



Montgomery County Chapter  
P.O. Box 7564  
Gaithersburg, MD 20898-9996

January 30, 2023

The Honorable Vanessa Atterbeary  
Chair, Ways and Means Committee  
House Office Building, Room 131  
Annapolis, Maryland 21401

Dear Madame Chair Atterbeary and members of the Ways and Means Committee:

I am writing you today to offer testimony and comments on Delegate Mike Rogers' **HB0015 – Income Tax Subtraction Modification – Military and Public Safety Retirement Income**, in my capacity as Immediate Past President of the Montgomery County Chapter of the Military Officers Association of America (MOAA). My MOAA chapter is one of nine active chapters in the state, and like eight others, has a large military installation within its catchment area. It would be fair to say that officers and senior enlisted personnel currently assigned here and approaching retirement will be interested in the statutory landscape for the treatment of military retired pay in Maryland going forward.

It is the position of my chapter, indeed of all the state's MOAA chapters, that the objective of MOAA's annual advocacy is, and always has been, the elimination of income tax on military retired pay. Our argument for this is based solely on it being a means of helping employers recruit and retain service retirees who hold the security clearances needed in open positions in the important defense and cybersecurity sectors of our state's economy. A similar argument could easily be made regarding the effort to recruit qualified workers to vacant positions in state government.

HB0015 is a step in the right direction, given that it appears to be a continuation of the earlier incremental efforts toward our goal. With the extant situation in our neighboring states regarding how they are treating military retired pay, HB0015 does not really go far enough to make Maryland competitive. I urge a reconsideration of how to improve competitiveness for attracting the highly sought after military retirees facing second career location decisions.

To that end, I recommend that the Committee consider making **FAVORABLE** amendments to this bill to exempt 100% of military retired pay, remove the age restrictions, and do it either all at once or in a sequential manner over three years.

Thank you for your support of Maryland veterans.

Submitted with respect,

A handwritten signature in black ink that reads "David H. Peterson" followed by a horizontal flourish.

Captain David H. Peterson, NOAA (Ret)  
7612 Anamosa Way  
Derwood, Maryland 20855  
District 19