

HOUSE BILL 800

Q3
HB 713/24 – W&M

5lr1747

By: **Delegates Griffith, Rogers, Allen, Arentz, Buckel, Chisholm, Fraser-Hidalgo, Hartman, Hornberger, Hutchinson, Jacobs, A. Johnson, S. Johnson, Nawrocki, Otto, Pippy, Reilly, Rose, Schmidt, Szeliga, and Valentine**

Introduced and read first time: January 29, 2025

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Subtraction Modification for Military Retirement Income –**
3 **Individuals Under the Age of 55**

4 FOR the purpose of increasing the amount of a subtraction modification under the
5 Maryland income tax for military retirement income for individuals who are under
6 a certain age; and generally relating to a subtraction modification under the
7 Maryland income tax for military retirement income.

8 BY repealing and reenacting, without amendments,
9 Article – Tax – General
10 Section 10–207(a)
11 Annotated Code of Maryland
12 (2022 Replacement Volume and 2024 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – Tax – General
15 Section 10–207(q)
16 Annotated Code of Maryland
17 (2022 Replacement Volume and 2024 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
19 That the Laws of Maryland read as follows:

20 **Article – Tax – General**

21 10–207.

22 (a) To the extent included in federal adjusted gross income, the amounts under
23 this section are subtracted from the federal adjusted gross income of a resident to determine

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Maryland adjusted gross income.

2 (q) (1) (i) In this subsection the following words have the meanings
3 indicated.

4 (ii) "Military retirement income" means retirement income,
5 including death benefits, received as a result of military service.

6 (iii) "Military service" means:

7 1. induction into the armed forces of the United States for
8 training and service under the Selective Training and Service Act of 1940 or a subsequent
9 act of a similar nature;

10 2. membership in a reserve component of the armed forces of
11 the United States;

12 3. membership in an active component of the armed forces of
13 the United States;

14 4. membership in the Maryland National Guard; or

15 5. active duty with the commissioned corps of the Public
16 Health Service, the National Oceanic and Atmospheric Administration, or the Coast and
17 Geodetic Survey.

18 (2) The subtraction under subsection (a) of this section includes[:

19 (i) if, on the last day of the taxable year, the individual is under the
20 age of 55 years, the first \$12,500 of military retirement income received by an individual
21 during the taxable year; and

22 (ii) if, on the last day of the taxable year, the individual is at least 55
23 years old,] the first \$20,000 of military retirement income received by an individual during
24 the taxable year.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
26 1, 2025, and shall be applicable to all taxable years beginning after December 31, 2024.