

**Letter of Information – Senate Bill 897 – Income Tax Subtraction Modification –  
Death Benefits – Law Enforcement Officers and Fire Fighters**

*Budget and Tax Committee  
February 21, 2024*

We thank Senator Carozza for putting forward this bill focused on allowing a subtraction under the Maryland income tax for the payment of a death benefit under a collective bargaining agreement to a spouse or beneficiary of a law enforcement officer or fire fighter whose death arises out of the course of employment.

This is an important bill aimed at correcting an unforeseen issue within the tax code that created a tax liability for the surviving spouse of a fallen first responder when the payment came from a county or a municipality.

We appreciate the sponsors' efforts to work with the Comptroller's Office closely when this issue was first brought to light over the interim and for their commitment to righting this unfortunate wrong.

Should this bill pass in its current form, we are confident our agency will be able to administer the provisions of the law as intended with existing resources.

Thank you again to the bill sponsors and, should this bill pass, we look forward to working with you and your constituents to implement this law.

As always, the Comptroller's Office remains committed to supporting initiatives that benefit the community and look forward to working with you on this matter. Please contact Justin Hayes, Director of State Affairs at [jhayes@marylandtaxes.gov](mailto:jhayes@marylandtaxes.gov) or 410-260-7696, with any questions.

