that is maintained by the State of North Carolina, a political subdivision of the State or any other state, or any agency or instrumentality of the State or any other state or political subdivision of the State or any other state. (1983, c. 761, s. 238; 1987, c. 738, s. 31(b); 2002-71, s. 1; 2017-102, s. 18; 2020-29, s. 1(g); 2024-10, s. 17(d).)