

HB 2657 -- PRIVATE PENSION TAXATION (McGill)

COMMITTEE OF ORIGIN: Standing Committee on Ways and Means

This bill increases an individual's income tax adjustments related to private pensions in the following manner:

- (1) Single, Head of Household -- increases from \$25,000 to \$50,000;
- (2) Married Filing Combined -- increases from \$32,000 to \$64,000;
and
- (3) Married Filing Separate -- increases from \$16,000 to \$32,600

This bill increases the maximum amount to be subtracted from a taxpayer's adjusted gross income for tax years beginning on or after January 1, 2025, to the first \$12,000 of any retirement allowance received from any privately funded sources. The previous maximum was \$6,000.