

PRELIMINARY STAFF MEASURE SUMMARY

House Committee On Revenue

Fiscal: Has minimal fiscal impact

Revenue: Revenue impact issued

Action Date:

Action:

Meeting Dates:

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WHAT THE MEASURE DOES:

Creates subtraction from federal taxable income for benefits paid to a surviving spouse or dependent child of a service member. Provides for a full subtraction for benefits up to \$30,000 a year, and a 50 percent subtraction for benefits greater than \$30,000, unless the taxpayer is blind or has a disability. Provides for a subtraction of the full amount of benefits if that is the case.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

Currently, survivor benefits paid to spouses or dependents of members of the armed forces are taxable.