
By: **Senators Middleton, Colburn, Dyson, Garagiola, Green, Greenip, Hafer,
Hollinger, Jacobs, Mooney, Stone, and Teitelbaum**

Introduced and read first time: February 3, 2006

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax - Subtraction Modification - Retired Military Personnel**
3 **Employed in Critical Workforce Areas**

4 FOR the purpose of providing a subtraction modification under the Maryland income
5 tax for income received by an individual who is retired from a branch of the
6 United States armed services that is attributable to employment in certain
7 occupations; providing for the termination of this Act; providing for the
8 application of this Act; and generally relating to a subtraction modification
9 under the Maryland income tax for income received by an individual who is
10 retired from a branch of the United States armed services and is attributable to
11 employment in certain occupations.

12 BY repealing and reenacting, without amendments,
13 Article - Tax - General
14 Section 10-207(a)
15 Annotated Code of Maryland
16 (2004 Replacement Volume and 2005 Supplement)

17 BY adding to
18 Article - Tax - General
19 Section 10-207(w)
20 Annotated Code of Maryland
21 (2004 Replacement Volume and 2005 Supplement)

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

1 **Article - Tax - General**

2 10-207.

3 (a) To the extent included in federal adjusted gross income, the amounts under
4 this section are subtracted from the federal adjusted gross income of a resident to
5 determine Maryland adjusted gross income.

6 (W) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES
7 THE FIRST \$20,000 OF INCOME THAT IS:

8 (1) RECEIVED BY AN INDIVIDUAL WHO IS RETIRED FROM ANY BRANCH
9 OF THE UNITED STATES ARMED SERVICES; AND

10 (2) ATTRIBUTABLE TO EMPLOYMENT IN THE STATE:

11 (I) AS A SCHOOL TEACHER;

12 (II) AS A FIREFIGHTER;

13 (III) AS AN AMBULANCE OR RESCUE SQUAD MEMBER;

14 (IV) IN A HEALTH CARE OCCUPATION THAT IS DETERMINED TO BE
15 AN AREA OF SHORTAGE UNDER § 1-204 OF THE HEALTH OCCUPATIONS ARTICLE; OR

16 (V) IN A HEALTH CARE OCCUPATION FOR THE PURPOSES OF THE
17 HEALTH PERSONNEL SHORTAGE INCENTIVE GRANT PROGRAM UNDER § 18-803 OF
18 THE EDUCATION ARTICLE.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 July 1, 2006, and shall be applicable to all taxable years beginning after December 31,
21 2005, but before January 1, 2011. This Act shall remain in effect for a period of 4 years
22 and 6 months and at the end of December 31, 2010, with no further action required by
23 the General Assembly, this Act shall be abrogated and of no further force and effect.