

HOUSE BILL 1419

Q3

4lr3185

By: **Delegate Glass**

Introduced and read first time: February 13, 2014

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Military Retirement Income**

3 FOR the purpose of removing a certain limitation on a subtraction modification under
4 the Maryland income tax for certain military retirement income; providing for
5 the application of this Act; and generally relating to a subtraction modification
6 for military retirement income.

7 BY repealing and reenacting, without amendments,
8 Article – Tax – General
9 Section 10–207(a)
10 Annotated Code of Maryland
11 (2010 Replacement Volume and 2013 Supplement)

12 BY repealing and reenacting, with amendments,
13 Article – Tax – General
14 Section 10–207(q)
15 Annotated Code of Maryland
16 (2010 Replacement Volume and 2013 Supplement)

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

19 **Article – Tax – General**

20 10–207.

21 (a) To the extent included in federal adjusted gross income, the amounts
22 under this section are subtracted from the federal adjusted gross income of a resident
23 to determine 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
5 for training and service under the Selective Training and Service Act of 1940 or a
6 subsequent act of a similar nature;

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

9 3. membership in an active component of the armed
10 forces of 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
14 and Geodetic Survey.

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

17 (2) The subtraction under subsection (a) of this section includes [the
18 first \$5,000 of] ANY military retirement income received by an individual during the
19 taxable year.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 July 1, 2014, and shall be applicable to all taxable years beginning after December 31,
22 2013.