2023 Nontaxed Pension Income, State-by-State

State	Pensions excluded from state income
Alabama	• U.S. retirement system benefits • State of Alabama Teachers' Retirement System and Employees' Retirement System benefits • State of Alabama Judicial Retirement System benefits • Military retirement pay • Tennessee Valley Authority Pension System benefits • U.S. Government Retirement Fund benefits • Payments from a "defined benefit retirement plan" in accordance with IRC §414(j) • Federal Railroad Retirement benefits and Social Security benefits • Disability retirement payments (and other benefits) paid by the Veterans Administration • All retirement compensation received by eligible Alabama firefighters and peace officers (or beneficiaries) • New for 2023: Effective January 1, 2023, the first $6,000 of taxable retirement income for individuals age 65 or older is exempt
Alaska	• Alaska does not have an individual income tax or a state sales and use tax
Arizona	• Federal, Arizona state, or local government pensions — subtract amount received or $2,500 per taxpayer, whichever is less • Federally taxable Social Security and Railroad Retirement benefits • Taxpayers who receive annuities or pensions as retired or retainer pay of the U.S. uniformed services may subtract 100% of amount received. If married each spouse is eligible for the subtraction
Arkansas	• The first $6,000 of income from public or private employment-related retirement plans. The recipient need not be retired. IRA distributions received after age 59½, or because of death or disability also qualify. If after-tax contributions were made to the plan, that amount is also recovered tax-free (up to $6,000 of the balance). Nondeductible IRA contributions from federal Form 8606 are also exempt. Spouses have separate exemptions • Social Security benefits and veterans' benefits • Railroad Retirement benefits and related supplemental benefits • Military pension received as a member of the uniformed services. Retirees cannot claim both the military retirement benefit and the $6,000 exemption for IRA distributions
California	• Tier 2 Railroad Retirement benefits from Form RRB-1099 included in federal taxable income • Social Security benefits and Tier 1 Railroad Retirement benefits • IRA distributions where the California taxable amount is less than the federal taxable amount. See FTB Publication 1005, Pension and Annuity Guidelines

Colorado	• Pension and annuity subtractions are per individual and based on their age as of December 31, 2023:
	  ◦ Up to $24,000 of pension and annuity income minus the amount of federally taxable Social Security being subtracted on line 3 or line 5 of Form DR 0104AD for an individual who was at least 65 years old as of December 31, 2023
	  ◦ Up to $20,000 of pension and annuity income for an individual who was at least age 55 but under age 65 as of December 31, 2023
	  ◦ Up to $20,000 of pension and annuity income for an individual who was under age 55 as of December 31, 2023, only if the individual is receiving the income as a secondary beneficiary due to the death of the person who earned the pension
	Pension/annuity income should not be intermiingled between spouses. Each spouse must meet the requirements separately and claim the subtraction only on their pension/annuity income
	• Federally taxable Tier 1 and Tier 2 Railroad Retirement benefits
	• Social Security benefits that were included in federal taxable income for taxpayers age 65 and older. The subtraction is limited to $20,000 for taxpayers under age 65. Taxpayers under age 55 may only claim the subtraction for death benefits
	• Retirement benefits from PERA (if taxpayer contributed between July 1, 1984, and December 31, 1986) and School District No. 1 Retirement (if taxpayer contributed during 1986) and the income was previously taxed by Colorado
	• Military retirement income included in federal taxable income. Taxpayer must have been age 54 or younger on December 31, 2023, in order to subtract up to $15,000. Military retirement income should not be intermingled between spouses. Each spouse must meet the requirements separately and claim the subtraction only on their military income

Connecticut	• Social Security benefit adjustment: Subtract all taxable benefits reported on line 6b, federal Form 1040, if the amount reported on line 1, Form CT-1040 or CT-1040NR/PY is less than $75,000 for single, MFS, or $100,000 for MFJ, HOH, OW. A partial exemption is available for amounts above the limits for the full exemption • Tier 1 and Tier 2 railroad retirment benefits and supplemental annuities to the extent they were not already subtracted as a Social Security benefit adjustment • 100% of military retirement pay included in federal AGI — including amounts received by a secondary beneficiary due to the death of the retired military member. Payments received by a former spouse of a retired military member do not qualify • Subtract 50% of income received from the Connecticut Teacher's Retirement Board if included in federal AGI • Subtract 100% of taxable amount of any pension or annuity reported on federal return if federal AGI is less than $75,000 (single, HOH, MFS) or $100,000 (MFJ). Military retirement pay and Tier 1 and 2 Railroad Retirement benefits should not be included in the calculation. Retired teachers may claim either the teachers' pension subtraction modification or the pension and annuity subtraction modification (if their federal AGI is below the applicable threshold) on the income they receive from the Connecticut Teachers' Retirement System • New for 2023: If a distribution is from an IRA (other than a Roth IRA), enter 25%
Delaware	• For taxpayers who were under age 60 on December 31, 2023, the allowable pension exclusion equals the lesser of $2,000 or the amount of the pension (excludes early distributions). Each spouse who receives a pension can claim the exclusion. For taxpayers under age 60 who retired from the U.S. military, the exclusion equals the lesser of $12,500 or the amount of the pension • For taxpayers who were age 60 or over on December 31, 2023, the allowable pension exclusion is the lesser of $12,500, or the amount of the pension plus eligible retirement income* (excludes early distributions). Each spouse who receives a pension can claim the exclusion * For taxpayers age 60 and older, eligible retirement income includes dividends, capital gains, interest, net rental income from real property, and qualified retirement plans, such as IRA, 401(k), Keogh, and government deferred compensation plans. Early distributions do not qualify for the exclusion • Federally taxable Social Security and Railroad Retirement benefits • Federally taxable distribtuions from qualified retirement plans or IRAs, cash or deferred arrangements, and government deferred compensation plans used to pay for books, tuition, or fees at an institution of higher education attended by the taxpayer or their dependents who have not attained age 26 by the end of the year • Federally taxable lump-sum distributions from qualified retirement plans: Deduct if tax was calculated on Form PIT-STC, Special Tax Computation for Lump-Sum Distributions from Qualified Retirement Plan • Exclusion for persons age 60 and over of up to $2,000, or $4,000 MFJ if both spouses are age 60 or over. If filing a joint return and only one spouse qualifies, consider filing separate returns
District of Columbia	• Taxable amount of Social Security and Tier 1 Railroad Retirement benefits • D.C. and federal pension survivor benefits. Taxpayer must be annuitant's survivor and 62 years of age or older as of December 31, 2023. Do not include Social Security survivor benefits
Florida	• There is no individual income tax in Florida
Georgia	• Social Security and Railroad Retirement benefits included in federal AGI • Up to $35,000 of retirement income is excludable if the taxpayer is age 62–64 or permanently disabled. For taxpayers age 65 and older, the exclusion amount is $65,000. Both spouses may qualify, each separately. Part-year residents and nonresidents must prorate the retirement income exclusion. Social Security and Railroad Retirement should not be included in the calculation • Up to $17,500 of military retirement income can be excluded for taxpayers under age 62, and an additional $17,500 can be excluded for taxpayers with more than $17,500 of earned income. The exclusion is available for the taxpayer and spouse, but each must qualify separately • IRA, Keogh, SEP, and Sub-S plan withdrawals where tax was paid to Georgia because of the difference between Georgia and federal law for tax years 1981–1986 • Teacher's retirement adjustment for contributions paid between July 1, 1987, and December 31, 1989, if previously taxed by Georgia
Hawaii	• Pension or annuity distributions from a public retirement system (including military and state or county retirement system) • Distributions from a private employer plan received upon retirement (including early and disability retirement) if the employee did not contribute to the plan. Distributions are partially taxable if the employee contributed to the plan • Distributions from a pension plan at age 70½ that are made to comply with federal mandatory payout rules, whether or not the employee is still working full time • Federally taxable Social Security benefits and first tier Railroad Retirement Act benefits

Idaho	• Social Security, Railroad Retirement, and Canadian Social Security (OAS, QPP, or CPP) benefits • 2023 maximum deduction of $43,524 single, and $65,286 married filing joint, of income from qualified retirement plans including: civil service employees, Idaho firefighters, police officers of an Idaho city, and military service members. Recipients must be age 65 or older, or age 62 or older and disabled
Illinois	• Qualified employee benefit plans, including 401(k) plans and Railroad Retirement benefits • Taxable Social Security benefits • Simplified employee pension (SEP) plans and IRAs • Government retirement plans • State or local deferred compensation plans • Capital gains on employer securities • Retirement payments to retired partners
Indiana	• Federally taxable Social Security and Tier 1 and Tier 2 Railroad Retirement benefits • Taxpayers with military retirement income and/or survivor benefits may be eligible to take a deduction equal to the entire amount of retirement or survivor benefits • Civil service annuity deduction: Must be age 62 by end of year. Deduction is lesser of annuity payments or $16,000, minus all Social Security and Tier 1 and Tier 2 Railroad Retirement benefits. Maximum deduction for married taxpayers is $32,000. A surviving spouse is eligible for the deduction, with no age requirement • Disability retirement deduction: Up to $5,200 per qualifying individual
Iowa	• Certain taxpayers and/or their spouses who receive federal taxable income from a governmental or other pension or retirement plan may be able to exclude such payments. Taxpayer must be (as of December 31, 2023) 55 years of age, disabled, or a surviving spouse or survivor having an insurable interest in an individual who would have qualified for the exclusion in 2023 on the basis of age or disability. Include the amount of Railroad Retirement income included in federal taxable income. Social Security benefits are not included. Nonqualified deferred compensation plans and nonqualified annuities are not eligible • Social Security benefits • Military retirement income
Kansas	• Federal retirement and Tiers I and II Railroad Retirement benefits • Kansas state pension plan benefits • Retirement annuity contracts for faculty and others employed by the State Board of Regents or institutions under its management, purchased with either direct contributions or salary reduction plans • Retirement and pension benefits under the Washburn University retirement plan • Certain pensions not covered by KPERS • Social Security benefits: If federal AGI is $75,000 or less, subtract benefits received under the Social Security Act (including SSI) to the extent included in federal AGI • KPERS lump-sum payments distributed or rolled over into a qualified retirement account and included in federal AGI
Kentucky	• Pension exclusion of up to $31,110 of taxable retirement benefits. All pension and retirement income paid under a written plan is eligible. Exclusion is per taxpayer • Social Security and Railroad Retirement benefits
Louisiana	• Up to $6,000 of federally taxable retirement benefits that have not already been excluded under another federal provision for individuals age 65 or over • Louisiana State Employees' and Teachers' Retirement Systems benefits • Federally taxable retirement benefits received from a federal retirement system • Federally taxable retirement benefits received from any retirement system whose benefits are specifically exempted from Louisiana income tax • Social Security benefits

Maine	• Social Security and Railroad Retirement benefits included in federal AGI • Benefits received under a military retirement plan including survivor benefits are exempt from income tax. Also, a taxpayer and spouse may each deduct up to $30,000 of other eligible pension income included in federal AGI. The $30,000 cap must be reduced by any Social Security and Railroad Retirement benefits received whether or not they are taxable • All federally taxable pension income, annuity income, and individual retirement account distributions, excluding MainePERS pick-up contributions for which a deduction is allowed and income from 457(b) plans received before age 55 that is not part of equal periodic payments over the life of the recipient and designated beneficiary • Maine public employees retirement system pick-up contributions, if employee retired after 1988 and is receiving retirement benefits from Maine Public Employees Retirement System • Military annuity payments made to a survivor of a deceased member of the military as a result of active or reserve service
Maryland	• Up to $36,200 per individual (same for each eligible spouse if MFJ) of pension and annuity income from a pension, annuity, or endowment from an "employee retirement system" included in federal AGI for taxpayers age 65 or over or totally disabled on the last day of the tax year. Distributions from a traditional IRA, Roth IRA, SEP, Keogh plan, nonqualified deferred compensation, or foreign retirement plan do not qualify • Social Security and Tier 1, Tier 2, and/or supplemental Railroad Retirement benefits • Form 502R, Retirement Income, must be filled out by any resident who reported income from a pension, annuity, or IRA on a federal return, who received any income during the year from Social Security (whether or not taxable) or Railroad Retirement (Tier 1 or 2), or who claimed a pension exclusion on line 10a or 10b of Form 502 • Pension payments to firefighters or law enforcement officers whose injury or disability arose out of their employment (up to the amount of such income included in total income) • Pension payments to the surviving spouse of a firefighter or law enforcement officer whose death arose out of their employment • Benefits received from a Keogh plan on which state income tax was paid prior to 1967 • Amount of pick-up contribution shown on Form 1099-R from the state retirement or pension systems included in federal AGI. Any excess contribution can be carried forward to the next year until the full amount is claimed • Up to $12,500 of military retirement income received by a qualifying individual who is under age 55 or up to $20,000 if age 55 or older • Pension exclusion of up to $15,000 that was included in federal taxable income for retired correctional or law enforcement officer or fire, rescue, or emergency services personnel. Taxpayer must be age 55 or over on the last day of the tax year • Pension exclusion of up to $15,000 ($15,000 for each eligible spouse if MFJ) of retirement income included in federal AGI and attributable to service as a Forest/Park/Wildlife Ranger of the U.S., the state of Maryland, or a political subdivision. Taxpayer and/or spouse must be age 55 or over on the last day of the tax year, and not age 65 or older, or totally disabled, or have a spouse who is totally disabled. An individual taxpayer may not claim both the standard pension exclusion and this special pension exclusion • Individuals who are at least 100 years old at the end of the year may subtract up to $100,000 of income
Massachusetts	• Social Security benefits • Pension income from a contributory annuity, pension, endowment, or retirement fund of the U.S. government or the Commonwealth of Massachusetts and its political subdivisions • Pensions from other states that do not tax such income from Massachusetts may be eligible to be deducted • Noncontributory military pension income or survivor benefits • Pension distributions to Massachusetts state court judges appointed on or after January 2, 1975, are participants in the Massachusetts contributory retirement system, and their pensions are nontaxable • Original contribution of pension income of veterans who began Massachusetts state service on or after July 1, 1939, and taxpayer elected to receive proceeds from contributions in one lump-sum distribution

Michigan	• Tier 2 Michigan standard deduction: If the older of the taxpayer or spouse (if MFJ) was born during the period January 1, 1946, through December 31, 1952, and reached the age of 67 on or before December 31, 2023, a deduction of $20,000 for single or MFS, or $40,000 for MFJ is available against all income, and the taxpayer will no longer deduct retirement and pension benefits. The deduction may increase by $15,000 ($30,000 if both) if the taxpayer and/or spouse received retirement benefits from SSA exempt employment
	• A surviving spouse who has reached age 67, has not remarried, and claimed a subtraction for retirement and pension benefits on a jointly filed return with the decedent in the year they died may elect to claim the larger of the survivor's standard deduction or the retirement and pension benefits subtraction based on the older deceased spouse's year of birth, subject to single filer limitations
	• Tier 3 Michigan standard deduction: If the older of the taxpayer or spouse (if MFJ) was born during the period January 1, 1953, through January 1, 1957, and reached the age of 67 on or before December 31, 2023, he or she may deduct the personal exemption amount and taxable Social Security benefits, military compensation (including retirement benefits), Michigan National Guard retirement benefits, and Railroad Retirement benefits included in AGI, or claim a deduction against all income of $20,000 (single or MFS) or $40,000 (MFJ)
	• Taxpayers born before 1946 may subtract all qualifying pension and retirement benefits up to $61,518 (single, MFS) or $123,036 (MFJ). If public retirement benefits are greater than the maximum amounts, the taxpayer is not entitled to claim a subtraction for private pensions. The private pension limits are also reduced by military, Michigan National Guard, and Railroad Retirement benefits
	• Taxpayers born during 1946 through 1952 qualify for a Tier 2 standard deduction or a retirement and pension subtraction. An exception applies for surviving spouses (see above)
	• Taxpayers born during 1953 through January 1, 1957, qualify for a Tier 3 standard deduction or a retirement and pension subtraction (exception for surviving spouse)
	• Taxpayers born after January 1, 1956, through December 31, 1958, may subtract qualifying retirement and pension benefits up to $15,380 (single, MFS) or $30,759 (MFJ)
	• Taxpayers born after January 1, 1957, received retirement benefits from SSA exempt employment, and were retured as of January 1, 2013, may deduct up to $35,000 (Single, MFS), $55,000 (MFJ), or $70,000 (MFJ both spouses qualify) in qualifying retirement or pension benefits
	• For all other taxpayers born after December 31, 1958, all pension and retirement benefits other than military, Michigan National Guard, Railroad Retirement, and Social Security are taxable, and no pension subtraction is allowed
	• Federally taxable portion of Social Security and Railroad Retirement benefits
	• Military retirement benefits from service in the U.S. Armed Forces or Michigan National Guard
	• Qualifying retirement and pension benefits included in AGI. Amount subtracted depends on source of benefit and age of recipient:
	  ◦ Pension plans that define eligibility for retirement and set contribution and benefit amounts in advance
	  ◦ Qualified retirement plans for self-employed individuals
	  ◦ Distributions from a §401(k) or §403(b) plan attributable to employer contributions or employee contributions to the extent they result in matching contributions by the employer
	  ◦ IRA distributions received after age 59½ or described by IRC §72(t)(2)(A)(iv)
	  ◦ Benefits from any of the above received due to a disability, or as a surviving spouse if the decedent qualified for the subtraction at the time of death and was born prior to January 1, 1953
	  ◦ Benefits paid to an individual age 65 or older from a retirement annuity policy that is paid for life rather than for a specified number of years
	  ◦ Foreign retirement and pension benefits that meet Michigan's qualifications may be eligible
	• Qualifying public benefits include distributions from:
	  ◦ The state of Michigan or Michigan local governmental units
	  ◦ Federal civil service

Minnesota	• Railroad Retirement benefits • Taxpayers may reduce taxable income by the amount of pay received for service in the active component of the military, for retirement pay for service in the reserve component, or for survivor benefit plan payments if the retirement pay is taxable on the federal return • Taxpayers age 65 or older may be eligible for a subtraction that lowers the amount of taxable income by meeting the income requirements for Schedule M1R. The taxpayer or spouse must be born before January 2, 1959, or permanently or totally disabled and received federally taxable disability income in 2023 • New for 2023: Individuals receiving Social Security benefits included in federal taxable income may qualify for a full subtraction if AGI does not exceed $100,000 (MFJ/QSS), $78,000 (S/HOH), or $50,000 (MFS). If AGI is above these amounts, the subtraction is phased out by 10% for each $4,000 ($2,000 MFS) of AGI in excess of those amounts • New for 2023: Taxpayers who received pension pay for public service may be able to reduce their taxable income. The pension plan must be covered by specific Minnesota Chapters. The subtraction is not allowed for payments based on service for which Social Security credit was earned. If the taxpayer's AGI is greater than $118,000 (MFJ/QSS), $96,000 (S/HOH), or $68,000 (MFS), they do not qualify. Maximum subtraction is $25,000 (MFJ/QSS) or $12,500 for other filers and is phased out by 10% for each $2,000 of AGI exceeding $100,000 (MFJ, QSS) or $78,000 (S/HOH)
Mississippi	• Social Security benefits and annuity benefits under the federal Railroad Retirement Act • Retirement income from federal, state, and private retirement systems

Missouri	• Railroad Retirement benefits included in federal AGI
	• Total military retirement benefits received for service in a branch of the Armed Forced, reported on Form 1040, including Missouri Army Reserve and Missouri National Guard
	• Public pension exemption: 100% of taxable pension (up to $44,683) minus nontaxable Social Security benefits. The exemption is reduced by Missouri AGI less taxable Social Security benefits that exceed $85,000 ($100,000 MFC)
	• Private pension exemption: include taxable pensions up to $6,000. Do not include payments from public pensions, Social Security benefits, or Railroad Retirement payments. The exemption is reduced by the amount Missouri AGI less taxable Social Security benefits exceeds:
	  ◦ Single, HOH, qualifying widow(er) = $25,000
	  ◦ Married filing combined = $32,000
	  ◦ Married filing separate = $16,000
	• Social Security exemption: 100% of taxable Social Security and Social Security disability benefits. Taxpayer must be age 62 or older by December 31 (age limit does not apply to Social Security disability exemption). The exemption is reduced by the amount Missouri AGI exceeds $85,000 ($100,000 MFC). Starting in 2024, Social Security benefits will no longer be taxable for people 62 and older

Montana	• Social Security and Tier I Railroad Retirement benefits: Complete Taxable Social Security Benefits worksheet to determine amount • Tier II Railroad Retirement benefits • Up to $5,060 of qualified pension and annuity income for taxpayers with federal AGI of $42,140 or less. Exemption is subject to phaseout and is completely eliminated for taxpayers with AGI greater than $44,670. Premature distributions or early withdrawals and Tier II Railroad Retirement benefits do not qualify • Death benefit payments issued because the taxpayer is the survivor of a member of the National Guard who died while on state active duty orders are exempt from state income tax to the extent included in federal AGI
Nebraska	• Tier I and Tier II Railroad Retirement benefits • All military retirees may exclude 100% of military retirement benefits from Nebraska taxable income to the extent included in federal AGI. This applies not only to uniformed services but may also apply to the U.S. Coast Guard, an officer of the Commissioned Corps of the U.S. Public Health Service, and an officer of the U.S. National Oceanic and Atmospheric Administration Commissioned Officer Corp • Social Security income included on line 6b, Form 1040 if line 5, Form 1040N is $66,510 or less for MFJ or $49,310 or less for all other filing statuses. If line 5 of Form 1040N exceeds these amounts, multiply the amount of Social Security income shown on line 6b on the federal Form 1040 by 60%. Starting in 2024, Social Security benefits will no longer be taxable • New for 2023: Deduction for health insurance premiums paid by retired law enforcement officers and professional firefighters that are not already excluded from federal AGI if employed full time for at least 20 years and at least age 60 by year end
Nevada	• Nevada does not have an individual income tax or corporate income tax

New Hampshire	• Income from IRAs, Keogh plans, and other exempt retirement plans
New Jersey	• Social Security and Railroad Retirement Tier 1 and Tier 2 benefits • U.S. military pensions and survivor's benefit payments • Taxpayers 62 years of age or older, or disabled (as defined by Social Security guidelines), and whose total income for the year was $150,000 or less may exclude all or part of the income they receive from pensions, annuities, and IRA withdrawals. Only one spouse/CU partner must meet the age 62 requirement, but only the pension, annuity, or IRA withdrawal of the spouse/CU who is at least age 62 may be excluded. The maximum exclusion amounts are: ◦ Single, HOH, qualifying widow(er)/surviving CU partner = $75,000 ◦ Married/CU filing jointly = $100,000 ◦ Married/CU partner filing separately = $50,000 • If a taxpayer (and spouse or CU partner if MFJ) is at least age 62 on the last day of the tax year, the taxpayer may qualify to exclude other income, of which there are two parts: the unclaimed pension exclusion, if the taxpayer did not use the entire retirement/pension exclusion, and the special exclusion for taxpayers and their spouses (if filing jointly) if they will never be eligible to receive Social Security or Railroad Retirement benefits because their employer did not participate in either program • $1,000 senior exemption for taxpayer and spouse if filing jointly age 65 or older on the last day of the year
New Mexico	• Taxable Railroad Retirement benefits • An individual age 100 or older at the end of the tax year is exempt from New Mexico personal income tax if that person cannot be claimed as a dependent by another taxpayer • Exemption up to $8,000 per taxpayer for persons ages 65 and older • Exemption of up to $20,000 from net income for a taxpayer who is an armed forces retiree, to the extent the retirement pay is included in net income • An exemption up to the following amounts of Social Security income included in federal AGI: $100,000 (single), $75,000 (MFS), $150,000 (MFJ, HOH, QSS)
New York	• Pensions of New York state and local governments and the federal government that represent a return of employee contributions • Subtraction for up to $20,000 of qualifying pension income per individual from plans that are not run by New York state or local governments, or the federal government, for amounts received in 2023 after reaching age 59½. For married couples, both can take up to $20,000 each • Qualifying pension and annuity income received from a decedent, regardless of the beneficiary's age. If there is more than one beneficiary, the $20,000 limit must be allocated among the beneficiaries • Supplemental annuities or Tier 2 Railroad Retirement benefits under the Railroad Retirement Act of 1974 • Taxable amount of Social Security benefits included in federal AGI • Volunteer firefighters or ambulance workers age 59½ or older may deduct the amount included in federal AGI that was awarded from a length of service defined contribution or benefit plan provided the award is not distributed as a lump sum
North Carolina	• Social Security and Tier 1 or Tier 2 Railroad Retirement benefits included in federal AGI • Retirement benefits received by vested North Carolina or federal government retirees (Bailey settlement) • Military retirement payments received by a retired member of the U.S. Armed Forces who served at least 20 years in the military or was medically retired (or payments to a beneficiary of such retired member from the Survivor Benefit Plan). If the retirement income was already deducted under the Bailey settlement, the income may not be deducted again
North Dakota	• Railroad Retirement benefits • Military retirement benefits included in federal taxable income for a retired military servicemember or a surviving spouse. Only subtract benefits received as a retired member of the U.S. Armed Forces or its reserve components. Do not subtract retirement benefits received for federal civil service employment as a military technician (dual status) • Taxable portion of Social Security benefits included in federal income • New for 2023: Retirement benefits are excluded for a retired licensed peace officer with at least 20 years of service or for an individual who was retired disabled. Only include benefits issued by the employer's retirement plan. Documentation is required for the first year claimed

Ohio	• Social Security benefits, to the extent included in federal AGI • Tier 1 and Tier 2, supplemental, and dual Railroad Retirement benefits, to the extent included in federal AGI • Military retirement income, to the extent that income was not otherwise deducted or excluded in computing federal or Ohio AGI. This also applies to taxpayers who served in the military and receive a federal civil service retirement pension, who are eligible for a limited deduction if any portion of their federal retirement pay is based on credit for their military service, as well as to amounts received by a surviving spouse or former spouse
Oklahoma	• Social Security and Railroad Retirement benefits included in federal AGI • 100% of benefits received from the Civil Service Retirement System (CSRS) in lieu of Social Security. Retirement benefits paid under the Feceral Employees Retirement System (FERS) do not qualify for this exclusion except for those containing both a FERS and a CSRS component, in which case the CSRS part will qualify, and a FERS Annuity Supplement paid to certain FERS retirees until eligible for Social Security at age 62 will qualify • Up to $10,000 of Oklahoma government or federal civil service retirement benefits included in federal AGI, and, for individuals, up to $10,000 of other retirement income included in federal AGI — total not to exceed $10,000 • Each individual may exclude up to $10,000 of other retirement benefits included in federal AGI, including an employee pension benefit plan under IRC section 401, an eligible deferred compensation plan under IRC section 457, an IRA, annuity, or trust or SEP under IRC section 408, an employee annuity under IRC section 403(a) or (b), U.S. Retirement Bonds under IRC section 86, or lump-sum retirement plan distributions under IRC section 402(e) • 100% of military retirment benefits from any component of the U.S. armed forces
Oregon	• Federal pension income (based on the number of months of service before and after October 1, 1991): ◦ All service before October 1, 1991 — 100% subtraction ◦ No service before October 1, 1991 — no subtraction ◦ Others: Multiply pension included in federal AGI by (months of service before October 1, 1991 ÷ total months of service) • Social Security benefits • Tier 1 and Tier 2, windfall/dual-vested, and supplemental annuity Railroad Retirement benefits • Previously taxed employee retirement plans (IRA, Keogh plan, SEP, and certain government plans) are eligible for a subtraction if another state has already taxed the contributions • U.S. government interest in IRA or Keogh distributions if the taxpayer had distributions from a self-employed retirement plan or IRA, part of which were invested in U.S. bonds, and the taxpayer included self-employed retirement plan or IRA distributions in 2023 federal AGI
Pennsylvania	• Social Security and Railroad Retirement benefits • United Mine Workers Pension • Heart and Lung Pension • Military pensions and U.S. Civil Service annuities • "Commonly recognized" pension, old age, or retirement benefits paid after becoming eligible to retire, and retiring • Distributions from qualified retirement or pension plans that are one of the following: ◦ Distributions received after qualifying for retirement and retiring ◦ Distributions received that are rolled over into another deferred payment program or retirement IRA (provided they are not federally taxable) ◦ Distributions that represent previously taxed contributions ◦ Distributions paid to the estate or designated beneficiary upon employee's death ◦ All distributions from State Employees' Retirement System, Pennsylvania School Employees' Retirement System, Pennsylvania Municipal Employees' Retirement System, and U.S. Civil Service Commission Retirement Disability Plan ◦ Retired or retainer pay of a member or former member of a uniform service • Distributions from a Roth or traditional IRA, if payments are: ◦ Received on or after reaching age 59½; or ◦ Paid to an estate or designated beneficiary of the participant, due to the participant's death
Rhode Island	• Railroad Retirement benefits included in federal AGI • Modification for taxable Social Security income • Up to $20,000 modification for taxable retirement income from certain pensions or annuities under the following conditions: taxpayer's federal AGI includes taxable pension or annuity income; taxpayer or spouse was born on or before July 1, 1957; and taxpayer's federal AGI is at or below $101,000 (single, HOH) or $126,250 (MFJ, QW) or $101,025 (MFS) • New for 2023: Modification for taxpayers receiving military service pension benefits taxable on federal return. Enter the amount from line 5b, federal Form 1040, pertaining to a military service pension benefit

South Carolina	• Federally taxable permanent disability retirement income: A deduction may be allowed, limited to payments received from a retirement plan
	• Federally taxable portion of Social Security and Railroad Retirement benefits
	• Military Reserve and National Guard pay included in retirement income
	• South Carolina also allows a deduction for qualified retirement income. Spouses much each have their own qualified retirement income to claim their separate deduction. Taxpayers who are:
	  ◦ Under age 65 may deduct up to $3,000 of qualified retirement income taxed on the federal return
	  ◦ Age 65 years or older may deduct up to $10,000 of qualified retirement income taxed on the federal return
	  ◦ Surviving spouse receiving qualified retirement income attributable to the deceased spouse may deduct up to $3,000 or $10,000 of the qualified retirement income, based on the age the deceased spouse would have been had he or she lived
	• Individuals may deduct all military retirement income included in their South Carolina taxable income. The retirement deduction and the age 65 and older deduction is reduced by the amount of the military retirement deduction taken. For a surviving spouse, retirement income includes a retirement benefit plan and dependent indemnity compensation received due to the deceased spouse's military service
	• Beginning in the tax year in which a resident reaches age 65, taxpayer is entitled to a $15,000 deduction against any state income, reduced by any individual retirement deduction or military retirement reduction claimed

South Dakota	• South Dakota has no individual income tax or corporate income tax
Tennessee	• Tennessee has no individual income tax
Texas	• Texas does not have an individual income tax
Utah	• Railroad Retirement income: If the railroad retirement pension from Form RRB-1099 is included in federal AGI, that amount should be deducted from Utah income • A distribution from a qualified IRC Section 401(a) retirement plan included in federal AGI is not taxed by the state if, in the year it was paid into the plan 1) the amount was not included in federal AGI and 2) the amount was taxed by another state, the District of Columbia, the U.S., or a U.S. possession • Utah has a retirement tax credit that is up to $450 for individuals born on or before December 31, 1952. The credit is limited by the total of modified AGI, nontaxable interest income, and additions to income from Part 1, Form TC-40A. The credit is phased out when modified AGI exceeds $16,000 for MFS, $25,000 for Single, and $32,000 for MFJ, QW, HOH • Taxpayers who received taxable Social Security retirement benefits qualify for a credit (use Social Security Credit Worksheet), which is not available if they claim the retirement credit • A taxpayer and/or spouse, if filing jointly, may claim a credit of 4.65% of taxable military retirement pay. This credit is not available if the retirement credit is claimed
Vermont	• Tier 1 and Tier 2 Railroad Retirement benefits • Federally taxable Social Security benefits or civil service, military, or government retirement income (up to $10,000) may be exempt from taxation for certain taxpayers. If federal AGI is under $50,000 ($65,000 MFJ), benefits are fully exempt. If federal AGI is $50,000-$60,000 ($65,000-$75,000 MFJ), benefits are partially exempt. No exemption is allowed if federal AGI is $60,001 or more ($75,001 MFJ)

Virginia	• Social Security and Tier 1 and Tier 2 Railroad Retirement benefits included in federal AGI and reported on the federal return as a taxabe pension or annuity
	• Retirement income previously taxed by another state
	• Death benefit payments received from an annuity contract that are subject to federal taxation for tax years beginning on or after January 1, 2007
	• Certain military benefits received by an individual age 55 or older may be subtracted from taxable income. For 2023, the maximum subtraction is $20,000. Both military spouses qualify if filing MFJ. Military benefits include: retirement income, qualified benefits under IRC section 134, and certain benefits paid to surviving spouses
	• Virginia also allows an age deduction for taxpayers age 65 and older:
	  ◦ If taxpayer was born on or before January 1, 1939: $12,000. If married, each spouse may claim the age deduction
	  ◦ If taxpayer was born on or between January 2, 1939, and January 1, 1959: Deduction is based on income. For single taxpayers, the $12,000 deduction is reduced $1 for every $1 of adjusted federal AGI (minus Social Security and Railroad Retirement benefits) above $50,000. For married taxpayers, whether filing jointly or separately, the maximum allowable $12,000 deduction each is reduced $1 for every $1 of adjusted federal AGI above $75,000 (minus Social Security and Railroad Retirement benefits)

Washington	• Washington state does not have an individual income tax

West Virginia	• West Virginia state or local police, deputy sheriff's, or firemen's retirement benefits. This includes the taxable amount of retirement income received from survivorship annuities included in federal AGI. Do not include amounts received from the West Virginia Public Employee's Retirement System • Certain federal law enforcement retirement. Must submit supporting documentation of eligibility • West Virginia teacher or public employee retirement benefits, up to $2,000 combined • Federal retirement income up to $2,000 (the total combined subtraction for teacher's retirement/public employee retirement, and federal retirement cannot exceed $2,000) • Taxable amount of military retirment income, including survivorship annuities • Deduction for Social Security benefits: Enter 100% of the amount of Social Security benefits received and included in federal AGI. Federal AGI must be $100,000 or less for MFJ ($50,000 for all other taxpayers) • Railroad Retirement benefits • Senior citizen deduction for taxpayers age 65 or older up to $8,000 • One-time modification for income received by a surviving spouse reducing his or her income up to $8,000 provided he or she did not remarry before the end of the taxable year, the decedent attained the age of 65 prior to his or her death, or was totally disabled, and the total deductions from income on lines 27 through 32 and 44 of Schedule M are less than $8,000 • Taxpayers who retired under an employer-provided defined benefit plan that terminated before or after retirement, and the pension plan is covered by a guarantor whose maximum benefit guarantee is less than the entitled maximum benefit may be allowed a subtraction
Wisconsin	• Military and uniformed services retirement benefits • Federal, local, and state retirement benefits: certain benefits received by taxpayers or beneficiaries of taxpayers who 1) were retired from a qualified retirement system before January 1, 1964, or 2) were members of that system as of December 31, 1963, retiring at a later date and payments received were from an account established before 1964, or 3) the taxpayer is receiving payments from the system as a beneficiary of an individual who met either of the other two conditions • Social Security and Railroad Retirement benefits taxed on the federal return • Retirement income exclusion of up to $5,000 of certain retirement income if the taxpayer and/or his or her spouse if MFJ was age 65 or older on December 31, 2023, and the taxpayer's federal AGI is less than $15,000 ($30,000 MFJ). If MFS, the sum of both spouses' federal AGI must be less than $30,000
Wyoming	• Wyoming does not have an individual income tax, corporate income tax, or tax on intangible assets