



Letter of Information

**House Bill 761 – Income Tax – Subtraction Modification for Military Retirement Income
(Keep Our Heroes Home Act)**
Ways & Means Committee
February 19, 2026

The Comptroller of Maryland is respectfully submitting this letter of information regarding House Bill 761 – Income Tax – Subtraction Modification for Military Retirement Income (Keep Our Heroes Home Act). HB761 increases the allowable subtraction for military retirement income and removes age limitations.

Our office is currently in the process of migrating more than 3 million individual taxpayers from our legacy mainframe to our new integrated tax system, Maryland Tax Connect. This migration, currently scheduled for August 2026, is the largest and most complex phase of our years-long modernization project.

HB761 will require our office to update forms, instructions, and guidance to accommodate the changes to allowable subtractions. While these efforts can be absorbed with existing resources, in order to ensure a smooth migration to our new tax system, the Comptroller of Maryland respectfully requests that implementation of HB761 be delayed to apply to all taxable years beginning after December 31, 2026.

Thank you for your consideration. If you have any questions, please reach out to Matthew Dudzic, Director of State Affairs, at MDudzic@marylandtaxes.gov.

