



Combat Zone/Qualified Hazardous Duty Tax Extension

Extension of Deadline

Some periods of time are disregarded when determining whether certain tax matters have been taken care of on time. For ease of understanding, this publication refers to these provisions as “extensions of deadlines.” These deadline extensions should not be confused with other parts of the tax law that refer to extensions of time for performing acts.

Service That Qualifies for an Extension of Deadline

The deadline for filing tax returns, paying taxes, filing claims for refund, and taking other actions with the IRS is automatically extended if any of the following statements is true:

- You serve in the Armed Forces in a combat zone or you have qualifying service outside of a combat zone.
- You serve in the Armed Forces in a qualified hazardous duty area or are deployed overseas away from your permanent duty station in support of operations in a qualified hazardous duty area, but your deployment station is outside the qualified hazardous duty area. (In the rest of this memo, the term “combat zone” includes a qualified hazardous duty area.)
- You serve in the Armed Forces on deployment outside the United States away from your permanent duty station while participating in a contingency operation. A contingency operation is a military operation that is designated by the Secretary of Defense or results in calling members of the uniformed services to active duty (or retains them on active duty) during a war or a national emergency declared by the President or Congress.

Time spent in a missing status (missing in action or prisoner of war) counts as time in a combat zone or a contingency operation. The deadline extension provision also applies if you are serving in a combat zone or a contingency operation in support of the Armed Forces. This includes Red Cross personnel, accredited correspondents, and civilian personnel acting under the direction of the Armed Forces in support of those forces.

The deadline for IRS to take certain actions, such as collection and examination actions, is also extended.

Deadline Extension Period

Your deadline for taking actions with the IRS is extended for 180 days after the later of:

- The last day you are in a combat zone, have qualifying service outside of the combat zone, or serve in a contingency operation (or the last day the area qualifies as a combat zone or the operation qualifies as a contingency operation), or
- The last day of any continuous qualified hospitalization for injury from service in the combat zone or contingency operation or while performing qualifying service outside of the combat zone.

In addition to the 180 days, your deadline is extended also by the number of days that were left for you to take the action with the IRS when you entered a combat zone (or began performing qualifying service outside the combat zone) or began serving in a contingency operation. If you entered the combat zone or began serving contingency operation before the period of time to take the action began, your deadline is extended by the entire period of time you have to

take the action. For example, you had 3 ½ months (January 1 – April 15, 2004) to file your 2003 tax return. Any days of this 3 ½ month period that were left when you entered the combat zone (or the entire 3 ½ months if you entered the combat zone by January 1, 2004) are added to the 180 days when determining the last day allowed for filling your 2003 return.

Qualified Hospitalization

The hospitalization must be the result of an injury received while serving in a combat zone or contingency operation.

Qualified hospitalization means:

- Any hospitalization outside the United States, and
- Up to 5 years of hospitalization in the United States.

Frequently Asked Questions

Q-1: My son is a member of a unit of the U.S. Armed Forces and most members of the unit have been serving in a combat zone since April 1. My son has been overseas since February 1, but he did not enter the combat zone until May 1. Is he entitled to an extension of time for filing and paying his federal income taxes that were due April 17?

A-1: No. The extension applies only to a deadline arising on or after the date your son entered the combat zone on May 1.

Q-2: Do the deadline extension provisions apply to tax returns other than the individual income tax return?

A-2: Yes. The deadline extension provisions also apply to estate and gift tax returns. However, the deadline extension provisions do not apply to other tax and information returns, such as those for corporate income taxes, employment taxes, or excise taxes.

Q-3: My husband is serving in the U.S. Armed Forces in a combat zone. Last year, our son, who is 12 years old, received interest income on which he owes tax because the amount exceeded his standard deduction. Our daughter, who is 17 years old, received both investment income and earned income from a part-time job. She is entitled to a refund of part of the tax withheld from her pay. We claim both children as dependents on our federal individual income tax return. Must I file individual income tax returns for our children while my husband is in the combat zone?

A-3: No. Filing individual income tax returns for your dependent children is not required while your husband is in the combat zone. Instead, these returns will be timely if filed on or before the deadline for filing your joint income tax return under the applicable deadline extensions. When filing your children's individual income tax returns, put "COMBAT ZONE" in red at the top of those returns. Because your older child is entitled to a refund, she may want to file her income tax return and obtain her refund without regard to the extension.

Q-4: I am a member of the U.S. Armed Forces serving in a combat zone. Do the deadline extension provisions apply to my husband who is in the United States?

A-4: Yes. The deadline extension provisions apply not only to members serving in the U.S. Armed Forces (or individuals serving in support thereof) in the combat zone, but to their spouses as well, with two exceptions. First, if you are hospitalized in the United States as a result of injuries received while serving in a combat zone, the deadline extension provisions would not apply to your husband. Second, the deadline extension provisions for your husband do not apply for any tax year beginning more than 2 years after the date of the termination of the combat zone designation.

Q-5: I have been serving in a combat zone since last November. I understand that the deadline for performing certain actions required by the tax laws is extended as a result of my service. When did these deadline extensions begin for me?

A-5: The deadline extension provisions apply to most tax actions required to be performed on or after the beginning date for your combat zone, or the date you began serving in that combat zone, whichever is later. In your case, the deadline extensions began the day you started serving in the combat zone last November.

Q-6: I am a member of the U.S. Armed Forces serving in a combat zone. Does the extension for filing and paying my individual income taxes apply to unearned income from my investments?

A-6: Yes. The extensions apply without regard to the source of your son's income.

Q-7: Do the deadline extension provisions apply only to members of the U.S. Armed Forces serving in the combat zone?

A-7: No. Unlike the [combat zone military pay exclusion](#), the deadline extensions also apply to individuals serving in the combat zone in support of the U.S. Armed Forces, such as merchant marines serving aboard vessels under the operational control of the Department of Defense, Red Cross personnel, accredited correspondents, and civilian personnel acting under the direction of the U.S. Armed Forces in support of those forces.

Q-8: Almost two years ago, the IRS contacted me to collect tax on a joint income tax return I had filed with my now former spouse. I believe only my former spouse should be held liable for the tax. I understand that I may file [Form 8857](#), Request for Innocent Spouse Relief, within 2 years of the first collection activity against me by the IRS. I have just entered a combat zone. Do the deadline extensions apply to the filing of Form 8857?

A-8: Yes. In addition to deadlines for filing and paying taxes, there are various time-sensitive acts for which performance may be postponed because of combat zone service. The 2-year period after the first collection activity for requesting innocent spouse relief is one of these. Other examples are the 90-day limit for filing a Tax Court petition, the 30-day limit for requesting a Collection Due Process hearing, the 60-day period for rolling over a distribution from a qualified tuition plan or Coverdell Education Savings Account into another such plan or ESA, respectively, and the annual distribution from a retirement plan of substantially equal amounts to avoid an excise tax for premature distributions.

This information was provided by the Internal Revenue Service at www.irs.gov. If you have additional questions, please contact your local Legal Assistance Office.

Information provided is general in nature and does not constitute legal advice. Consult a civilian attorney or legal assistance attorney for specific legal advice for your particular situation.