

PRINTING CODE. Deletions appear in ~~this style type~~. Insertions appear in this style type. Typeface changes are shown in ~~this~~ ~~style~~ ~~type~~ or in this style type.

HOUSE BILL No. 1034

Proposed Changes to February 2, 2023 printing by AM103402

DIGEST OF PROPOSED AMENDMENT

Qualified military income. Provides that the term "qualified military income" includes wages that are paid to a member of a reserve component of the armed forces of the United States or the National Guard. (Currently, the bill lists the types of periods in which the income of a member of a reserve component of the armed forces or National Guard is considered "qualified military income".)

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, AS ADDED BY P.L.144-2007,
2 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2023]: Sec. 34. "Qualified military income" means wages that
4 are paid: the following:
- 5 (1) **Wages that are paid** to a member of
6 (A) a reserve component of the armed forces of the United
7 States or
8 (B) the National Guard for the member's service in the
9 reserve component or National Guard. and
10 (2) for any of the following applicable
11 periods, or any combination of the
12 following applicable periods, in a calendar
13 year:
- 14 (A) The member's full-time service on
15 involuntary orders in:
- 16 (i) a reserve component of the
17 armed forces of the United States;
18 or

HB 1034—LS 6038/DI 116



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

- 1 (ii) the National Guard.
- 2 (B) The period during which the
- 3 member ~~participates in training, drills, or state active~~
- 4 ~~duty, or is mobilized and deployed for full-time service in:~~
- 5 ~~(i) a reserve component of the armed forces of the~~
- 6 ~~United States; or~~
- 7 ~~(ii) the National Guard;~~
- 8 ~~(C) The period during which the member's National Guard~~
- 9 ~~unit is federalized.]~~ member is mobilized and deployed for
- 10 full-time service in:
- 11 (i) a reserve component of the armed forces of the
- 12 United States; or
- 13 (ii) the National Guard;
- 14 (C) The period during which the member's National Guard
- 15 unit is federalized.]
- 16 (2) For a member of an active component of the armed forces
- 17 of the United States:
- 18 (A) twenty-five percent (25%) of wages that are paid to
- 19 the member for taxable years beginning in 2024 for
- 20 service in the active component;
- 21 (B) fifty percent (50%) of wages that are paid to the
- 22 member for taxable years beginning in 2025 for service
- 23 in the active component;
- 24 (C) seventy-five percent (75%) of wages that are paid to
- 25 the member for taxable years beginning in 2026 for
- 26 service in the active component; and
- 27 (D) one hundred percent (100%) of wages that are paid
- 28 to the member for taxable years beginning in 2027 and
- 29 thereafter for service in the active component.

HB 1034—LS 6038/DI 116



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

M
a
r
k
u
p