MIKE LEVIN 49TH DISTRICT, CALIFORNIA LEVIN.HOUSE.GOV

HOUSE COMMITTEE ON APPROPRIATIONS SUBCOMMITTEE ON MILITARY CONSTRUCTION.

SUBCOMMITTEE ON ENERGY AND WATER DEVELOPMENT AND RELATED AGENCIES





August 25, 2025

Washington, DC 20515-0549

The Honorable Governor Gavin Newsom State of California 1021 O Street, Suite 9000 Sacramento, CA 95814

Dear Governor Newsom:

As a member of the House Military Construction and Veterans Affairs Appropriations Subcommittee and representative for Marine Corps Base Camp Pendleton, I have long supported reducing state taxes on military retirees with federal pensions. I write to thank you for signing into law an exclusion of up to \$20,000 in annual military retirement benefits from state income taxes.

Several years ago, I wrote to urge you to join me and California's veteran and military service organizations in the effort to reduce state taxes on military pensions. For many years, California was the only state that fully taxed military retirement pay, leaving California veterans at a disadvantage. This new exclusion will help lessen the disproportionate tax burden for 130,000 of 140,000 veterans receiving monthly military retirement benefits in California. This is a strong first step towards ensuring equity for California veterans.

However, there is still more we can do. According to the California Legislative Analyst's Office, California's new policy is still one of most limited in the country. I support the complete elimination of state taxes on military pensions and urge you to join me in this effort.

Thank you for your consideration and please contact me if I can be of assistance.

Sincerely,

Mike Levin

Member of Congress

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<sup>&</sup>lt;sup>1</sup> Legislative Analyst's Office, https://lao.ca.gov/LAOEconTax/Article/Detail/820