



[Supporting AB 46 which self-funds and increases tax revenues]

Resolution recognizing the contributions of 100% service-connected disabled veterans to the State of California and urging the passage of AB 46.

WHEREAS, there are approximately 1.8 million veterans residing in the State of California, including over nearly 27,000 veterans receiving military pensions and

WHEREAS, Veterans who have served in the United States armed forces long enough to receive a pension and their families have made significant sacrifices for our country and should be recognized and honored for their service; and

WHEREAS, Veterans who retired from the uniformed services receive retirement pay and survivor benefits that are subject to California state income tax, reducing their financial resources and potentially hindering their ability to live comfortably in California; and

WHEREAS, Other states, including neighboring states such as Nevada and Oregon, do not tax these retirement and survivor benefits, making it more attractive for veterans to move out of California; and

WHEREAS, the State of California is experiencing higher population outflows than inflows, which is negatively impacting state tax revenues; and a military



pension income tax exemption would encourage veterans to pursue second careers, buy or build homes, start businesses, and hire employees that would raise more revenue for the State of California than the military pension income tax exemption would cost in lost revenue; and

WHEREAS, veterans, including disabled veterans, experience poverty at a lower rate than non-veterans when measured by gender, ethnicity, employment industry, and age cohort; and federal tax incentives have been proven highly effective to reduce poverty, with the largest impacts on children and adults over 65; and

WHEREAS, Providing a tax exemption for these retirement pay and survivor benefits would show the state's appreciation for the service of these veterans and encourage them to move to or remain in California; now, therefore, be it

RESOLVED, That the San Francisco Veterans Affairs Commission recognizes the contributions and sacrifices of the men and women who have served entire careers in the United States armed forces and their families, and honors their service by providing a tax exemption for uniformed services retirement pay and survivor benefits; and, be it

FURTHER RESOLVED, That the Commission recognizes that a tax exemption for uniformed services retirement pay and survivor benefits would provide



significant financial relief to retired veterans and their surviving spouses, and would encourage veterans to move to or remain in California and continue contributing to the state's economy and communities; and, be it

FURTHER RESOLVED, That the Commission urges the Legislature to pass AB 46, which would establish the tax exemption for uniformed services retirement pay and survivor benefits; and, be it

FURTHER RESOLVED, That the Commission urges the Governor to sign into law AB 46, which would establish the tax exemption for uniformed services retirement pay and survivor benefits, and to work with the Franchise Tax Board and other state agencies to ensure that veterans are informed about the new tax exemption and how to claim it; and, be it

FURTHER RESOLVED, That the Commission encourages local governments and community organizations to also inform veterans about the new tax exemption, existing veteran benefit programs, and to provide other services and resources to support veterans and their families in California.