

SENATE BILL 278

Q3
SB 103/13 – B&T

4lr2070

By: **Senator Peters**

Introduced and read first time: January 17, 2014

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Military Retirement Income**

3 FOR the purpose of altering a subtraction modification under the State income tax for
4 certain military retirement income; providing for the application of this Act; and
5 generally relating to the State income taxation of certain retirement income.

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

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

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

18 **Article – Tax – General**

19 10–207.

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

23 (q) (1) (i) In this subsection the following words have the meanings
24 indicated.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (ii) "Military service" means:

2 1. induction into the armed forces of the United States
3 for training and service under the Selective Training and Service Act of 1940 or a
4 subsequent act of a similar nature;

5 2. membership in a reserve component of the armed
6 forces of the United States;

7 3. membership in an active component of the armed
8 forces of the United States;

9 4. membership in the Maryland National Guard; or

10 5. active duty with the commissioned corps of the Public
11 Health Service, the National Oceanic and Atmospheric Administration, or the Coast
12 and Geodetic Survey.

13 (iii) "Military retirement income" means retirement income
14 received as a result of military service.

15 (2) The subtraction under subsection (a) of this section includes the
16 first ~~[\$5,000]~~ **\$10,000** of military retirement income received by an individual during
17 the taxable year.

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