

## Congress of the United States

House of Representatives Washington, DC 20515

October 14, 2022

The Honorable Governor Gavin Newsom State of California 1303 10th Street, Suite 1173 Sacramento, California 95814

As a member of the House Veterans' Affairs Committee and representative in Congress for Marine Corps Base Camp Pendleton, I have fought to strengthen federal benefits for those who serve. I write regarding a state matter of great importance to military retirees with federal pensions: disproportionate taxation on those hard-earned benefits.

California is the only state that fully taxes both military retirement pay and Survivor Benefit Plan payments – all other 49 states have recognized that military retirees should not be taxed twice on this income. <sup>1</sup> We must join California's veterans' and military service organizations in fighting to correct this disparity. Not only is it the right thing to do for those who served, but it is also the right thing to do for our state.

California is home to over 140,000 military retirees as of December 31, 2021, down from nearly 163,000 eight years prior. <sup>2,3</sup> We cannot continue to hemorrhage residents that represent some of the best and brightest our nation has to offer. Many military retirees go on to second careers, contributing to our economy. Additionally, they bring federal resources back to our state in the form of veterans' benefits, Social Security, Medicare, and much more.

I strongly support reducing 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>1</sup> Military Officers Association of America, https://www.moaa.org/content/state-report-card/statereportcard/

 $<sup>^2</sup>$  U.S. Department of Defense Office of the Actuary, https://media.defense.gov/2022/Feb/17/2002941205/-1/-1/0/CONGDIST%202021%20V999.PDF

<sup>&</sup>lt;sup>3</sup> U.S. Department of Defense Office of the Actuary, https://media.defense.gov/2018/Apr/12/2001902508/-1/-1/0/CONGDIST\_2012.PDF