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Members of the U.S. Armed Forces and their families endure many unique challenges and we owe them our deepest gratitude. Uncle Sam also recognizes this, and offers several tax benefits to these individuals. Special tax rules apply to military members on active duty and in the reserves, particularly those serving in combat zones. These can help lower federal taxes and make it easier to file tax returns.

Following are some of those benefits:

1. **Deadline Extensions.** Qualifying military members, including those who serve in a combat zone, can postpone some tax deadlines. This includes automatic extensions of time to file tax returns and pay taxes.
2. **Combat Pay Exclusion.** If you serve in a combat zone, you can exclude certain combat pay from your income. You won't need to show the exclusion on your tax return because qualified pay isn't included in the wages reported on your Form W-2 and Tax Statement. Some service outside a combat zone also qualifies for this 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.

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8. **Advanced training.** Members participating in advanced training are not taxed on money, such as duty pay – such as pay received during summer advanced camp – is taxable.
9. **IRA Contributions.** Members of the military count tax-free combat pay when figuring how much they can contribute to a Roth or Traditional IRA.
10. **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.

You can learn more about these tax benefits in Publication 3 Armed Forces' Tax Guide, available on the IRS.gov web site. To make sure you get all the deductions and credits you're entitled to, the National Association of Enrolled Agents (NAEA) recommends you speak with a licensed tax practitioner. Enrolled agents (EAs) receive their licenses from the Department of the Treasury after passing a background check and a stringent three-part exam on taxation. They are the only federally licensed tax practitioners with unlimited rights of representation before the IRS. Find an EA in your area on the "Find an EA" directory at [www.naea.org](http://www.naea.org).

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