

HB 133 -- Income Tax Deduction for Pensions

Sponsor: Moore

Currently, a public or private retiree may deduct up to \$6,000 of pension allowances received each year if his or her income is not in excess of \$32,000 for married taxpayers or \$25,000 for single taxpayers. This bill removes the income limitation when a taxpayer reaches the age of 65, allowing the full \$6,000 of retirement benefits to be deducted from state income tax regardless of income. Taxpayers younger than 65 years of age will still be allowed the \$6,000 benefit deduction subject to the income limitations.