

HOUSE BILL 761

Q3

HB 60/25 – W&M

6lr2645

By: **Delegates Griffith, Rogers, Allen, Anderson, Arentz, Boafo, Ciliberti, Coley, Crutchfield, Hartman, Hornberger, Howard, D. Jones, T. Morgan, Pruski, Reilly, Rose, Schmidt, Stinnett, Tomlinson, and Wims**

Introduced and read first time: February 4, 2026

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Subtraction Modification for Military Retirement Income**
3 **(Keep Our Heroes Home Act)**

4 FOR the purpose of increasing the amount of a certain subtraction modification under the
5 State income tax for certain military retirement income received by an individual,
6 regardless of age, during a taxable year for certain military service; and generally
7 relating to a subtraction modification under the State income tax for military
8 retirement income.

9 BY repealing and reenacting, without amendments,
10 Article – Tax – General
11 Section 10–207(a)
12 Annotated Code of Maryland
13 (2022 Replacement Volume and 2025 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – Tax – General
16 Section 10–207(q)
17 Annotated Code of Maryland
18 (2022 Replacement Volume and 2025 Supplement)

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

21 **Article – Tax – General**

22 10–207.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



4 (q) (1) (i) In this subsection the following words have the meanings
5 indicated.

6 (ii) "Armed forces" has the meaning stated in § 9–901 of the State
7 Government Article.

(iii) "Military retirement income" means retirement income, including death benefits, received as a result of military service.

10 (iv) "Military service" means:

14 2. membership in a reserve component;

20 (2) The subtraction under subsection (a) of this section includes:

24 (ii) if, on the last day of the taxable year, the individual is at least 55
25 years old, the first \$20,000 of military retirement income received by an individual during
26 the taxable year]

27 (I) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31,
28 2025, BUT BEFORE JANUARY 1, 2027, THE FIRST \$25,000 OF MILITARY RETIREMENT
29 INCOME RECEIVED BY AN INDIVIDUAL DURING THE TAXABLE YEAR; AND

30 (II) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31,
31 2026, THE FIRST \$40,000 OF MILITARY RETIREMENT INCOME RECEIVED BY AN
32 INDIVIDUAL DURING THE TAXABLE YEAR

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
2 1, 2026.