

Update! Tax Free Military Pension Call to Action! Contact Your North Carolina Representative and House Leadership.

With the announcement of higher than expected tax collections, now is the time to act on tax exemption on military pension. **There are number of bills that would do this: Senate Bill 4, Senate Bill 12, House Bill 52, House Bill 75, and House Bill 83.** Those specific to military only are Senate Bill 12 and House Bill 83.

House Bill 83 represents the best opportunity for achieving military pension tax exemption. It was on a clear path to approval in the House and then crossover to the Senate. However, at the last minute it was pulled from consideration before the full House. This bill has broad bi-partisan support but appears to be stalled by interests for broader tax exemption to all Federal and State government employees.

To find you NC Representative and Senator visit <https://www.ncleg.gov/FindYourLegislators> and enter your address. Below is a sample letter/email for your use.

In addition to contacting you local Representative it is critical to contact John.Szoka@ncleg.gov, George.Cleveland@ncleg.gov, Keith.Kidwell@ncleg.gov, Tim.Moore@ncleg.gov

Your Association is working closely with other organizations in this effort. However, **it is your individual voice that will make the difference in this effort.**

Sample Letter Body:

Dear Elected Official,

Did you know that 33 states fully exempt military retirement pay and North Carolina is not one of them? In addition to these 33 states [several have pending legislation](#) that impact military retirement pay.

As your constituent, I write to ask that you support House Bill 83 that will eliminate state tax on military pension.

This important measure would extend tax exemption on retirement pay for a retired member of the Armed Forces of the United States or as survivorship benefits for survivors of active duty or retired members of the Armed Forces of the United States. Currently, only those military members who have five or more years of creditable service as of August 12, 1989 have their military retirement pay exempt from state income tax. Also there is no current tax exemption on survivor benefits.

More than likely, those Servicemembers retiring from North Carolina's military, a population of well over 120,000, and making the choice to stay in North Carolina can expect to pay state taxes on their military retirement income. This taxation impacts the most recent group of retiring Service Members who very likely served in combat at least once, if not multiple times, since 1990. Taxation of their retirement income can be a serious consideration in deciding in which state to retire.

On average, military retirees are under 50 years of age with over 20 years of work history and a desire to start a second career. This type of employee profile is exactly what is needed to fill civilian or contractor positions within North Carolina's military and defense sector.

I strongly support this legislation and ask that you support this bill and use your influence to advance the bill during the upcoming short session.

Thank you for considering my views. I look forward to your response.