

March 18, 2022

Dear Minnesota Legislator,

I have corresponded with and/or spoken with most if not all of you previously about legislation pending this session, SF 1668 and HF 2091, a bill to expand the military retirement pay income tax deduction. For background information, Minnesota passed legislation SF 40 and HF 299 during the 2015-2016, 89th session which allowed a Minnesota citizen that is a retired career military veteran to deduct their military pension when filing Minnesota income tax. The specific language of that legislation reads, “to the extent included in federal taxable income, compensation received from a pension or other retirement pay from the federal government for service in the military...”. Had the language of the bill finished at that point the pending legislation I have been hoping to see passed wouldn’t be necessary. However, the language continues “...as computed under United States Code, title 10, sections 1401 to 1414, 1447 to 1455, and 12733.” As I’ve explained previously, there is a procedure for a veteran who subsequently becomes a federal civil service employee to have their years of military service credited towards their civil service career and if they choose to do so those years of military service is used when the Office of Personnel Management (OPM-an agency of the federal government) calculates their pension compensation. The disparity created, which I wholeheartedly believe was inadvertent, is due to a pension for federal service employees with military service credited is calculated under United States Code, title 5 rather than title 10 as specified in the original legislation. Over the past five years I have been hoping to see legislation passed to remedy the disparity and I believe there is support as bipartisan bills have been introduced; HF 3934 and SF 3548 during the 2017-2018 biennium, and HF 1730 and SF 1396 during the 2019-2020 biennium. As far as I can tell, those bills were not heard by the committee’s they were referred to and were not brought to the floor of either chamber for a vote. During the 2021-2022 biennium bills HF 2091 and SF 1668 were introduced and referred to the respective Tax Committee. SF 1668 was heard by the Senate Tax Committee on March 16, 2021 and adopted for possible inclusion in the tax omnibus bill but as far as I can tell it was not included in the agenda discussed by the Tax Conference Committee towards the end of the 2021 session. To the best of my knowledge HF 2091 is yet waiting to be heard by the House Tax Committee. For the past five years I have appealed to many of you with a logical and practical approach as to how a typical citizen might expect the legislative process to work, thus far those efforts have failed to achieve the desired results.

Now I appeal to your sensitive side. Over the past few years the words equity and dignity have been heard numerous times. Some of you served in elected office and cast your vote during the 2015-2016 session, some of you authored or co-authored the original and/or subsequent legislation, some of you are retired career military veterans and are eligible to deduct your military pension income, and some of you have announced your intention to retire from elected office. It has become increasingly challenging to hold my head high with dignity as a Minnesota citizen and veteran knowing that a disparity created five years ago could have been remedied by now and it seems rather simple, it’s not rocket science nor reinventing the wheel. When I frequent the various Minnesota businesses that offer military and veterans’ discounts I have not been asked if I was a career veteran or not, the businesses offer their discounts simply on the fact that you are a veteran or are currently serving. As I read Governor Walz’s Proclamations declaring Veterans Day and Month in 2019, 2020 and 2021, I do not see that he is acknowledging and expressing gratitude on behalf of the State of Minnesota only to career veterans, no, the proclamation is directed towards all veterans equally!

For those of you that are retiring from elected office, I thank you for your service for the citizens of Minnesota. To those that are veterans, I thank and salute you for your service! For those of you that are or can be involved in solving the disparity I’ve addressed, I implore you to support the pending legislation before you this session and finally remedy the existing disparity and I thank you as you diligently execute the duties of the office you hold!

Sincerely,
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