

House Amendment 1022

Amendment Text

PAG LIN

1 1 Amend [House File 2](#) as follows:
1 2 #1. Page 1, by striking lines 2 through 29 and
1 3 inserting the following: "amended by striking the
1 4 subsection and inserting in lieu thereof the
1 5 following:
1 6 13. a. For a person who is disabled, or is fifty-
1 7 five years of age or older, or is the surviving spouse
1 8 of an individual or a survivor having an insurable
1 9 interest in an individual who would have qualified for
1 10 the exemption under this paragraph for the tax year,
1 11 subtract, to the extent included, the total amount of
1 12 a governmental or other pension or retirement pay,
1 13 including, but not limited to, defined benefit or
1 14 defined contribution plans, annuities, individual
1 15 retirement accounts, plans maintained or contributed
1 16 to by an employer, or maintained or contributed to by
1 17 a self-employed person as an employer, and deferred
1 18 compensation plans or any earnings attributable to the
1 19 deferred compensation plans, up to a maximum of eight
1 20 thousand five hundred dollars for tax years beginning
1 21 in the 2001 calendar year, twelve thousand dollars for
1 22 tax years beginning in the 2002 calendar year, and the
1 23 total amount of pension included for tax years
1 24 beginning on or after January 1, 2003, for a person,
1 25 other than a husband or wife, who files a separate
1 26 state income tax return and up to a maximum of
1 27 seventeen thousand dollars for tax years beginning in
1 28 the 2001 calendar year, twenty-four thousand dollars
1 29 for tax years beginning in the 2002 calendar year, and
1 30 the total amount of pension included for tax years
1 31 beginning on or after January 1, 2003, for a husband
1 32 and wife who file a joint state income tax return.
1 33 However, a surviving spouse who is not disabled or
1 34 fifty-five years of age or older can only exclude the
1 35 amount of pension or retirement pay received as a
1 36 result of the death of the other spouse. A husband
1 37 and wife filing separate state income tax returns or
1 38 separately on a combined state return are allowed a
1 39 combined maximum exclusion under this paragraph of up
1 40 to seventeen thousand dollars for tax years beginning
1 41 in the 2001 calendar year, and twenty-four thousand
1 42 dollars for tax years beginning in the 2002 calendar
1 43 year. The seventeen thousand dollar or twenty-four
1 44 thousand dollar exclusion, as applicable, shall be
1 45 allocated to the husband or wife in the proportion
1 46 that each spouse's respective pension and retirement
1 47 pay received bears to total combined pension and
1 48 retirement pay received.
1 49 b. Subtract, to the extent included, the amount of
1 50 additional social security benefits taxable under the
2 1 Internal Revenue Code for tax years beginning on or
2 2 after January 1, 1994, but before January 1, 2006.
2 3 The amount of social security benefits taxable as
2 4 provided in section 86 of the Internal Revenue Code,
2 5 as amended up to and including January 1, 1993,
2 6 continues to apply for state income tax purposes for
2 7 tax years beginning on or after January 1, 1994, but

2 8 before January 1, 2006.

2 9 c. Subtract, to the extent included after the
2 10 subtraction in paragraph "b", the following:

2 11 (1) For tax years beginning in the 2004 calendar
2 12 year, one-third of taxable social security benefits
2 13 received.

2 14 (2) For tax years beginning in the 2005 calendar
2 15 year, two-thirds of taxable social security benefits
2 16 received.

2 17 d. Married taxpayers, who file a joint federal
2 18 income tax return and who elect to file separate
2 19 returns or who elect separate filing on a combined
2 20 return for state income tax purposes, shall allocate
2 21 between the spouses the amount of benefits subtracted
2 22 under paragraphs "b" and "c" from net income in the
2 23 ratio of the social security benefits received by each
2 24 spouse to the total of these benefits received by both
2 25 spouses.

2 26 e. Subtract, to the extent included, the amount of
2 27 social security benefits taxable under section 86 of
2 28 the Internal Revenue Code for tax years beginning on
2 29 or after January 1, 2006.

2 30 Sec. _____. Section [422.7](#), subsection 31, Code 2001,
2 31 is amended by striking the subsection."

2 32 #2. Title page, line 1, by striking the words
2 33 "social security" and inserting the following:
2 34 "pension".

2 35

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2 38 MILLAGE of Scott

2 39 HF 2.303 79

2 40 mg/cf