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The Honorable Guy Guzzone
Chairman, Senate Budget and Taxation Committee
3 West, Miller State Office Building
Annapolis, Maryland 21401

RE: Senate Bill 346 - Income Tax - Subtraction Modification - Military Retirement Income
(Keep Our Heroes Home Act) - FAVORABLE

Dear Chairman Guzzone and Members of the Committee,

I am writing on behalf of the Army Alliance, 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 a number of such military installations in our State.

The Army Alliance has consistently advocated, over a number of years, for changes in Maryland law to provide a greater exemption from personal income taxation for income earned by military retirees. Such exemptions are consistent with the laws of most other states, including states adjacent to Maryland.

Our chief reason for this position is the economic development benefit it would provide to the State. Using Aberdeen Proving Ground (APG) as one example of a major military installation in Maryland, there are approximately 2,000 uniformed personnel serving APG needs; however, more important, there are well over 20,000 defense-related jobs in the surrounding area of North East Maryland. It should be emphasized that these jobs are often filled by military retirees who have security clearances – a necessary credential for employment. It is an unfortunate fact that many of these individuals who work on or around APG do not live in Maryland, but rather in Pennsylvania, Delaware or other states that have more favorable personal income tax statutes for military retirees.

Senate Bill 346 keeps moving the ball in the right direction. We were please to support Governor Moore's initiative in this area in 2023, and we applaud Senator Elfreth and her Senate colleagues in this attempt to maintain the momentum we achieved last year.

We strongly urge a favorable report on Senate Bill 346.

Very truly yours,



Bryson F. Popham