

1 S.53

2 Representatives Sibia of Dover, Hango of Berkshire, Birong of Vergennes,
3 Batchelor of Derby, Fagan of Rutland City, Goslant of Northfield, Harrison of
4 Chittenden, Martel of Waterford, Morgan, M. of Milton, Morrissey of
5 Bennington, Norris of Sheldon, Page of Newport City, Palasik of Milton, and
6 Parsons of Newbury move that the bill be amended as recommended by the
7 Committee on Ways and Means and be further amended by striking out Secs.
8 14–15, military retirement income exemption, in their entirety and inserting
9 in lieu thereof new Secs. 14–15 to read as follows:

10 Sec. 14. 32 V.S.A. § 5811(21)(B) is amended to read:

11 (B) Decreased by the following items of income (to the extent such
12 income is included in federal adjusted gross income):

13 * * *

14 (iii) recapture of State and local income tax deductions not taken
15 against Vermont income tax; ~~and~~

16 (iv) the portion of federally taxable benefits received under the
17 federal Social Security Act that is required to be excluded under section 5830e
18 of this chapter; ~~and~~

19 (v) [Reserved.]

20 (vi) the first \$30,000.00 of federally taxable U.S. military
21 retirement pay; and

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Sec. 15. 32 V.S.A. § 5813(y) is added to read:

(y) The statutory purpose of the exclusion of the first \$30,000.00 of
federally taxable U.S. military retirement pay in subdivision 5811(21)(B)(vi)
of this title is to recognize the military service of Vermonters who derive part
of their income from military retirement pay.