

SENATE BILL 427

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Q3  
HB 196/99 - W&M

2000 Regular Session  
0lr2193

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By: **Senators Jacobs, Hafer, Astle, Blount, Colburn, and Mooney**  
Introduced and read first time: February 4, 2000  
Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax - Subtraction Modification for Military Retirement Income**

3 FOR the purpose of expanding the subtraction modification for military retirement  
4 income under the Maryland individual income tax to include all military  
5 retirement income received by an individual during the taxable year; and  
6 providing for the applicability of this Act.

7 BY repealing and reenacting, without amendments,  
8 Article - Tax - General  
9 Section 10-207(a)  
10 Annotated Code of Maryland  
11 (1997 Replacement Volume and 1999 Supplement)

12 BY repealing and reenacting, with amendments,  
13 Article - Tax - General  
14 Section 10-207(q)  
15 Annotated Code of Maryland  
16 (1997 Replacement Volume and 1999 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 under  
22 this section are subtracted from the federal adjusted gross income of a resident to  
23 determine Maryland adjusted gross income.

24 (q) [(1)] The subtraction under subsection (a) of this section includes [the  
25 first \$2,500 of] military retirement income received by an individual during the  
26 taxable year [, if the individual:

27 (i) is at least 55 years old on the last day of the taxable year; and

1 (ii) was an enlisted member of the military at the time of  
2 retirement.

3 (2) The amount of the subtraction under paragraph (1) of this subsection:

4 (i) is reduced by 50% of the amount by which federal adjusted  
5 gross income exceeds \$17,500; and

6 (ii) is reduced to zero if federal adjusted gross income exceeds  
7 \$22,500].

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
9 July 1, 2000 and shall be applicable to all taxable years beginning after December 31,  
10 1999.