

 News Release

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Tax Preparedness Series: Special Tax Breaks for U. S. Armed Forces

Note to Editor: *This is the first in a series of reminders to help taxpayers prepare for the upcoming tax filing season.*

IR-2016-147, Nov. 10, 2016

WASHINGTON – As tax filing season approaches, the Internal Revenue Service wants members of the military and their families to know about the special tax benefits available to them.

IRS [Publication 3](#), Armed Forces Tax Guide, is a free booklet packed with valuable information and tips designed to help service members and their families take advantage of all tax benefits allowed by law. Here are some of those tax benefits.

- Combat pay is partially or fully tax-free. Service members serving in support of a combat zone may also qualify for this exclusion.
- Reservists whose reserve-related duties take them more than 100 miles from home can deduct their unreimbursed travel expenses, even if they don't itemize their deductions.
- The [Earned Income Tax Credit](#) may be worth up to \$6,269 for low-and moderate-income service members. A special computation method is available for those who receive nontaxable combat pay. Choosing to include it in taxable income may boost the EITC, meaning owing less tax or getting a larger refund.
- An IRA or 401(k)-type plan might mean saving for retirement and cutting taxes too. Service members who contribute to a plan, such as the Thrift Savings Plan, may also be able to claim the Retirement Savings Contributions Credit.
- An automatic extension to file a federal income tax return is available to U.S. service members stationed abroad. Also, those serving in a combat zone typically have until 180 days after they leave the combat zone to file and to pay any tax due. For more information see [Miscellaneous Provisions — Combat Zone Service](#).
- Most military bases offer free tax preparation and filing assistance during the tax filing season. Some also offer free tax help after the April deadline. Service members who prepare their own return qualify to e-file their federal return for free using IRS [Free File](#).
- Both spouses normally must sign a joint income tax return, but if one spouse is absent due to certain military duty or conditions, the other spouse may be able to sign for him or her. A power of attorney is required in other instances. A military installation's legal office may be able to help.

- Those leaving the military and looking for work may be able to deduct some job search expenses, such as the costs of travel, preparing a resume and job placement agency fees. Moving expenses may also qualify for a tax deduction.

The IRS has a special page on [IRS.gov](https://www.irs.gov) with [Tax Information for Members of the U.S. Armed Forces](#).

IRS YouTube Videos:

- Military Tax Tips – [English](#) | [Spanish](#)
- Moving Expenses – [English](#) | [Spanish](#)
- Job Search Expenses – [English](#) | [ASL](#)