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House Bill 350 - Income Tax Subtraction Modification - Correctional Officers, Law Enforcement Officers, Fire, rescue, and Emergency Services Personnel (Hometown Heroes Act)

**Ways and Means Committee
February 14, 2020**

Cara Sullivan, Deputy Legislative Officer, Governor's Office

Chair Kaiser, Vice-Chair Washington, Members of the Committee:

House Bill 350 expands Maryland's existing hometown heroes subtraction modification by exempting 100% of retirement income earned as a result of employment as a law enforcement officer, fire, rescue, or emergency services personnel, or correctional officer. House Bill 350 also proposes to lower the eligibility age from 55 to 50. The legislation is phased in over two years, beginning with tax year 2020.

Current law provides individuals age 55 and older a subtraction modification for the first \$15,000 of retirement income earned as a result of the individual's employment as a law enforcement officer, or fire, rescue or emergency services personnel of the United States, the State, or a political subdivision of the State.

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

The Administration appreciates the leadership and commitment of this Committee and the General Assembly in providing these hard-earned benefits to our public safety professionals and looks forward to continuing to work together to expand the subtraction modification.

For these reasons, the Administration respectfully requests a favorable report on House Bill 350.

