

Submitter: Robert Bates

On Behalf Of:

Committee: House Committee On Emergency Management, General Government, and Veterans

Measure, Appointment or Topic: HB2050

Retirement pay is either a fraction of the wages used by the service member, if they get an immediate retirement check, or is waited for, as is the case for gray area retirees. As a gray area retiree I will wait for my military retirement for nearly 20 years before I am eligible to get what others who retiree from an active status get immediately upon retirement. The formula for determining all retirement pay is the same, based on years of service and points for that service. This is a supplemental to income in retirement as it is a fraction of basic pay rates paid to currently servicing members. It is not based on income used to grow wealth tax deferred nor is it earned by all who serve. Rather it is a token provided to those who spend their time to chart a career in service to the public, who do their duty over the long haul. It is a smaller number who retire than who serve and a smaller number who serve than who benefit from the freedom and security provided by those who serve. As such, the duty to pay taxes is a double burden on those who receive retirement pay from duty that was already rendered. Other states have already recognized this and the decision to keep retirees, and their income, in this state versus moving to friendlier states for retirement will include removing the tax burden from military retirement. The burden was already carried for duty to this country in our youth. Will this state maintain that burden of duty in the form of taxation of military retirement?