

NATIONAL COUNCIL OF STATE LEGISLATORS

EXTRACT OF RESEARCH REQUEST RESPONSE TO SEN. RANDY BROCK

Thanks again for reaching out to NCSL. I've looked into whether any of the states that have recently adopted exclusions for military retirement income also expanded exclusions for state employees or emergency personnel. In general, I'm not seeing much evidence for the contention that adopting an exclusion for military retirement income necessarily leads to the adoption of broader exclusions for other types of retirement income.

Through our older [State Tax Actions](#) reports, I've identified several states that have adopted full or partial exclusions for military retirement income over the last decade or so:

Arkansas (2017)
Connecticut (2015)
Indiana (2017, 2019)
Maryland (2015, 2018)
Maine (2015)
Minnesota (2016)
Nebraska (2014, 2021)
South Carolina (2016)
West Virginia (2018)

Of these states, Maryland is the only one I've been able to identify that has expanded exclusions for state workers' retirement income after adopting beneficial tax treatment for military retirement income. The state expanded the military retirement income exemption from \$5,000 to \$10,000 in 2015 and subsequently exempted emergency personnel retirement income from tax two years later in 2017. Then, in 2018, the state increased the maximum military retirement deduction and also expanded the deduction for retirement income for public safety personnel to include safety officers.

Sincerely,

Jackson Brainerd

National Conference of State Legislatures

Program Principal, Fiscal Affairs Program

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