

If I have a military address, how should I enter my address on tax forms or correspondence to the department?

When identifying a military address, please include your APO or FPO address. Examples:

Kevin Taxpayer	Sharon Taxpayer
Unit 2050 Box 4190	USCGC Hamilton
APO AP 96278-2050	FPO AP 96667-3931

Extensions of Time to File for Combat Zone and Hazardous Duty Service

Pennsylvanians serving in combat zones or qualified hazardous duty areas designated by the U.S. President are given the same additional time to file state income tax returns and make payments as is allowed for federal income tax purposes. The deadline is automatically extended to 180 days from the last day of service or the last day of continuous hospitalization for injury incurred in one of these areas. If you served in a combat zone and are filing after the April due date, print COMBAT ZONE at the top of your return and include a copy of your military orders. Mail to:

Regarding: COMBAT ZONE
PA Department of Revenue
Bureau of Individual Taxes
PO Box 280600
Harrisburg, PA 17128-0600

If filing electronically, fax or mail copies of military orders, printing COMBAT ZONE at the top. Fax orders to 717-772-4193 or mail them to:

Regarding: COMBAT ZONE
PA Department of Revenue
Electronic Filing Section
PO Box 280507
Harrisburg, PA 17128-0507

FOR GENERAL TAX QUESTIONS:

Online Customer Service Center
www.revenue.pa.gov

Taxpayer Service & Information Center
Personal Taxes: 717-787-8201
Business Taxes: 717-787-1064
e-Business Center: 717-783-6277

1-888-PATAXES (728-2937)
Touch-tone service is required for this automated, 24-hour, toll-free line.
Call to order forms or check the status of a corporate tax account.

Automated Forms Ordering Message Service
1-800-362-2050

Services for Taxpayers with Special
Hearing and/or Speaking Needs
1-800-447-3020

Call or visit the Revenue district office nearest you, listed in the government pages of your local phone directory.

**MILITARY PAY
FOR PA PERSONAL
INCOME TAX PURPOSES**



Is military pay taxable for PA personal income tax purposes?

Military pay (including compensation for weekend drills) earned within and outside Pennsylvania by PA residents is subject to PA personal income tax as compensation.

Income received by a PA resident for all military service performed inside Pennsylvania – even if on federal active duty or federal active duty for training – is fully taxable, unless for active military duty within PA for an emergency pursuant to 35 PA C.S. Ch. 76.

Military pay received while on federal active duty or federal active duty for training outside Pennsylvania is not taxable.

Generally, what determines whether military pay is taxable for residents of Pennsylvania?

Active duty military pay is not subject to PA personal income tax if earned by a PA resident serving full-time active duty or federal active duty for training outside the state. However, other income earned, received or realized is taxable. Service members must submit copies of military orders assigning out-of-state active duty with tax returns.

Is military service performed outside Pennsylvania subject to PA personal income tax?

No. Income received for military service outside Pennsylvania while on active duty as a member of the armed forces is not taxable as compensation. Therefore, when completing a PA personal income tax return, PA-40, military taxpayers should not include military pay earned outside Pennsylvania on Line 1a. Such taxpayers should submit copies of W-2 forms and military orders, along with an explanation of the amount of income excluded from Line 1a.

PA reservists and National Guard members ordered to active duty for training pursuant to Title 10 or Title 32 of the U.S. Code are on federal active duty. When performing active duty service outside Pennsylvania, such military pay is not subject to PA personal income tax.

Is service to the U.S. Public Health Service, National Oceanic and Atmospheric Administration (NOAA) or U.S. Foreign Service considered federal active duty?

No, a PA resident in the U.S. Public Health Service, NOAA or U.S. Foreign Service is not on federal active duty as a member of the armed forces. His or her income is subject to PA personal income tax.

What is considered evidence of active duty?

Residents must provide proof they earned the military income excluded from taxable compensation outside Pennsylvania while on federal active duty. The department will accept the authority section of the military orders directing the PA resident to federal active duty outside Pennsylvania as proof. When the authority for reporting to active duty is a federal statute – such as 32 U.S.C. §§316, 502, 503, 504 or 505 – the department presumes federal active duty.

However, military pay is subject to PA personal income tax if the authority for reporting to active duty is a PA statute, such as P.S. §508 or §3102.

What do I need to submit with my tax return to show I was on active duty outside Pennsylvania?

Along with your PA return, submit copies of your military orders and explain where you earned active duty pay. Your W-2 form may indicate active duty, but the department will not process your return without proof you earned that active duty military pay outside of Pennsylvania.

My employer pays the difference between my regular wages and military pay when I am on duty. Is this taxable?

Yes. Pennsylvania taxes the difference between military pay and regular wages when an employer compensates a service member.

However, differential pay is not subject to PA personal income tax for service members on active duty in combat zones or hazardous duty zones.

How does my nontaxable military pay affect Tax Forgiveness?

Military pay not reported as income on a PA-40 personal income tax return should be included in eligibility income for Tax Forgiveness. However, hazardous duty pay or pay earned in combat zones is not included in eligibility income for Tax Forgiveness.

How does the federal Military Spouses Recovery Relief Act of 2009 affect state taxation of income earned by a service member's nonmilitary spouse?

The Military Spouses Residency Relief Act (MSRRA) permits a service member's nonmilitary spouse to retain status as an out-of-state resident and source any nonmilitary compensation to the state of residence under the following circumstances:

- The service member must be in Pennsylvania in compliance with military orders.
- The service member's spouse must be in Pennsylvania solely to be with his/her spouse.
- The service member's spouse must have the same domicile (legal residence) as the service member.

For detailed information on how MSRRA impacts state taxation of income earned by a service member's nonmilitary spouse, please review Tax Bulletin 2010-01 on the department's website, www.revenue.pa.gov.