

HB 461_ARMY ALLIANCE_FAV.pdf

Uploaded by: Bryson Popham

Position: FAV

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February 16, 2022

The Honorable Venessa E. Atterbeary
House Ways and Means Committee
Room 131, House Office Building
Annapolis, Maryland 21401

RE: House Bill 461- Income Tax Subtraction Modification - Military and Public Safety Retirement
Income - FAVORABLE

Dear Chair Atterbeary and Members of the Committee,

On behalf of the Army Alliance, I am pleased to support the referenced legislation and thank both Delegate Rogers and his co-sponsors for its introduction.

The Army Alliance is a nonprofit advocacy organization whose sole mission is to provide support for one of our major military installations in the State – the Aberdeen Proving Ground (APG). From its founding in 1917, APG has grown into the central research facility for the United States Army, one of 12 such military installations in our State. APG and the defense community in the surrounding area are the largest employer in Northeastern Maryland.

While the Army Alliance supports the entire bill, we wish to draw the Committee's attention to the language on page 3, line 2 of the bill. This language reflects a longstanding effort by legislative leaders to recognize the importance of the defense community as a whole to our State economy. As we explain below, the rate of State personal income taxation for employees in the defense industry has a direct and substantial effect on workforce availability for the industry. This represents an ongoing and significant challenge to the ability of defense contractors to secure qualified employees to work in Maryland.

The challenge may be understood this way: while the defense industry has the same need for highly qualified, knowledge-based employees that many businesses in Maryland have, there is a unique requirement in the defense industry. That requirement is for many employees to possess an active security clearance. Other industries have no such requirement. As a result, military retirees are uniquely qualified to fulfill this workforce need.

Complicating this situation is the fact that other states close to Maryland impose a lower rate of personal income tax on military retirees or even no state income tax at all. In an effort to attract and retain employees at Maryland military installations, the Maryland personal income tax can be a major factor in the prospective employee's decision. Because Maryland is behind other states in reducing the income tax rate on military retirees, it is more difficult to attract them to defense industry jobs in our State.

House Bill 461 will not eliminate this problem, but it does offer the prospect of incremental – even substantial – progress toward our goal.

For these reasons, the Army Alliance respectfully requests a favorable report on House Bill 461.

Very truly yours,



Bryson F. Popham

Buckel.Testimony.pdf

Uploaded by: Jason Buckel

Position: FAV

JASON C. BUCKEL
Legislative District 1B
Allegany County

MINORITY LEADER

Ways and Means Committee

Subcommittees
Racing and Gaming
Revenues

Chair
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February 11, 2022

Testimony in Favor of HB 497
Vehicle - Excise Tax - Exemption - Active Duty Military

Chairwoman Atterbeary, and members of the Ways & Means Committee,

I respectfully request a favorable report of House Bill 497. This simple bill will ensure that active duty service members stationed in Maryland and those returning from the State after their service do not have to pay the vehicle excise tax when registering their vehicle in Maryland after it was previously registered in another State.

Current law in Maryland requires that - if a vehicle is being registered in Maryland after previous registration in another State with a lower sales tax - then the difference in the sales tax must be paid in Maryland (i.e. if a car was registered in a State with a 3% excise tax and then they want to register in Maryland with a 6% then they have to pay 3%)¹.

There are current exemptions for this requirement, including if you have not been a Maryland resident for more than 60 days. There are also specific exemptions for active-duty service members if you have not been a Maryland resident for more than 1 year or if you return to Maryland from active duty no more than 1 year after returning. This legislation will remove that 1 year time frame.

This legislation comes at the request of a constituent who had been stationed at the United States Naval Academy and wanted to register his car in Maryland, but did not qualify under the current 1 year exemption for those on active duty.

Lastly, there may be two potential amendments to the bill to adjust the definition of military as well as an amendment from the MVA to ensure the language matches the intent of the bill. We will get this information to the Committee as soon as possible.

This simple legislation, if passed, has the potential to provide meaningful tax relief to active duty military families. Once again, I respectfully request a favorable report of House Bill 497.

HB 497 Nash oral Feb 11 2022.pdf

Uploaded by: Lynn Nash

Position: FAV



MARYLAND MILITARY COALITION

Serving Veterans through Legislative Advocacy

Oral Testimony In Support of HB 497 Lynn Nash, Communications Director

Dear Chairwoman Atterbeary and distinguished members of the House Ways and Means Committee. Thank you for the opportunity to testify in FAVOR of Delegate Buckel's bill, "Vehicle Excise Tax - Exemption - Active Duty," HB 497.

My name is CAPTAIN Lynn Nash. I am a 30-year veteran who served in both the Army and the U.S. Public Health Service, and as a result, I have moved more times than I care to remember. I am here today as the Communications Director, for the Maryland Military Coalition and the Director representing 1,200 active duty and retired USPHS officers living in Maryland. I am a resident of District 17.

The Maryland Military Coalition supports HB 497. In relation to its relatively small population in our country, Maryland has one of the highest, if not the highest number of military and uniformed services' bases, posts and facilities in the nation, which contribute a significant portion, >15% of Maryland's economy. Our Active Duty men and women and their families are an essential element of this dynamic. HB 497 would authorize an exemption of the vehicle excise tax to our Active-Duty population, an indication that our state supports them and 'has their backs.'

The Maryland Military Coalition is a registered non-profit, non-partisan organization representing 19 military-connected organizations with approximately 150,000 members including currently serving, National Guard and Reserves, veterans, retirees, their families, caretakers and survivors.

The Maryland Military Coalition recommends a **FAVORABLE** report on HB 497, Vehicle Excise Tax -- Exemption -- Active Duty and we thank Delegate Buckel for his continued leadership in sponsoring this measure and supporting service members and their families.

Thank you.

LYNN A. NASH, CAPTAIN USPHS (Ret).
Communications Director


Member Organizations, Maryland Military Coalition

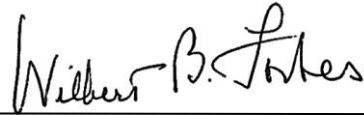

Air Force Sergeants Association


American Military Society


American Minority Veterans Research Project


Association of the United States Navy



Commissioned Officers Association of the
US Public Health Service


Disabled American Veterans

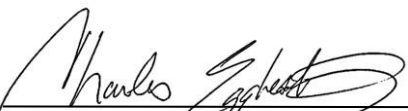

Distinguished Flying Cross Association


Fleet Reserve Association


Jewish War Veterans of the USA


Maryland Air National Guard Retirees'
Association

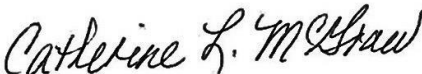

Military Officers Association of America


Military Order of the Purple Heart


National Association for Black Veterans


Naval Enlisted Reserve Association


NOAA Association of Commissioned Officers


Society of Military Widows


Veterans of Foreign Wars

HB 497 Nash written Feb 11 2022.pdf

Uploaded by: Lynn Nash

Position: FAV



MARYLAND MILITARY COALITION

Serving Veterans through Legislative Advocacy

February 11, 2022

Chairwoman Vanessa Atterbeary
Room 131
House Office Building
Annapolis, Maryland 21401

HB 491, Vehicle Excise Tax Exemption – Active Duty Military – Request a FAVORABLE Report

Dear Chairman Atterbeary and Members of the House Ways and Means Committee:

House Bill 491, Vehicle Excise Tax Exemption – Active Duty Military, before your committee on February 15, 2022, is a valuable measure to aid and enhance the economic well-being of our active-duty community in Maryland. This measure would ensure that active duty military service members stationed in Maryland and those returning to Maryland after active duty service do not have to pay the vehicle excise tax if the car was registered in another state.

In relation to its relatively small population in our country, Maryland has one of the highest, if not the highest number of military and uniformed services' bases, posts and facilities in the nation, which contribute a significant portion of Maryland's economy. Our Active Duty men and women and their families are an essential element of this dynamic. HB 497 would authorize an exemption of the vehicle excise tax to our Active-Duty population, an indication that our state supports them and 'has their backs.'

The Maryland Military Coalition, a voluntary, non-partisan organization representing 19 veteran service organizations who, in turn, serve over 150,000 former military men and women throughout our State. The Maryland Military Coalition **strongly supports** and urgently asks for a **FAVORABLE** report on House Bill 497. We applaud Delegate Buckel for his continued commitment to the veteran community to enjoy a better life.

Yours, respectfully

LYNN A. NASH, CAPTAIN USPHS (Ret)
Communications Director


Member Organizations, Maryland Military Coalition

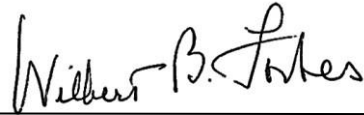

Air Force Sergeants Association


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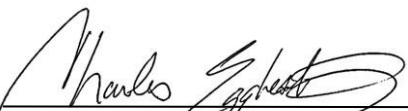

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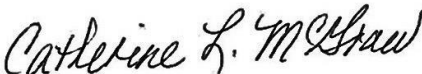

Military Officers Association of America


Military Order of the Purple Heart


National Association for Black Veterans


Naval Enlisted Reserve Association


NOAA Association of Commissioned Officers


Society of Military Widows


Veterans of Foreign Wars

MVTA Testimony - HB 497.pdf

Uploaded by: Travis Martz

Position: FAV



DATE: February 15, 2022

TO: House Ways & Means Committee

FROM: Lisa Thompas, MVTA Board Director
Travis Martz, MVTA Lobbyist

RE: HB 497 (Delegate Buckel)

POSITION: SUPPORT

The Maryland Vehicle Titling Association (MVTA) represents over 100 private title service agent licensees of the MVA. Title service agents located throughout the state provide other locations with extended hours for Maryland residents that need to perform essential vehicle title and registration activities.

Title Service Agents frequently serve members of the Military that seek our title and registration services. We experience their frustration when we inform them of their excise tax obligation upon returning to Maryland from active duty or from the difference in tax rates between Maryland and another jurisdiction. The frequent relocation of military members can create a financial burden, and HB 497 helps to ease relocation stress when Maryland is their new residence. Virginia provides an excise tax exemption to their members of the military.

HB 497 honors our proud members of the Military with an important excise tax credit the rightfully deserve for serving our country and choosing to make Maryland home.

MVTA respectfully asks the House Ways & Means Committee to give HB 497 a favorable report.

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