



**House Bill 800 -- *Income Tax - Subtraction Modification for Military Retirement Income - Individuals Under the Age of 55***  
**House Ways and Means Committee**  
**February 13, 2025**  
**Support**

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, opposes House Bill 800 -- *Income Tax - Subtraction Modification for Military Retirement Income - Individuals Under the Age of 55*.

House Bill 800 increases the value of the military retirement income tax subtraction modification for individuals younger than age 55 from \$12,500 to \$20,000.

MCCC supports incentives that seek to keep retirees here in Maryland, and in particular working military veterans. Supporting economic opportunity for military veterans has been a longtime MCCC priority, most notably through efforts of the Montgomery County Chamber Community Foundation's (MCCCF) Veterans Institute for Procurement (VIP) program.

The VIP program is the first free training program for Service-Disabled Veteran-Owned Small Businesses and Maryland Veteran-Owned Small Businesses. Veteran-Owned company "C-level" executives receive 27 hours of comprehensive instruction on how to accelerate their federal government contracting business skills. Over three days, subject matter experts from industry and government provide business practice strategies and instruction. Most of the executives who graduate from the VIP program are retired military veterans who reside in Maryland.

Maryland's incentives for military retirees remain less competitive than in many other states. Most other states already exempt military retirement income from their state's taxes. It is imperative that Maryland offers competitive incentives for veterans to remain here after retirement, including those that will continue working and bring entrepreneurship to our economy. In turn, keeping more veterans here in Maryland will benefit Maryland's tax base, create jobs, and grow economic activity in the future.

**For these reasons, the Montgomery County Chamber of Commerce supports House Bill 800 and respectfully requests a favorable report.**

*The Montgomery County Chamber of Commerce (MCCC), on behalf of its members, champions the growth of business opportunities, strategic infrastructure investments, and a strong workforce to position Metro Maryland as a premier regional, national, and global business location. Established in 1959, MCCC is an independent, non-profit membership organization.*

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