

# SENATE BILL 660

Q3  
HB 442/14 – W&M

6lr2934

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By: **Senators Salling, Astle, Bates, Cassilly, Eckardt, Edwards, Hershey, Jennings, Middleton, Norman, Ready, Serafini, Simonaire, and Waugh**

Introduced and read first time: February 5, 2016

Assigned to: Budget and Taxation

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## 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 the  
4 Maryland income tax for certain military retirement income; providing for the  
5 application of this Act; and generally relating to a subtraction modification for military  
6 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 2015 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 2015 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
18 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 under  
22 this section are subtracted from the federal adjusted gross income of a resident to determine  
23 Maryland adjusted gross income.

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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 of] ANY military retirement income received by an individual  
23 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.