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Isaac M. O'Bannon • Jan. 13, 2014



Active duty and some reserve members of the U. S. Armed Forces deserve our nation's greatest respect and honor, and one of the minor things our country offers in return for their service are a few benefits when it comes to income taxes.

Here are the top 10 tax benefits available to who serve in uniform at home or abroad, as compiled by the [National Association of Enrolled Agents](#), an organization of credentialed tax experts. The group notes that special tax rules apply to military

members on active duty, including those serving in combat zones. These can help

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exclusion.

3. **Earned Income Tax Credit.** You can choose to include nontaxable combat pay as earned income to figure your EITC. You would make this choice if it increases your credit. Even if you do, the combat pay remains nontaxable.
4. **Moving Expense Deduction.** If you move due to a permanent change of station, you may be able to deduct some of your unreimbursed moving costs.
5. **Uniform Deduction.** You can deduct the costs and upkeep of certain uniforms that regulations prohibit you from wearing while off-duty. You must reduce your expenses by any reimbursement you receive for these costs.
6. **Signing Joint Returns.** Both spouses normally must sign joint income tax returns. However, when one spouse is unavailable due to certain military duty or conditions, the other may, in some cases, sign for both spouses, or they may need a power of attorney to file a joint return.
7. **Reservists' Travel Deduction.** If you are a member of the U.S. Armed Forces Reserves, you may deduct certain travel expenses on your tax return. You can deduct unreimbursed expenses for traveling more than 100 miles away from home to perform your reserve duties.
8. **Nontaxable ROTC Allowances.** Educational and subsistence allowances paid to ROTC students participating in advanced training are not taxable. However, active duty pay – such as pay received during summer advanced camp – is taxable.
9. **IRA Contributions.** Members of the military can count tax-free combat pay when figuring how much they can contribute to a Roth or Traditional IRA.
0. **Civilian life.** After leaving the military, you may be able to deduct certain job hunting expenses. Expenses may include travel, resume preparation fees and job placement agency fees. Moving expenses may also be deductible.

More information on these these tax benefits is available in the IRS Publication 3, "Armed Forces' Tax Guide." Members of the U.S. military are encouraged to seek tax

preparation or consulting through EAs or CPAs, or via the counseling available on

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