
HOUSE BILL No. 1308

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3-1.

Synopsis: Income tax exemption for military pay. Exempts military pay earned by members of an active component of the United States armed forces from the individual income tax. (Current law exempts from the individual income tax military pay earned by members of the national guard and reserve components of the United States armed forces while serving on active duty.) Repeals the provision that defines qualified military income for purposes of calculating an individual's adjusted gross income.

Effective: January 1, 2011 (retroactive).

Truitt

January 13, 2011, read first time and referred to Committee on Ways and Means.

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First Regular Session 117th General Assembly (2011)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2010 Regular Session of the General Assembly.

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HOUSE BILL No. 1308



A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-3-1-34.1 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2011 (RETROACTIVE)]: **Sec. 34.1. "Qualified
4 military income" means wages that are paid to a member of:**
5 (1) **an active component of the armed forces of the United
6 States; or**
7 (2) **a reserve component of the armed forces of the United
8 States or the National Guard for any of the following
9 applicable periods, or any combination of the following
10 applicable periods, in a calendar year:**
11 (A) **The member's full-time service on involuntary orders
12 in:**
13 (i) **a reserve component of the armed forces of the United
14 States; or**
15 (ii) **the National Guard.**
16 (B) **The period during which the member is mobilized and
17 deployed for full-time service in:**



1 **(i) a reserve component of the armed forces of the United**
 2 **States; or**
 3 **(ii) the National Guard.**
 4 **(C) The period during which the member's National Guard**
 5 **unit is federalized.**
 6 SECTION 2. IC 6-3-1-34 IS REPEALED [EFFECTIVE JANUARY
 7 1, 2011 (RETROACTIVE)].
 8 SECTION 3. [EFFECTIVE JANUARY 1, 2011 (RETROACTIVE)]
 9 **(a) IC 6-3-1-34.1, as added by this act, applies to taxable years**
 10 **beginning after December 31, 2010.**
 11 **(b) This SECTION expires January 1, 2012.**
 12 SECTION 4. An emergency is declared for this act.

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