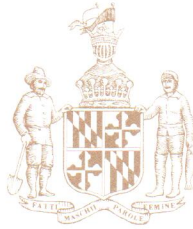


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Budget and Taxation Committee

Health and Human Services Subcommittee

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

January 21, 2020

SB 211: Income Tax - Subtraction Modification - Military Retirement Income
POSITION: FAVORABLE

Dear Chair, Vice Chair and Committee Members,

Thank you for allowing me the opportunity to testify in favor of Senate Bill 211, which would alter the existing military retirement income tax by using a phase-in methodology, ultimately resulting in tax-free military retirement income for military retirees who reside in Maryland.

Our state is currently missing out on the opportunity to retain veterans as residents because of high costs of living and a lack of benefits for military retirees. While many veterans opt to work in Maryland, specifically within the cyber security community, they are taking those earnings home to a different state. Many people who are working within these sectors are commuting to and from our neighboring states, like Pennsylvania and West Virginia, that do not tax military retirement income. With many of these commutes only taking about an hour, veterans are choosing the most financially astute way to make their retirement income stretch: work in Maryland, live in a neighboring state.

As a former member of the United States Army, I want military retirees to be able to afford to live where they work, which would be a benefit to both veterans and Maryland's economy. Please assist me in reaching this goal by voting favorably on SB211.

Thank you,

A handwritten signature in red ink that reads "Johnny Ray Salling".

Johnny Ray Salling