

## **Top 10 Tips about Tax Breaks for the Military**

**If you are in the U. S. Armed Forces, special tax breaks may apply to you. For example, some types of pay are not taxable. Certain rules apply to deductions or credits that you may be able to claim that can lower your tax. In some cases, you may get more time to file your tax return. You may also get more time to pay your income tax. Here are the top 10 IRS tax tips about these rules:**

- 1. Deadline Extensions.** Some members of the military, such as those who serve in a combat zone, can postpone some tax deadlines. If this applies to you, you can get automatic extensions of time to file your tax return and to pay your taxes.
- 2. Combat Pay Exclusion.** If you serve in a combat zone, certain combat pay you get is not taxable. You won't need to show the pay on your tax return because combat pay is not part of the wages reported on your Form W-2, Wage and Tax Statement. If you serve in support of a combat zone, you may qualify for this exclusion.
- 3. Earned Income Tax Credit or EITC.** If you get nontaxable combat pay, you can include it to figure your EITC. Doing so may boost your credit. Even if you do, the combat pay stays nontaxable.
- 4. Moving Expense Deduction.** You may be able to deduct some of your unreimbursed moving costs. This applies if the move is due to a permanent change of station.
- 5. Uniform Deduction.** You can deduct the costs of certain uniforms that you can't wear while off duty. This includes the costs of purchase and upkeep. You must reduce your deduction by any allowance you get for these costs.
- 6. Signing Joint Returns.** Both spouses normally must sign a joint income tax return. If your spouse is absent due to certain military duty or conditions, you may be able to sign for your spouse. In other cases when your spouse is absent, you may need a power of attorney to file a joint return.
- 7. Reservists' Travel Deduction.** If you're a member of the U.S. Armed Forces Reserves, you may deduct certain costs of travel on your tax return. This applies to the unreimbursed costs of travel to perform your reserve duties that are more than 100 miles away from home.
- 8. ROTC Allowances.** Some amounts paid to ROTC students in advanced training are not taxable. This applies to allowances for education and subsistence. Active duty ROTC pay is taxable. For instance, pay for summer advanced camp is taxable.

**9. Civilian Life.** If you leave the military and look for work, you may be able to deduct some job search expenses. You may be able to include the costs of travel, preparing a resume and job placement agency fees. Moving expenses may also qualify for a tax deduction.

**10. Tax Help.** Most military bases offer free tax preparation and filing assistance during the tax filing season. Some also offer free tax help after April 15.