**Instructions**: Please cut and paste the letter below and send via email to [GovPressOffice@gov.ca.gov](mailto:GovPressOffice@gov.ca.gov) . Prefer mail? Send to:

Governor Gavin Newsom  
1021 O Street, Suite 9000  
Sacramento, CA 95814

Subject: Support AB 46, Exemption of Military Retirement from State Income Taxes

Governor Newsom;

Assemblymember James Ramos has introduced Assembly Bill 46, "*Exemption of Military Retirement form State Income Taxes".*  We truly appreciate Assemblymember Ramos for recognizing the significant contributions our military retirees and their spouses provide to California's work force development and the $168 billion dollars the Defense Industry brings to California each year.  Governor Newsom, it is time that California joins the other 49 states that currently provide an exemption on military retirement from state income taxes and support AB 46.

Department of Defense Actuary Reports show that California had 165,502 retirees in 2010, and that number was reduced to 149,430 by 2020.  That same DOD Actuary Report reveals a continuing decline in California's military retiree population, which as of 2021 has shrunk to 128,561.  The decline in California's miliary retiree population has a negative impact on federal funds that flow into California.  Those federal funds follow the military retirees to the state they retire in.  Both Arizona and Nevada have seen an increase in their state's military retiree population during this same period.

A 2021 study conducted by the California Research Bureau, California State Library on California Statewide National Security Economic Impacts states California is home to the nation's largest concentration of military personnel and other national security activity.   The study further states that in 2020 military and national security activities generated an estimated $168.7 billion in economic activity, approximately 5.4% of California's economy.

Military retirees, with an average age of 42, provide the state with a valuable workforce.   These military retirees have spent the last 20 years serving our country as medical professionals, engineers, aviation maintenance, communications, Space Force and vocational trades. Many military retirees already have security clearances and are ready from the first day of retirement to enter national security professions. Today California, currently suffers a shortage of these professionals.   Studies conducted by the San Diego Military Council clearly show that these second careers generate millions of dollars of additional revenue for local communities, counties and California from local taxes, sales taxes, and state taxes on the salaries of those second careers.

Please keep military retirees and their valuable skill set in California and support AB 46.

Respectfully.

[Sign Here]

[Name Here]

[If applicable, Title and/or Organization]