

# HOUSE BILL 177

Q3  
HB 353/14 – W&M

5lr1702  
CF SB 31

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By: **Delegates Holmes, Valentino-Smith, Vallario, and C. Wilson**

Introduced and read first time: January 29, 2015

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Military Retirement Income –**  
3 **Individuals at Least 65 Years Old**

4 FOR the purpose of altering a subtraction modification under the State income tax for  
5 certain military retirement income for individuals who are at least a certain age;  
6 providing for the application of this Act; and generally relating to the State income  
7 taxation of certain retirement income.

8 BY repealing and reenacting, without amendments,  
9 Article – Tax – General  
10 Section 10–207(a)  
11 Annotated Code of Maryland  
12 (2010 Replacement Volume and 2014 Supplement)

13 BY repealing and reenacting, with amendments,  
14 Article – Tax – General  
15 Section 10–207(q)  
16 Annotated Code of Maryland  
17 (2010 Replacement Volume and 2014 Supplement)

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

20 **Article – Tax – General**

21 10–207.

22 (a) To the extent included in federal adjusted gross income, the amounts under  
23 this section are subtracted from the federal adjusted gross income of a resident to determine  
24 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  
19 INDIVIDUAL IS UNDER THE AGE OF 65 YEARS, THE FIRST \$5,000 OF MILITARY  
20 RETIREMENT INCOME RECEIVED BY AN INDIVIDUAL DURING THE TAXABLE YEAR;  
21 AND

22 (II) IF, ON THE LAST DAY OF THE TAXABLE YEAR, THE  
23 INDIVIDUAL IS AT LEAST 65 YEARS OLD, the first [\$5,000] \$10,000 of military  
24 retirement income received by an individual during the taxable year.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
26 1, 2015, and shall be applicable to all taxable years beginning after December 31, 2014.