



House Bill 713 -- *Income Tax - Subtraction Modification for Military Retirement Income - Individuals Under the Age of 55*
House Ways and Means Committee
February 15, 2024
Support

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, supports House Bill 713 -- *Income Tax - Subtraction Modification for Military Retirement Income - Individuals Under the Age of 55*.

House Bill 713 increases the amount of a subtraction modification from \$12,500 to \$20,000 under the Maryland income tax for military retirement income for individuals who are under the age of 55 years.

MCCC supports incentives that seek to keep retirees here in Maryland, and in particular working military veterans. This 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 to remain here are 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 supports House Bill 713 and requests a favorable report.

The Montgomery County Chamber of Commerce, on behalf of our nearly 500 members, advocates for growth in business opportunities, strategic investment in infrastructure, and balanced tax reform to advance Metro Maryland as a regional, national, and global location for business success.

Established in 1959, MCCC is an independent non-profit membership organization and a proud Montgomery County Green Certified Business.

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