

# HOUSE RESEARCH

## Bill Summary

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**Authors:** Zellers and others

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**Analyst:** Nina Manzi (651) 296-5204  
Joel Michael (651) 296-5057

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### Overview

Allows an individual income tax subtraction for social security benefits, federal annuities, and pensions from public employment. The subtraction equals the first \$10,000 of benefits and pension income plus 20 percent of the total amount of social security benefits, federal annuities, and pensions from public employment.

### Section

- 1 Subtractions from federal taxable income.** Allows a subtraction for social security benefits, federal annuities, and pensions from public employment. Individuals who are age 65 or older and retired may claim the subtraction. The subtraction equals the first \$10,000 of types of retirement income specified, plus 20 percent of retirement income. The subtraction is reduced by the taxpayer's nontaxable income. Each spouse in a married couple filing a joint return may claim the subtraction if each spouse has retirement income.