

in which these individual portions of retirement pay are calculated will understand why there is no relationship between the amounts of the three components of the retirement benefit.

“Care must be exercised to avoid short cut methods of estimating retirement pay which have led to the erroneous interpretation that the annuity and the pension are equal. There is all too prevalent the mistaken belief that the annuity and pension together will equal 1/70th of pay for each year of service, thereby making possible retirement at half pay, excluding Social Security, after thirty-five years. As has been earlier discussed, various factors have served to increase the pension at a much faster rate than the annuity.”; and

WHEREAS, increases in salary scale are a major factor contributing to the disparity between the pension and the annuity, and the State has made it possible for members to increase their contributions by lump sum or periodic contributions, in order to augment their annuities; now, therefore be it

*Resolved by the General Assembly of Maryland, That the Boards of Trustees of the State Teachers' Retirement System, State Employees' Retirement System and State Police Retirement System be and they are hereby requested to take the necessary steps recommended in the foregoing quotation from the Committee report to secure more complete member understanding of the operations of the Retirement System; and be it further*

*Resolved, That the General Assembly recommends that consideration be given to the desirability of furnishing written notice to an employee at such time as he receives an increase in salary scale, such notice to advise him that if he desires to increase his contributions to the Retirement System he may thus reduce the disparity between his annuity and his pension and add to his retirement income.*

Approved March 6, 1958.

---

No. 4

(House Joint Resolution 11)

House Joint Resolution urging the General Assembly of the State of Delaware to give consideration to an income tax exemption in their law for non-residents of that state on salary and wages received by them from employment within the State of Delaware, similar to the exemption provided in the Maryland income tax law which is applicable to residents of Delaware who are employed within the State of Maryland.

---

EXPLANATION: *Italics indicate new matter added to existing law.*

[Brackets] indicate matter stricken from existing law.

CAPITALS indicate amendments to bill.

~~Strike out~~ indicates matter stricken out of bill.