

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

PRODUCT & SERVICE GUIDE

IRS Updates Military Tax Benefits Guide

The Internal Revenue Service has released a newly-revised tax guide, designed to help members of the military understand the many special tax benefits available to them under the law.

Feb. 24, 2020

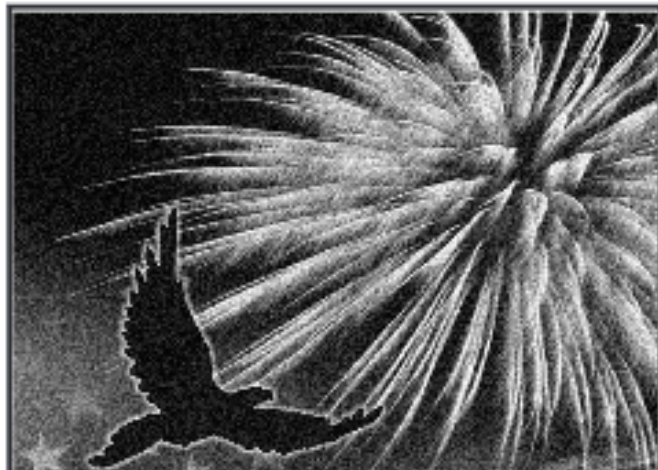


Publication 3

Cat. No. 48072M

Armed Forces' Tax Guide

For use in preparing
2019 Returns



Contents

What's New	2
Impact of New Legislation	3
Reminders	4
Introduction	5
Gross Income	6
Servicemembers' Government Pay Included in Gross Income	6
Servicemembers' Government Pay Items Excluded From Gross Income	6
Income Items of Special Interest	6
Foreign Source Income	9
Community Property	10
Domicile	10
Nevada, Washington, and California Domestic Partners	10
Form W-2	10
Adjustments to Income	11
Travel Expenses of Armed Forces Reservists ...	11
Individual Retirement Arrangements (IRAs)	12
Moving Expenses	13
Income Exclusions for Armed Forces Members in Combat Zones	14
Combat Pay Exclusion	15
How Much of My Combat Pay Can I Exclude?	15
How Do I Report the Combat Pay Exclusion? ...	15
What Is Combat Pay?	15
Combat Zone Defined	15
Service Eligible for Combat Pay Exclusion	16
Gain or Loss From Sale of Home	17
Foreclosures	18
Itemized Deductions	18
Repayments to Your Employer	18

The Internal Revenue Service has released a newly-revised tax guide, designed to help members of the military understand the many special tax benefits available to them under the law.

Publication 3, Armed Forces' Tax Guide, now posted on IRS.gov, is packed with useful filing tips for any member of the military, including reservists and the National Guard, regardless of whether they are stationed in the U.S. or abroad.

Among other things, this free publication describes the provision allowing armed forces reservists to deduct their reservist-related travel expenses, regardless of whether they itemize their deductions. It also describes the moving expense deduction still available to active-duty members of the military in connection with a change of station.

The publication covers the special benefits available to those serving in a combat zone, including the full or partial exclusion of combat pay and special rules for determining the IRA contribution limit. Also included in this publication are special rules for figuring the Earned Income Tax Credit for low- and moderate-income workers and families and the extended deadlines available for filing returns, paying taxes and claiming refunds.

To view or download this free publication, visit [IRS.gov/pub3](https://www.irs.gov/pub3).

[Product & Service Guide](#) • [Tax](#) • [News](#)

CPAPA is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2022 Firmworks, LLC. All rights reserved