

# 2025 SESSION

INTRODUCED

25104583D

1 **HOUSE BILL NO. 2567**

2 Offered January 13, 2025

3 Prefiled January 12, 2025

4 *A BILL to direct the Department of Taxation to determine the fiscal impact of extending the income tax*  
5 *subtraction for military benefits to members of the uniformed services; report.*

6 Patron—Leftwich

7 Referred to Committee on Finance

8 **Be it enacted by the General Assembly of Virginia:**

9 *1. § 1. That the Department of Taxation (the Department) is directed to evaluate the effects of extending the*  
10 *income tax subtraction for military benefits, as such term is defined in subdivision 18 d of § 58.1-322.02, to*  
11 *military retirement income paid to a veteran or the surviving spouse of a veteran for service in the*  
12 *uniformed services, as such term is defined in 5 U.S.C. § 2101. In such evaluation, the Department shall (i)*  
13 *determine whether other states implement such an income tax benefit, (ii) examine the fiscal impact of such*  
14 *income tax benefit in any such states, (iii) evaluate the impact of such a tax benefit on the income levels of*  
15 *veterans or surviving spouses of veterans of the uniformed services, and (iv) investigate other potential*  
16 *options for expanding income tax benefits for military retirement income. The Department shall report its*  
17 *findings and any recommendations to the Chairmen of the House Committee on Finance and the Senate*  
18 *Committee on Finance and Appropriations by November 30, 2025.*

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