

Montgomery County, MD - Veterans Network Directory

Tax Benefits, Credits, Exemptions, and Information

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This is a project of the Montgomery County Commission on Veterans Affairs. To submit an update, add or remove a listing, or request an alternative format, please contact: MCCVA@montgomerycountymd.gov, 240-777-1246 (V), MD Relay 711.

IRS – Tax Information for Members of the Military

www.irs.gov/individuals/military

Provides tax information for current and former military personnel who served in the United States armed forces, uniform services, and under limited circumstances, support organizations.

Military Retired Pay Income Tax Exemption – State of Maryland

E-mail: taxhelp@comp.state.md.us

1-800-638-2937 (Toll Free)

https://taxes.marylandtaxes.gov/Individual_Taxes/Individual_Tax_Types/Income_Tax/Filing_Information/If_You_Are_Military_Personnel/Military_Retirement_Income.shtml

Hours: Monday through Friday, 8:30 a.m. to 4:30 p.m.

If you receive or the spouse of a military retiree receives military retirement income, you will be able to subtract up to \$5,000, with an increase to the first \$15,000 for individuals who are at least 55 years old on the last day of the taxable year, of your military retirement income from your federal adjusted gross income before determining your Maryland tax. The retirement income must have been received as a result of any of the following military service:

- Induction into the U.S. Armed forces for training and service under the Selective Training and Service Act of 1940 or a subsequent Act of similar nature
- Membership in a reserve component of the U.S. armed forces
- Membership in an active component of the U.S. armed forces
- Membership in the Maryland National Guard

The benefit also applies to persons separated from active duty employment with the commissioned corps of the Public Health Service, the National Oceanic and Atmospheric Administration, or the Coast and Geodetic Survey.

To claim the benefit, complete [Form 502](#) and follow the instructions included in the [resident tax booklet](#) for line 13. Be sure to indicate code letter u on line 13.

Pension exclusion

If you are a retired military member 65 years of age or older, you may also qualify for [Maryland's pension exclusion](#).

Property Tax Credit – Montgomery County

Montgomery County legislation under Bill 21-19 expands the property tax credit for surviving spouses of retired military services members. A surviving spouse is eligible for the credit under the following circumstances:

- The individual is a surviving spouse of a retired member of the uniformed services, the military reserves, or the national guard; and
- The surviving spouse is at least 65 years old; and
- The surviving spouse has not remarried.

The deadline to apply for the property tax credit is October 1, 2019. Eligible individuals can apply at the Department of Finance's website. To access the application, visit www.montgomerycountymd.gov/Finance/bill-42-16.html.

Property Tax Exemption – State of Maryland

A property tax exemption is available to the following individuals, for their primary residence located in the State of Maryland:

- veterans who are 100% disabled for service-connected causes. The exemption passes to the veteran's spouse upon his or her death
- surviving spouse of active duty military personnel who died in the line of duty
- surviving spouse of a totally disabled veteran
- a spouse who receives the dependency and indemnity compensation

Use the links below to download the appropriate form or contact the Montgomery County Assessment office at 240-314-4510 (V), e-mail sdatt.mont@maryland.gov.

- **Property Tax Exemption - 100% Disabled Veteran**
<https://dat.maryland.gov/SDAT%20Forms/Disabled-Veteran.pdf>
- **Property Tax Exemption - Surviving Spouse of 100% Disabled Veteran**
https://dat.maryland.gov/Documents/Procedures/009500010_at7.pdf
- **Property Tax Exemption - Surviving Spouse of Active Duty Military Personnel Killed in the Line of Duty**
<https://dat.maryland.gov/SDAT%20Forms/Surviving-Spouse-MilitaryCasualty.pdf>

Vessel Excise Tax Credit – Maryland Department of Natural Resources

<http://dnr.maryland.gov/boating/Pages/registration.aspx#documents>

1-877-620-8367 (Toll Free)

Active duty military personnel are exempt from the 5% vessel excise tax levied on the sale, resale or transfer of a vessel. A member of the armed services serving on active duty in the State is exempt for one year. The exemption applies only to vessels currently registered elsewhere and brought into Maryland because of the duty transfer. New purchases are not exempt.

Vehicle Registration Excise Tax Credit – Maryland Motor Vehicle Administration

MVA Out-of-State Title Unit
6601 Ritchie Highway, NE
Glen Burnie, MD 21062

410-768-7000 (V)
301-729-4563 (TTY)

www.mva.maryland.gov/About-MVA/INFO/27300/27300-35T.htm

Active duty military members establishing residency in Maryland are eligible for a tax credit for any titling tax paid in another state when titling and registering a vehicle within one year of moving to Maryland. Proof of military status (i.e. military ID or equivalent) must be submitted to be eligible for an excise tax credit:

- If the owner is a member of the military on active duty or a member of their immediate family and has not been a Maryland resident for more than one year, an excise tax credit is allowed with proof of active military status.
- If the owner is a Maryland resident on active duty or a member of their immediate family returning to this state, an excise tax credit is allowed if the vehicle is titled within one year of their return, with proof of active military status.