



**SALLY J. LIEBER**

VICE CHAIR  
CALIFORNIA STATE BOARD OF EQUALIZATION

**MEMORANDUM**

**Date:** February 3, 2025

**To:** Ted Gaines, Chair, Board Member, First District  
Antonio Vazquez, Board Member, Third District  
Mike Schaefer, Board Member, Fourth District  
Malia M. Cohen, State Controller

**From:** Sally J. Lieber, Vice Chair, Board Member, Second District

**Re: Request for Board Support of Assembly Bill 53 (Ramos) Excluding Military Pensions from State Personal Income Tax.**

I am writing to respectfully request that the Board of Equalization take a position in support of Assembly Bill 53 (Ramos) that would grant uniformed retirees and their survivors a state personal income tax exclusion on their military pensions.

This request is germane to the BOE's responsibilities as administrator of the Disabled Veteran's Exemption from Property Tax, which provides a basic exemption and a low-income exemption that is available to qualifying claimants whose annual household income does not exceed a specified income limit. Should AB 53 become law, there may be a need to provide new guidance regarding the impact of the subject legislation to the calculation of the qualifying annual income for this Property Tax exemption.

Currently, California is the only state that fully taxes military pensions.

AB 53 is jointly sponsored by the American Legion-Department of California, the Marine Corps League-Department of California, the California Association of County Veteran Service Officers, California Military Officers Association of America, the Enlisted Association of the California National Guard of the United States, and the California State Commanders Veterans Council.

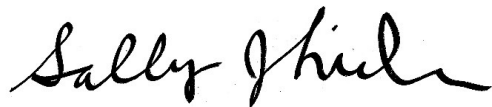
Governor Gavin Newsom has also included funding for AB 53 in the 2025-26 State Budget.

Although there is not a legislative bill analysis available for AB 53 at the date of this memorandum, AB 53 is similar to Assembly Bill 46 (Ramos, 2023-2024 Legislative Session). AB 46 proceeded through the legislative process without opposition but was placed on the Senate Appropriations Committee Suspense File and not enacted. The Senate Committee on Appropriations Committee's bill analysis of AB 46, regarding its fiscal impact, stated: "The Franchise Tax Board (FTB) estimates that this bill would result in General Fund revenue losses of \$50 million in 2023-24, \$85 million in 2024-25, and \$85 million in 2025-26. FTB's implementation costs would likely be minor and absorbable."

Adding the Board's voice in support of AB 53 would demonstrate our solidarity with this modest reform that honors those who served our country as valued members of our armed forces.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Sally J. Lieber". The signature is written in a cursive, flowing style.

Sally J. Lieber, Vice Chair

cc:

Mr. Matt Cox, Chief Deputy, Office of Chair Ted Gaines  
Mr. Douglas Winslow, Chief Deputy, Office of Vice Chair Sally J. Lieber  
Mr. Juan Flores, Office of Member Antonio Vazquez  
Mr. Cody Petterson, Chief Deputy, Office of Member Mike Schaefer  
Mr. Hasib Emran, Deputy State Controller  
Ms. Yvette M. Stowers, Executive Director