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HOUSE REPUBLICAN STAFF ANALYSIS

Bill: House File 652 (formerly HF 141)
 Committee: Ways And Means
 Date: July 31, 2011
 Staff: Dustin Blythe (1-3452)
 Members: Representative Vander Linden

An Act Exempting From Income Tax, All Pay Received for Active Duty Military Service.

House File 652 – Exempts from the individual income tax all pay received by the taxpayer from the federal government for military service performed while on active duty status in the armed services, the armed forces military reserve, or the National Guard.

Summary of Action

Passed Ways and Means 25-0
 Passed the House 95-1
 Passed the Senate 47-0
 Signed by the Governor

Section by Section Analysis

Section 1

Subtracts all pay received by the taxpayer from the federal government for military service performed while on active duty status in the armed forces, the armed forces military reserve, or the National Guard.

Fiscal Impact (in millions)

<u>Year</u>	<u>Tax Year</u>	<u>Fiscal Year</u>
2011	\$8.7	\$.08
2012	\$9.2	\$11.2
2013	\$10.0	\$9.5
2014	\$10.5	\$10.2
2015	\$10.6	\$10.5