



# Veterans of Modern Warfare

November 5, 2007

The Honorable Nancy Pelosi  
Speaker of the House  
U.S. House of Representatives  
Washington, D.C. 20510

VIA FAX: (202) 225-8259

Dear Speaker Pelosi:

We are writing to request your support for immediate passage by the U.S. House of Representatives of H.R. 3997, the Heroes Earnings Assistance and Relief Tax Act of 2007.

Veterans of Modern Warfare, Inc. is a new, national, chapter-based, individual membership 501(c)(19) veterans service organization for veterans of the U.S. Armed Forces with military service since August 2, 1990, including the current wars in Iraq and Afghanistan. We have provided testimony in support of veterans deployment health issues twice in the last several months, and continue to be actively engaged on issues of key importance to our veterans.

The Heroes Act is of key importance to our nation's active, reserve, and national guard military service members and veterans. We are in full support of the Heroes Earnings Assistance and Relief Tax Act of 2007, particularly the measures that would:

- (1) Make permanent the provision that permits active duty individuals to make penalty-free withdrawals from retirement plans;
- (2) Make permanent and expand the provisions in the Internal Revenue Code that authorize state-level qualified mortgage bonds (QMBs) and qualified veterans' mortgage bonds (QVMBs), the proceeds of which are used to make critically important state-level home mortgage loans that help veterans to affordably own their own homes;
- (3) Make permanent the ability to include combat pay as earned income for purposes of the Earned Income Tax Credit (EITC), thereby helping lower income service members with families and dependents in qualifying for this targeted income assistance program;
- (4) Extend the limitation period for filing tax refund claims resulting from Department of Veterans Affairs (DVA) disability determinations, which is of key importance to our nation's veterans, who often experience extended delays in claims processing and even longer delays, often as long as many years, in seeking relief through the VA claims appeals process;

- (5) Permit recipients of military death benefit gratuities to roll over the amounts received, tax free, to a Roth IRA or an Education Savings Account, thereby helping to minimize the amounts lost to taxation and assisting in the education and future financial stability of the military service member's survivor(s);
- (6) Permit an employer to make certain contributions to a qualified plan on behalf of an employee who was killed in combat, thereby allowing aid to be provided without taxation to a military service member's survivor(s);
- (7) Treat the day prior to the date of death as the date the employee returned to work for purpose of triggering payment of survivor benefits (or other beneficiary payments) under a qualified plan for purposes of meeting the requirements of the uniformed Services Employment and Reemployment Rights Act (USERRA);
- (8) Treat differential wage payments made by an employer to an employee who becomes active duty members of the uniformed services as wages for retirement plan purposes, helping to ensure that these wages are credited for retirement purposes and employer matching contributions;
- (9) Provide equitable treatment of most military cash allowances, beyond basic pay, for purpose of determining eligibility and benefit amounts for military families, helping to add fairness to a longstanding, problematic process;
- (10) Disregard certain annuity payments paid specifically to blind veterans for purpose of determining Supplemental Security Income (SSI) eligibility and benefits under the SSI program, thereby helping these needy blind veterans in qualifying for this needed income assistance program.

Thank you in advance for your support for helping to quickly pass this legislation that is of key importance to current and former members of our nation's armed forces, who have been called upon to do so much for so long.

Please feel free to contact us for further assistance, including calling me directly via cell phone at (206) 948-2908.

Sincerely,  
VETERANS OF MODERN WARFARE

JULIE MOCK  
President