



**LARRY HOGAN**  
GOVERNOR

STATE HOUSE  
100 STATE CIRCLE  
ANNAPOLIS, MARYLAND 21401-1925  
(410) 974-3901  
(TOLL FREE) 1-800-811-8336

TTY USERS CALL VIA MD RELAY

Chair Guzzone, Vice-Chair Rosapepe, and Members of the Budget and Taxation Committee  
Senate Budget and Taxation Committee  
3 West, Miller Senate Office Building  
Annapolis, MD 21401

Senate Bill 488 - Income Tax - Subtraction Modification - Military and Public Safety Retirement Income

**POSITION: Support with Amendments**

Dear Chair Guzzone, Vice-Chair Rosapepe, Members of the Committee:

The Administration strongly supports Senate Bill 488 - Income Tax - Subtraction Modification - Military and Public Safety Retirement Income. We'd like to thank the sponsor for his sponsorship of the legislation, as well as the members of the committee for your work and leadership on similar tax relief measures.

Senate Bill 488 increases the existing subtraction modification for military retirees age 55 and above from \$15,000 to \$20,000. The legislation also proposes to expand the existing subtraction modification for our hometown heroes--retired law enforcement, correctional officers, and fire, rescue and emergency services personnel--aged 55 and older from \$15,000 to \$20,000. Senate Bill 488 also proposes to make an important change so that hometown heroes retirees who are at least 65 or totally disabled can claim the State pension exclusion for retirement income that is not excluded under the hometown heroes retirement income subtraction. This is how the subtraction modification for military retirees works. It should be the same for both categories of retirees.

The Administration respectfully asks the Committee to consider amending Senate Bill 488 to phase in a full exemption of retirement income attributable to military service or to employment as a law enforcement officer, correctional officer, or fire, rescue or emergency services personnel as proposed in the Administration's Senate Bill 269 and Senate Bill 279.

Allowing those who put their lives on the line for our protection to exempt the retirement income they've earned as a result of their sacrifices will make our State a better place for our hometown heroes and military retirees to live, work, and retire. Not only is this the right thing to do, it will help attract these valuable professionals to our state.

For these reasons, the Administration asks for your favorable with amendments report on Senate Bill 488. For additional details, please contact Cara Sullivan, Deputy Legislative Officer, at 410-974-3336 or [cara.sullivan@maryland.gov](mailto:cara.sullivan@maryland.gov).

