

Commander's Call Topics



March 19, 2015

"A tax loophole is something that benefits the other guy. If it benefits you, it's tax reform."

Russell B. Long
(1918-2003)
U.S. Senator

March 25th is
[Medal of Honor](#)
Day

Changes in the Tax Code Affect the Military

In less than a month, the deadline for Americans to file their income tax – April 15 – will have come and gone. This year there are relatively few changes to the tax code, compared with other years, but there are changes. Many of these changes affect the military.

Earned income limit is the term given to the maximum income you can earn and still claim this valuable tax credit. The limits have increased this year. You may be able to take the earned income credit if you earned less than \$46,997 (\$52,427 for married filing jointly) if you have three or more qualifying children; \$43,756 (\$49,186 for married filing jointly) if you have two qualifying children; \$38,511 (\$43,941 for married filing jointly) if you have one qualifying child; and \$14,590 (\$20,020 for married filing jointly) if you do not have any qualifying children.

If you used your car for business, to go to medical appointments or to do charitable work, the rates have increased this year. The standard mileage rate for the cost of operating your car for business use in 2014 is 56 cents a mile. If you used your car to get medical care or to move, the rate is 23.5 cents per mile. The standard mileage rate for charitable use of your vehicle is 14 cents a mile.

Some mortgage insurance premiums are deductible. Premiums paid for acquisition indebtedness for insurance contracts on a first or second home are treated as deductible mortgage interest, subject to phase-out rules. Qualified mortgage insurance providers include the Veterans Administration, the Federal Housing Administration, the Rural Housing Administration, and certain private mortgage insurance. Treating mortgage insurance premiums as deductible mortgage interest was due to expire after 2013. The new law extends this deduction for the 2014 tax year and expires for premiums paid after Dec. 31, 2014.

The new law also extends the following tax provisions through Dec. 31, 2014:

- The military housing allowance exclusion for determining whether a tenant in certain counties is low-income under the Housing Assistance Tax Act of 2008.
- The Employer Wage Credit for Activated Military Reservists.

Filing status for same-sex married couples can be complicated, and this is not just in the military. Essentially, it comes down to this: If you have a same-sex spouse whom you legally married in a state (or foreign country) that recognizes same-sex marriage, you and your spouse generally must use the married filing jointly or married filing separately filing status on your 2014 return, even if you and your spouse now live in a state (or foreign country) that does not recognize same-sex marriage.

This is not an exhaustive list of changes for this year. There are many more. As with anything that has legal and financial ramifications, it is best to get professional assistance through Military OneSource, the [IRS website](#) or a licensed tax preparer in private practice.

Martha J. Lockwood
Chief, Information Products, AFPRO

► RESOURCES

Website access to the following resources can be gained by clicking on the name.

[AF.mil](#)

[Airman magazine](#)

[Military OneSource/HomeFront](#)

[Air Force Personnel Center](#)

[Air Reserve Personnel Center](#)

[Department of Defense News](#)

[Department of Veterans Affairs](#)

[TRICARE](#)

[U.S. Government Website](#)

[Air Force Association
Scholarships](#)

[Air Force Safety Center](#)

[Civil Service Employment
Opportunities](#)

[NAF Employment Opportunities](#)

[Air Force Bands/Outreach](#)

► THIS WEEK IN AIR FORCE HISTORY

March 19, 1910 - Orville Wright opened the first Wright Flying School at Montgomery, Alabama. This site became Maxwell AFB.

March 20, 2003 – Operation Iraqi Freedom: Conventional U.S. and coalition ground forces invaded Iraq.

March 21, 1962 - A black bear named “Yogi” became the first living creature ejected from a supersonic aircraft when the Air Force tested the B-58’s escape capsule. Ejected at 35,000 feet from a B-58 flying at 870 mph, Yogi landed unharmed 7 minutes and 49 seconds later.

March 22, 1946 – Douglas built America’s first rocket to escape earth’s atmosphere. It reached an altitude of 50 miles. .

March 23, 1951 - In the Korean War’s second airborne operation and the largest to date, 120 Air Force transports dropped more than 3,400 troops and 220 tons of materiel behind enemy lines at Munsan-ni, Korea.

March 24, 1992 – The last U.S. Air Force fighter aircraft to be stationed in Spain left the country. They had served in Spain for 26 years.

March 25, 1986 - The first all-female Minuteman crew stood alert at the 351 SMW, Whiteman AFB. This was the first time an all-female crew accomplished Minuteman combat crew duty under the gender-specific crew policy.

► CURRENT ISSUES

[2015 Warrior Games to be held at Quantico](#)

June 19-28 at Marine Corps Base Quantico, Virginia, are the dates and times for this year’s annual sporting competition among ill and injured service members and veterans from across the country.

[Planning, execution and management of OCS critical to military operations](#)

A new Operational Contract Support doctrine has been established as a result of findings of waste, fraud and other shortfalls during military contingencies in Iraq and Afghanistan.

► PERSONNEL ISSUES

[1,257 selected for promotion to senior master sergeant](#)

An average overall score of 680.90 and an average time in-grade of 4.34 are just two of the statistics of this year’s promotion list.

[Intermediate, senior developmental education opportunities available](#)

Deadlines are approaching rapidly for eligible active-duty officers and certain civilian employees to apply for intermediate and senior developmental education opportunities.

► ENVIRONMENT, SPACE AND TECHNOLOGY

[AF develops high-temperature, abrasion-resistant coating for fighter aircraft](#)

The new coating offers greatly improved high-temperature abrasion resistance for aerospace composite applications.

For more information on Air Force heritage, visit <http://www.airforcehistory.af.mil>

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