

SENATE COMMITTEE OF REFERENCE REPORT

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Chairman of Committee

April 6, 2017  
Date

Committee on Appropriations.

After consideration on the merits, the Committee recommends the following:

SB17-075 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

- 1 Amend printed bill, page 2, line 12, strike "(A)".
- 2 Page 3, lines 3 and 4, strike "EXCEPT AS SET FORTH IN SUBSECTION
- 3 (4)(f)(III)(B) OF THIS SECTION, for" and substitute "For".
- 4 Page 3, strike lines 18 through 26 and substitute:
  - 5 "(x) (I) FOR INCOME TAX YEARS COMMENCING ON OR AFTER
  - 6 JANUARY 1, 2018, BUT PRIOR TO JANUARY 1, 2027, AN AMOUNT EQUAL TO
  - 7 ANY MILITARY RETIREMENT BENEFITS INCLUDED IN FEDERAL ADJUSTED
  - 8 GROSS INCOME MULTIPLIED BY A PERCENTAGE AS FOLLOWS:
  - 9 (A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
  - 10 1, 2018, BUT PRIOR TO JANUARY 1, 2019, TEN PERCENT OF THE MILITARY
  - 11 RETIREMENT BENEFITS;
  - 12 (B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
  - 13 1, 2019, BUT PRIOR TO JANUARY 1, 2020, TWENTY PERCENT OF THE
  - 14 MILITARY RETIREMENT BENEFITS;
  - 15 (C) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
  - 16 1, 2020, BUT PRIOR TO JANUARY 1, 2021, THIRTY PERCENT OF THE
  - 17 MILITARY RETIREMENT BENEFITS;
  - 18 (D) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
  - 19 1, 2021, BUT PRIOR TO JANUARY 1, 2022, FORTY PERCENT OF THE
  - 20 MILITARY RETIREMENT BENEFITS;
  - 21 (E) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY

1 1, 2022, BUT PRIOR TO JANUARY 1, 2023, FIFTY PERCENT OF THE MILITARY  
2 RETIREMENT BENEFITS;  
3 (F) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY  
4 1, 2023, BUT PRIOR TO JANUARY 1, 2024, SIXTY PERCENT OF THE MILITARY  
5 RETIREMENT BENEFITS;  
6 (G) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY  
7 1, 2024, BUT PRIOR TO JANUARY 1, 2025, SEVENTY PERCENT OF THE  
8 MILITARY RETIREMENT BENEFITS;  
9 (H) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY  
10 1, 2025, BUT PRIOR TO JANUARY 1, 2026, EIGHTY PERCENT OF THE  
11 MILITARY RETIREMENT BENEFITS; AND  
12 (I) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY  
13 1, 2026, BUT PRIOR TO JANUARY 1, 2027, NINETY PERCENT OF THE  
14 MILITARY RETIREMENT BENEFITS.  
15 (II) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY  
16 1, 2027, ANY MILITARY RETIREMENT BENEFITS, TO THE EXTENT INCLUDED  
17 IN FEDERAL TAXABLE INCOME.  
18 (III) IF AN INDIVIDUAL'S MILITARY RETIREMENT BENEFITS EXCEED  
19 THE AMOUNT THAT MAY BE SUBTRACTED UNDER SUBSECTION (4)(x)(I) OF  
20 THIS SECTION, THEN THOSE EXCESS MILITARY RETIREMENT BENEFITS MAY  
21 BE SUBTRACTED IN ACCORDANCE WITH SUBSECTION (4)(f) IF ELIGIBLE  
22 UNDER THAT SUBSECTION.  
23 (IV) AS USED IN THIS SUBSECTION (4)(x), "MILITARY RETIREMENT  
24 BENEFITS" MEANS ANY RETIREMENT BENEFITS RECEIVED AS A RESULT OF  
25 THE INDIVIDUAL'S SERVICE IN THE ARMED FORCES OF THE UNITED  
26 STATES."

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