

HOUSE BILL 738

Q3

6lr3284
CF SB 293

By: **Delegate C. Wilson**

Introduced and read first time: February 5, 2016

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Military Retirement Income –**
3 **Individuals at Least 65 Years Old**

4 FOR the purpose of altering a subtraction modification under the State income tax for certain
5 military retirement income for individuals who are at least a certain age; providing for
6 the application of this Act; and generally relating to the State income taxation of certain
7 retirement income.

8 BY repealing and reenacting, without amendments,
9 Article – Tax – General
10 Section 10–207(a)
11 Annotated Code of Maryland
12 (2010 Replacement Volume and 2015 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – Tax – General
15 Section 10–207(q)
16 Annotated Code of Maryland
17 (2010 Replacement Volume and 2015 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
19 That the Laws of Maryland read as follows:

20 **Article – Tax – General**

21 10–207.

22 (a) To the extent included in federal adjusted gross income, the amounts under
23 this section are subtracted from the federal adjusted gross income of a resident to determine
24 Maryland adjusted gross income.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (q) (1) (i) In this subsection the following words have the meanings
2 indicated.

3 (ii) "Military service" means:

4 1. induction into the armed forces of the United States for
5 training and service under the Selective Training and Service Act of 1940 or a subsequent
6 act of a similar nature;

7 2. membership in a reserve component of the armed forces of
8 the United States;

9 3. membership in an active component of the armed forces of
10 the United States;

11 4. membership in the Maryland National Guard; or

12 5. active duty with the commissioned corps of the Public
13 Health Service, the National Oceanic and Atmospheric Administration, or the Coast and
14 Geodetic Survey.

15 (iii) "Military retirement income" means retirement income received
16 as a result of military service.

17 (2) The subtraction under subsection (a) of this section includes:

18 (i) if, on the last day of the taxable year, the individual is under the
19 age of 65 years, the first \$5,000 of military retirement income received by an individual
20 during the taxable year; and

21 (ii) if, on the last day of the taxable year, the individual is at least 65
22 years old, the first ~~[\$10,000]~~ **\$15,000** of military retirement income received by an
23 individual during the taxable year.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
25 1, 2016, and shall be applicable to all taxable years beginning after December 31, 2015.