

MCPA-MSA_SB 30-Subtraction Modification-Public Saf

Uploaded by: Andrea Mansfield

Position: FAV



Maryland Chiefs of Police Association Maryland Sheriffs' Association



MEMORANDUM

TO: The Honorable Guy Guzzone, Chair and
Members of the Budget and Taxation Committee

FROM: Darren Popkin, Executive Director, MCPA-MSA Joint Legislative Committee
Andrea Mansfield, Representative, MCPA-MSA Joint Legislative Committee
Samira Jackson, Representative, MCPA-MSA Joint Legislative Committee

DATE: January 15, 2025

RE: **SB 30 – Income Tax – Subtraction Modification – Public Safety Employee Retirement Income**

POSITION: SUPPORT

The Maryland Chiefs of Police Association (MCPA) and the Maryland Sheriffs' Association (MSA) **SUPPORT SB 30**. This bill expands the current subtraction modification for public safety retirement income.

Regardless of the agency or uniform worn, the men and women of law enforcement and other public safety occupations have stepped forward on behalf of the citizens of their communities and of our State. Each one has taken an oath, a promise, to put the well-being of others first. As we have seen all too often, these professionals put their lives and safety on the line each shift they work, many being asked to make the ultimate sacrifice. This legislation recognizes and honors the sacrifice of public safety officers. MCPA and MSA believe this is warranted and appropriate considering the dangerous work these individuals perform throughout their careers and their dedication to service to and protection of the public.

For this reason, MCPA and MSA **SUPPORT SB 30** and urge a **FAVORABLE** Committee report.

2025 SB 0030 Tax Subtraction Public Safety - FOP S

Uploaded by: angelo consoli

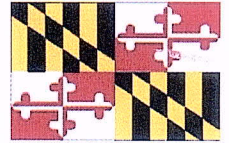
Position: FAV



CLYDE BOATWRIGHT
STATE PRESIDENT

Maryland State Lodge
FRATERNAL ORDER OF POLICE

8302 COVE ROAD, BALTIMORE, MD 21222



KENNY SCHUBERT
SECRETARY

EARL KRATSCH
TREASURER

January 13, 2025

SB 0030 - Income Tax - Subtraction Modification – Public Safety Employee Retirement Income

Dear Chairman Guzzone and Distinguished Members of the Budget and Taxation Committee,

The Maryland State Fraternal Order of Police **SUPPORTS** Senate Bill 0030 - **Income Tax - Subtraction Modification – Public Safety Employee Retirement Income.**

Senate Bill 0030 will provide an increase to the allowed amount that can be subtracted from the Federal adjusted gross income from an employee retirement system that is attributable to service as a public safety employee, if the income is received by an individual who is at least 55 years old on the last day of the taxable year.

The enactment of **SB 0030** would create a modest increase from the current \$15,000 subtraction to a subtraction of \$20,000. A **FAVORABLE** vote on **SB 0030** would continue to show the support of the State of Maryland to its Public Safety retirees and further incentivize them to maintain their residence in the State of Maryland. Currently, due to retirement tax incentives of some of our surrounding states, our members frequently change residency to locations outside of Maryland after retirement in order to take advantage of the lower taxes applied to their retirement income. This Bill will go a long way towards continuing to encourage our Police Officers who have worked their entire career in Maryland to continue to reside here after their retirement.

On behalf of the more than 20,000 Courageous Men and Women of the Maryland Fraternal Order of Police we thank you for your support and ask for your **FAVORABLE** vote on **Senate Bill 0030 - Income Tax - Subtraction Modification – Public Safety Employee Retirement Income.**

Angelo L. Consoli Jr,
2nd Vice President, FOP, Maryland State Lodge
President, FOP Lodge 89, Prince George's County

SenatorBailey_FAV_SB30.pdf

Uploaded by: Jack Bailey

Position: FAV

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

January 15, 2025

**Senate Bill 30 – Income Tax – Subtraction Modification – Public Safety Employee Retirement
Income**

Dear Chair Guzzone and Members of the Committee,

I am writing to introduce Senate Bill 30. This bill would increase the maximum value of the income tax subtraction modification for public safety employee retirement income from \$15,000 to \$20,000.

In the 2023 Legislative Session, the General Assembly passed legislation which increased the deduction for military retirement income received by individuals who are at least 55 years old to \$20,000. Prior to passage of this bill, the subtraction modifications for military retirement income and public safety retirement income were the same, \$15,000. Senate Bill 30 is intended to match this increase to the deduction for public safety retirement income.

I believe that every Marylander deserves an income tax-free retirement. This will continue to move us towards this goal while recognizing the important work that our public safety retirees have done and will continue to do for our State. We want our hometown heroes to stay in Maryland when their work protecting our residents is done, and this bill will help incentivize these retirees to remain here. We also know that there is an economic benefit to keeping public safety retirees in our State, as many of these individuals still have so many skills to offer our communities to continue their good work after they retire as volunteers or in other jobs protecting our citizens.

I respectfully request a favorable report on Senate Bill 30. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Bailey", written over a horizontal line.

Senator Jack Bailey

Senate Bill 30 (2025) PFFMD Testimony - J. Buddle.

Uploaded by: Jeffrey Buddle

Position: FAV



January 15, 2025

Senator Guy Guzzone, Chair
Senate Budget & Taxation Committee
3 West, Miller Senate Office Building
Annapolis, Maryland 21401

Position: FAVORABLE

Re: SB30 - Income Tax Subtraction Modification - Public Safety Retirement Income

The Professional Fire Fighters of Maryland represents more than 10,000 active and retired professional fire fighters and emergency medical services personnel who proudly serve the citizens of the State of Maryland.

Fire fighters put their lives on the line every day protecting lives and property throughout our State. While our members enjoy long careers protecting the communities they serve, too many continue to move out of Maryland once they reach retirement to take advantage of the tax breaks they receive from other nearby states.

Pennsylvania, Delaware, and South Carolina are examples of states which offer significant advantages for retirees when compared to Maryland. Pennsylvania is one of the most generous states in the nation when it comes to offering income tax exclusions on a wide variety of retirement income. Pennsylvania does not tax Social Security or any eligible pension plan. Moreover, Pennsylvania does not tax distributions from 401(K), deferred compensation plans, or other retirement accounts.

Making our state as welcoming and friendly as possible to retirees is simply the right thing to do. Continuing to improve upon income tax subtractions for service-related retirement benefits would be a great next step to ensuring that the people who spend their lives in service to others are given the support and tax relief that they deserve to stay and retire in Maryland.

On behalf of the members of Professional Fire Fighters of Maryland, we encourage a favorable report on Senate Bill 30.

Submitted respectfully,

A handwritten signature in black ink that reads "Jeffrey Buddle". The signature is written in a cursive, flowing style.

Jeffrey Buddle, President
Professional Fire Fighters of Maryland

The membership of the Professional Fire Fighters of Maryland includes 25 IAFF local affiliates from the following jurisdictions:

Federal: Aberdeen Proving Grounds, Fort George G. Meade, National Capital Federal Fire Fighters

State: Baltimore / Washington International Airport

Local: Annapolis City, Allegany County, Anne Arundel County, Baltimore City (2 affiliates), Baltimore County, Carroll County, Cecil County, Charles County, Cumberland City, Frederick County, Garrett County, Hagerstown, Howard County, Montgomery County, Ocean City, Prince Georges County, Queen Annes County, Salisbury, Talbot County, Worchester County

M&A_FOP35_Testimony_SB30_FAV.pdf

Uploaded by: Roger Manno

Position: FAV



Fraternal Order of Police
Montgomery County Lodge 35

Phone 301.948.4286 Fax 301.590.0317

Testimony of Lee Holland, President of the Montgomery County Fraternal Order of
Police, Lodge 35

Before the Maryland Senate Budget and Taxation Committee

In Support of Senate Bill 30

January 13, 2025

Dear Chair Guzzone, Vice Chair Rosapepe, and Honorable Members of the Senate
Budget and Taxation Committee,

As President of Montgomery County Fraternal Order of Police Lodge 35, serving as the certified bargaining representative for the rank-and-file officers of the Montgomery County Police Department, and on behalf of our 1500 active and retired Montgomery County law enforcement officers, I write to express our strong support for Senate Bill 30, which increases the maximum value of the income tax subtraction modification for public safety employee retirement income from \$15,000 to \$20,000. We appreciate the opportunity to present our position on this significant legislation.

Public safety employees dedicate their careers to serving and protecting the residents of Maryland, often at considerable personal cost. Their commitment to ensuring community safety and well-being involves physical risk, emotional strain, and long-term impacts that persist into retirement. Senate Bill 30 acknowledges these contributions and provides meaningful financial relief to those who have served with distinction.

Retired public safety employees frequently face financial challenges as they live on fixed incomes that must accommodate rising costs of living, including medical expenses and housing. This bill offers practical support by increasing the subtraction modification, helping retirees sustain a stable standard of living and alleviating financial pressures.

Enhancing retirement benefits through targeted tax relief also plays an essential role in promoting recruitment and retention within Maryland's public safety workforce. Offering

meaningful support to retirees demonstrates the state's commitment to its employees, strengthening Maryland's ability to attract and retain highly qualified individuals in these critical roles.

The projected reductions in state and local revenues outlined in the fiscal note are modest in comparison to the significant benefits this legislation provides to public safety retirees and their communities. Retirees remain active contributors to the local economy, and the financial stability afforded by this bill ensures continued engagement and spending within the state.

Senate Bill 30 reflects Maryland's values and commitment to those who dedicate their lives to public service. We respectfully urge the committee to issue a favorable report and advance this important legislation.

Thank you for your time and consideration. We are available to address any questions you may have.

Respectfully submitted,

Lee Holland
President
Montgomery County Fraternal Order of Police Lodge 35

Senate Bill 30 Final Testimony.pdf

Uploaded by: Giavante Hawkins

Position: UNF



MARYLAND SOCIETY OF ACCOUNTING AND TAX PROFESSIONALS

10451 Mill Run Circle #625
Owings Mills, MD 21117

1-800-922-9672
410-876-5998

FAX 443-881-4146
www.msatp.org

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Executive Director

January 13, 2025

Honorable Members of the Senate Budget and Taxation Committee
Maryland General Assembly
11 Bladen Street
Annapolis, MD 21401

RE: Senate Bill 30 - Income Tax – Subtraction Modification – Public Safety Employee Retirement Income

Dear Chair and Members of the Committee:

The Maryland Society of Accounting and Tax Professionals, Inc. (MSATP) represents the voices of over 2,000 tax and accounting professional members. Our members, who are tax and accounting professionals, serve over 700,000 Maryland residents. We must respectfully oppose Senate Bill 30, which would increase the pension exclusion for retired public safety employees from \$15,000 to \$20,000.

While we deeply respect the service of our public safety employees, this legislation raises significant concerns about tax policy equity and fiscal responsibility. The proposed increase creates an unjustified disparity between different types of retirement income and could set a precedent for other occupation-specific tax benefits.

Our analysis suggests this change would complicate tax preparation and planning, particularly for retirees with multiple income sources. The bill's fiscal impact would reduce state revenues without clear evidence of economic benefit. Furthermore, the broader implications for Maryland's tax structure and long-term fiscal health deserve more careful consideration.

For these reasons, we urge an unfavorable report on Senate Bill 30.

Respectfully submitted,

Giavante' Hawkins

Giavante' Hawkins

Maryland Society of Accounting and Tax Professionals

