

PCS SEASON MATTERS

FROM COUNSEL

A Preventive Law Service of The Office of The Judge Advocate General
Keeping You Informed On Personal Legal Affairs

With PCS season fast approaching there are several matters with legal consequences to consider. Are you going to lease a house/apartment at your next duty station? What about buying/selling a house? Can you deduct moving expenses from your income taxes? What about changing your driver license or car registration? Is my spouse eligible for unemployment compensation if she leaves her job because of my military reassignment? Read on to learn more.

1. **Military termination clause for leases:** Before you sign a lease at your next duty station, check it for a military "termination" clause suitable for your military community in case you need to end the lease before the full term. Among other things to review:

- Does it cover lengthy deployments (e.g., Temporary Change of Station) situations?
- Does it incorporate any state law provision?
- How do military community members find out about it? Is it part of the Welcome packet?

Check with the local housing or legal assistance office. Most Army legal offices have a *From Counsel: Renting an Apartment or Home Off Post?* Available.

2. If you are buying a home, these sites might have useful information:

- <http://www.ricedelman.com/planning/home> offers a quiz on whether you are ready to buy.
- Try an online calculator to estimate how much you can afford:
 - The website of HSH Associates, the largest publisher of consumer loan information, also has two calculators: Qualify for a Loan Based on Your Income, <http://www.hsh.com/calc-incomequal.html>, will tell you how much a lender might let you borrow. (Use it as a benchmark, because property tax and home insurance vary from loan to loan and state to state.) You can also try its How Much House Can You Afford <http://www.hsh.com/calc-howmuch.html> calculator.
 - See MONEY.com's <http://www.money.cnn.com/pf/101/lessons/7/>.

3. **Tax planning & moving expenses:** You may want to advise PCS'ers they can deduct the reasonable unreimbursed expenses incurred for:

- a. Moving household goods and personal effects, including expenses for hauling a trailer, packing, crating, in-transit storage, and insurance.
- b. Travel and lodging expenses from the old home to the new home, including automobile expenses (either actual expenses or 10 cents per mile) and air fare.

FROM COUNSEL is one of a series of informative handouts containing general information on topics that legal assistance attorneys frequently advise on. Information provided is general in nature and does not constitute legal advice. Consult an attorney for specific legal advice for your particular situation. FROM COUNSEL is distributed to persons eligible for legal assistance under 10 USC 1044.

No deductions are available for any expenses for meals, the cost of unnecessary side trips, or lavish and extravagant lodging. Only unreimbursed expenses incurred in actually moving from the former home to the new assignment are deductible. The expense of pre-move house-hunting trips are not deductible, nor is there a deduction for any expenses for moving services provided by the government, or that were reimbursed and not included in income. For more information see IRS Publication 3 - The Armed Forces Tax Guide @ <http://www.irs.gov/pub/irs-pdf/p3.pdf> .

4. *Making the Good Move*, an informative article from LTC Pete Masterton, US Army Claims Service, is in the April 2000 Soldiers Magazine.

5. MTMC site with *Its Your Move*, informative pamphlet online:
ftp://pubs.army.mil/pub/epubs/pdf/p55_2.pdf.

6. Tax changes that became effective in May 1997 may mean you no longer have to report or pay taxes on the sale of your home. See About Taxes Guide's "How to": http://taxes.about.com/c/ht/00/07/How_Tell_Sale_Home0962935092.htm?PM=n160215a, or <http://www.fool.com/taxes/2004/taxes040514.htm>, and <http://taxes.about.com/?once=true&pm=n160215a>.

7. Driver Licensing/Vehicle Registration: see FirstGov *State Motor Vehicle Offices* page @ <http://www.workers.gov/child1.asp?intCategoryId=4&intSubCategoryId=71> for state-specific information on auto and driver licensing. Also, see <http://www.usps.com/moversnet/motor.html>.

8. Spouse unemployment benefits? Check [Unemployment Compensation: A State-by-State Guide to the Laws as they Affect Military Spouses' Eligibility for Benefits Upon PCS-Related Job Loss](http://mscn.org/) from Military Spouses' Career Network (<http://mscn.org/>).

9. Auto leasing - more and more military people are leasing cars. One useful Internet resource may help you decide if this is a good idea for you. We prepared a *From Counsel: Leasing an Automobile?* that you may want to read before you lease. Military personnel who lease a car should consider whether they will deploy or TCS during the lease period and plan for that contingency. Check you lease terms to see what happens.

For further assistance, visit the Fort Detrick Legal Assistance located at 521 Fraim Street. The Fort Detrick Legal Assistance Office helps soldiers, family members, and retirees in legal matters. The office is open from 7:30 A.M. to 4:30 P.M. Monday through Wednesday and Friday. The office is open 1:00 P.M. to 4:30 P.M. on Thursday. You can reach the office at (301) 619-2221, or visit online at <http://www.detrick.army.mil/detrick/usag/sps/sja/assistance>.