



CARRINGTON & ASSOCIATES, LLC

Integrity.Passion.Results

Since 2006

HB952 – Income Tax – Subtraction Modification – Military Retirement (Keep Our Heroes Home Act)

FAVORABLE

Carrington & Associates, LLC is to express our enthusiastic support for House Bill 952, also known as the "Keep Our Heroes Home Act," which proposes a phased increase in the subtraction modification under the Maryland income tax for military retirement income. This bill is a commendable effort to recognize and honor the service of our military personnel, ensuring a smoother transition into civilian life. We thank Del. Rogers and the co-sponsors for bringing this legislation forward.

The key features of House Bill 952 include:

1. **Phased Increase in Subtraction Modification:** The legislation outlines a phased approach to increase the subtraction modification for military retirement income over a specific period. This approach demonstrates a thoughtful and gradual adjustment to provide financial relief to veterans, acknowledging the unique challenges they face during their transition from active service to retirement.
2. **Definition of Military Retirement Income:** The bill maintains a clear definition of "military retirement income" as retirement income, including death benefits, received as a result of military service. This specificity ensures that the subtraction modification applies to the income sources directly related to military service.
3. **Inclusion of Various Forms of Military Service:** Similar to House Bill 713, this legislation recognizes a broad spectrum of military service, encompassing induction into the armed forces, membership in reserve components, active duty in the armed forces, membership in the Maryland National Guard, and service with specific organizations like the Public Health Service, the National Oceanic and Atmospheric Administration, or the Coast and Geodetic Survey.

4. **Effective Date:** The bill is set to take effect on July 1, 2024, providing clarity on the timeline for implementation.

The phased increase in subtraction modification, as outlined in the bill, ensures that the benefits are gradually expanded, taking into consideration the financial needs of military retirees over time. This approach aligns with our organization's values of supporting veterans in their transition to civilian life and recognizing the importance of their service to our nation.

We believe that House Bill 952 represents a proactive and thoughtful measure to honor our heroes and express gratitude for their sacrifices. By offering a comprehensive subtraction modification for military retirement income, Maryland demonstrates its commitment to creating a supportive environment for veterans.

We strongly encourage you to support House Bill 952 and contribute to the well-being of our military retirees. Thank you for your attention to this matter.

For the foregoing reasons, we respectfully ask for your favorable report for House Bill 952.

If you would like additional information and/or have any questions, please do not hesitate to contact Darrell Carrington, Managing Director, darrell.carrington@verizon.net or 732-763-7398 cellphone.