



Lt Gen Dana T. Atkins, USAF (Ret)
President and CEO

April 1, 2016

The Honorable Nikki R. Haley
Office of the Governor
1205 Pendleton Street
Columbia, South Carolina 29201

Dear Governor Haley,

On behalf of the 390,000 members of the Military Officers Association of America (MOAA), I commend your recent proposal to exempt military retired pay from state taxation for retired members of the uniformed services who reside in South Carolina.

MOAA can confirm your belief many service members who have completed 20-plus years of service are still in their mid-40s or 50s and are seeking to start second careers in tax-friendly locales. We regularly hear from our members approaching retirement who are closely examining state tax requirements before re-entering the civilian workforce. For many years, one of the most popular features of our *Military Officer* magazine has been our annual state tax guide which highlights retired pay taxation and other issues that vary from state to state.

Your neighboring states of Georgia and North Carolina have large populations of military service personnel and both provide greater partial tax exemptions for military retirees than South Carolina does currently. If South Carolina were to exempt military retirement from taxation, it would incentivize many to give stronger consideration to settling in South Carolina. Your state has attracted large technical firms like Boeing, Volvo and BMW, and their workforce needs have expanded. The combined attraction of good jobs and more favorable tax treatment than neighboring states would be a powerful incentive.

Similar laws passed by other states at first encountered political headwinds. However, we believe — as other states have learned — an influx of retirees starting new careers can make up the initial lost revenue.

We wish you the best in this initiative and appreciate your efforts to assist and attract service personnel who have sacrificed so much in service to our great Nation.

Thank you and your husband for your own service to your state and our country.

Sincerely,

A handwritten signature in black ink that reads "Dana T. Atkins". The signature is fluid and cursive, with the first name "Dana" being the most prominent.

