

JACK BAILEY
Legislative District 29
Calvert and St. Mary's Counties

Budget & Taxation Committee



THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Annapolis Office
James Senate Office Building
11 Bladen Street, Room 401
Annapolis, Maryland 21401
410-841-3673 • 301-858-3673
800-492-7122 Ext. 3673
Jack.Bailey@senate.state.md.us

District Office
Dorsey Professional Park
23680 Three Notch Road, Unit 101
Hollywood, Maryland 20636
240-309-4238

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Senate Bill 108 – Income Tax – Subtraction Modification – Police Auxiliary and Reserve Volunteers

Dear Chairman Guzzone and Members of the Committee:

I am writing to introduce Senate Bill 108 – Income Tax – Subtraction Modification – Police Auxiliary and Reserve Volunteers. This bill would simplify the tax deductions we provide for our State's public safety volunteers by combining provisions of law establishing two existing subtraction modifications, one for police auxiliaries and reserve volunteers and one for volunteer fire, rescue, and emergency medical services members.

In prior years, these two deductions have been set at identical amounts. However, they are not currently linked in statute. As a result, an increase in the subtraction modification for volunteer fire, rescue, and emergency medical services members does not automatically result in an increase for police auxiliaries and reserve volunteers.

In 2018, the General Assembly passed legislation to phase in an increase to the deduction for volunteer fire, rescue, and emergency medical services members to \$7,000 in 2022 and going forward. No corresponding legislation has been passed for police auxiliaries and reserve volunteers, so their subtraction modification is currently set at \$5,000. Senate Bill 108 combines these into a single, \$7,000 deduction to ensure that this disparity will not happen again in the future.

During the last session, this Committee and the full Senate passed Senate Bill 94 that included provisions from Senate Bill 76, which I sponsored, that would have combined the deduction for police auxiliaries and reserve volunteers with the deduction for volunteer fire, rescue, and EMS workers and increase the deduction for all public safety volunteers to \$10,000. However, Senate Bill 108 only combines the two subtraction modifications. Any other legislation that increases the current \$7,000 deduction will necessarily result in an increase for all public safety volunteers should Senate Bill 108 become law, meaning that the more substantial change of increasing the amount of the deduction can be addressed in separate legislation.

Senate Bill 108 will simplify Maryland's tax code and provide parity between police volunteers and volunteer fire, rescue, and EMS workers. I respectfully request a favorable report on Senate Bill 108. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Bailey".

Senator Jack Bailey