

# The Assistance for Retiree and Military Rebate Program

## Overview

The Assistance for Retiree and Military Rebate Program was designed to ensure that retirees, active duty military and other recipients of exempt income receive a net benefit under the tax reform proposal.

## Rebate Details

- The rebate will be available to all Louisiana residents whose Federal Adjusted Gross Income (AGI) is \$60,000 or less and who receive any of the following exempt income.
  - Retirement income from Louisiana’s state and local public retirement systems
  - Retirement income from federal retirement systems
  - Retirement income from Social Security
  - Up to \$6,000 of all retirement income from all other sources for retiree’s 65 and older
  - Up to \$6,000 of eligible disability benefits
  - Up to \$30,000 of active duty military pay
  - Native American income
- The rebate will be claimed annually.
- The amount of the initial rebate will be determined using data from the Consumer Expenditure Survey as reported by the United States Department of Labor, Bureau of Labor Statistics.
- The amounts will be adjusted annually by the Consumer Price Index.
- The total cost of this rebate program is approximately \$50 million per year.
- The following chart shows the approximate benefit amounts.

### Approximate Annual Benefit per Program Participant

| Qualifying Income Range | Benefit Amount |
|-------------------------|----------------|
| Less than \$5000        | \$100          |
| \$5,000 to \$10,000     | \$125          |
| \$10,000 to \$15,000    | \$160          |
| \$15,000 to \$20,000    | \$190          |
| \$20,000 to \$30,000    | \$235          |
| \$30,000 to \$40,000    | \$295          |
| \$40,000 to \$50,000    | \$360          |
| \$50,000 to \$60,000    | \$420          |