### **Combat Tax Exclusion (CTE)**

#### **Overview**

#### Introduction

This guide provided the procedures for starting, stopping, deleting, and approving Combat Tax Exclusion (CTE) in Direct Access (DA).

#### References

- (a) Coast Guard Pay Manual, COMDTINST M7220.29 (series)
- (b) Coast Guard Personal & Pay Manual (3PM), PPCINST M1000.2 (series)
- (c) DoD Financial Management Regulation (FMR) Vol. 7-A, Chap 44

## Start and Stop Information

- Income earned by members while in a combat zone designated by the President is not subject to withholding of Federal income tax.
- Members qualify for combat zone tax exclusion for any month during any part of time present in a combat zone.
  - If starting CTE in DA without a known End Date entered, then CTE must be manually stopped at the end of the tour. See: <u>Stop Combat</u> Tax Exclusion
  - If an End Date is entered during the start process, it is good practice to verify that it did stop once the member has reported to the next Permanent Duty Station (PDS) to prevent year-end tax issues.
  - Combat Tax Exclusion (CTE) was initially programmed as an autostop with a PCS departure but is now a manual process.

**NOTE**: Retroactive start or stop entries in a finalized pay calendar which **crosses calendar years** must be followed up with a Customer Care Ticket requesting manual adjustments to the member's tax balances.

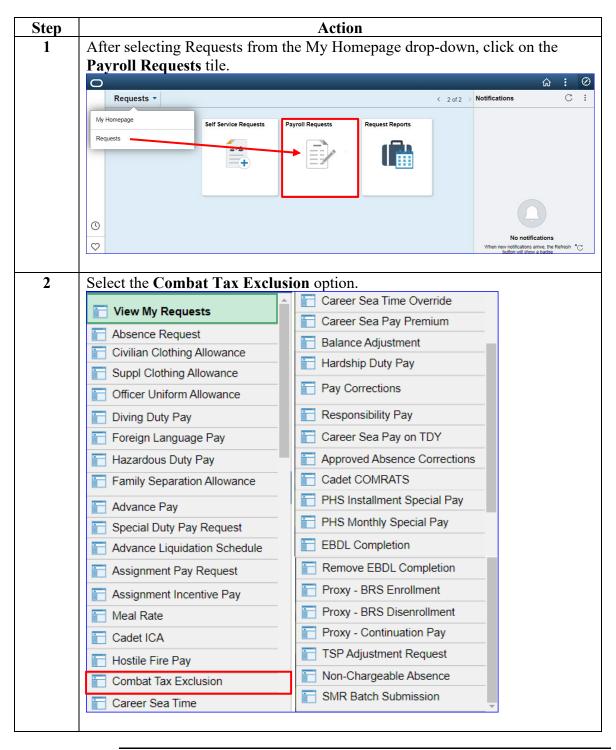
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### **Start Combat Tax Exclusion**

**Introduction** This section provides the procedures for starting CTE in DA.

**Procedures** See below.



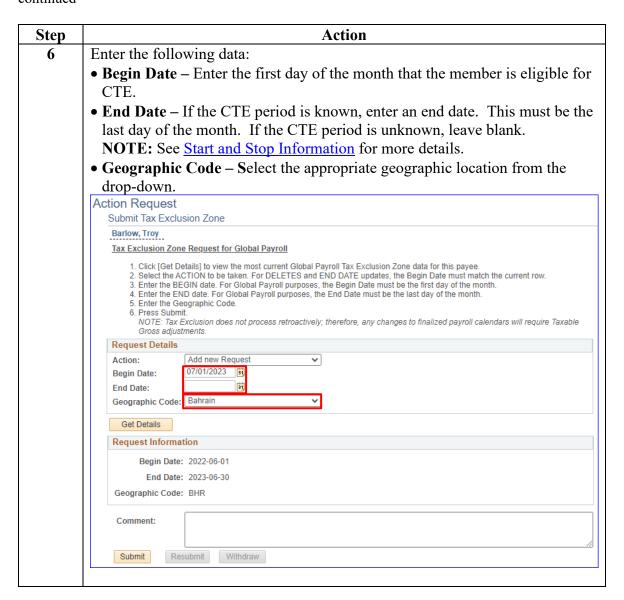
# Procedures, continued

Step	Action	
3	Enter the member's <b>Empl ID</b> . Click <b>Add</b> .	
	Add Action Request	
	Add a New Value	
	Add a New Value	
	*Empl ID 1234567 Q	
	Empl Record 0 Q	
	Zinji Noodia o o	
	Add	
4	The Submit Tax Exclusion Zone action request will display. Click <b>Get</b>	
	<b>Details</b> . This will populate the Request Information section with the most	
	current Tax Exclusion Zone data for the member.	
	Action Request Submit Tax Exclusion Zone	
	Barlow, Troy	
	Tax Exclusion Zone Request for Global Payroll	
	1. Click [Get Details] to view the most current Global Payroll Tax Exclusion Zone data for this payee. 2. Select the ACTION to be taken. For DELETES and END DATE updates, the Begin Date must match the current row. 3. Enter the BEGIN date. For Global Payroll purposes, the Begin Date must be the first day of the month. 4. Enter the END date. For Global Payroll purposes, the End Date must be the last day of the month. 5. Enter the Geographic Code. 6. Press Submit.  NOTE: Tax Exclusion does not process retroactively; therefore, any changes to finalized payroll calendars will require Taxable Gross adjustments.	
	Request Details	
	Action:	
	Begin Date: 国	
	End Date:  Geographic Code:	
	Get Details	
	Request Information	
	Begin Date:	
	End Date:	
	Geographic Code:	
	Comment:	
	Submit Resubmit Withdraw	

# Procedures, continued

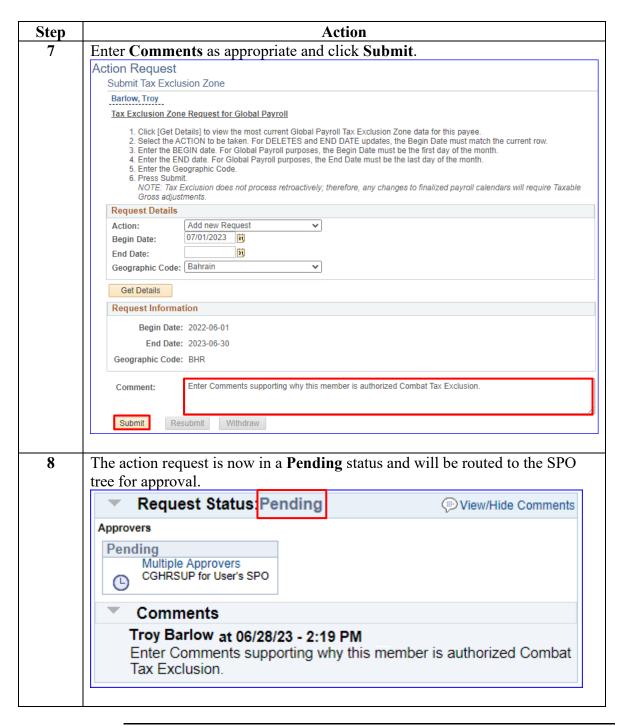


## Procedures, continued



#### Procedures,

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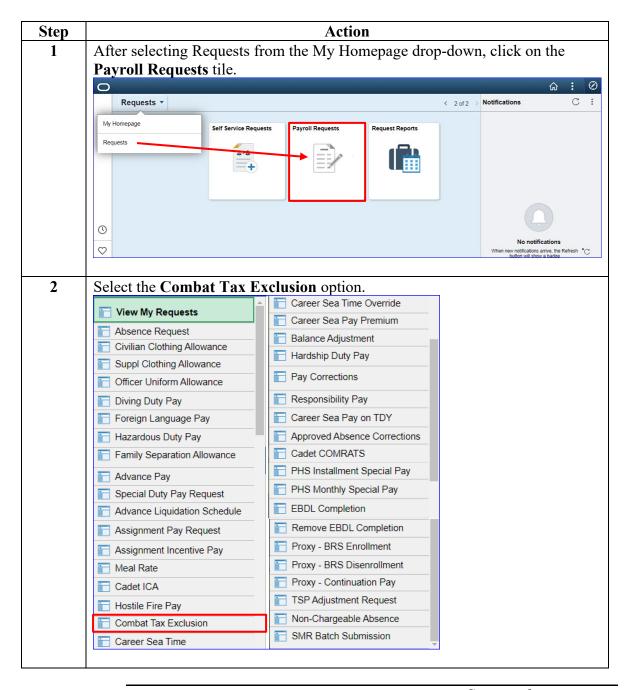
### **Stop Combat Tax Exclusion**

**Introduction** This section provides the procedures for stopping CTE in DA.

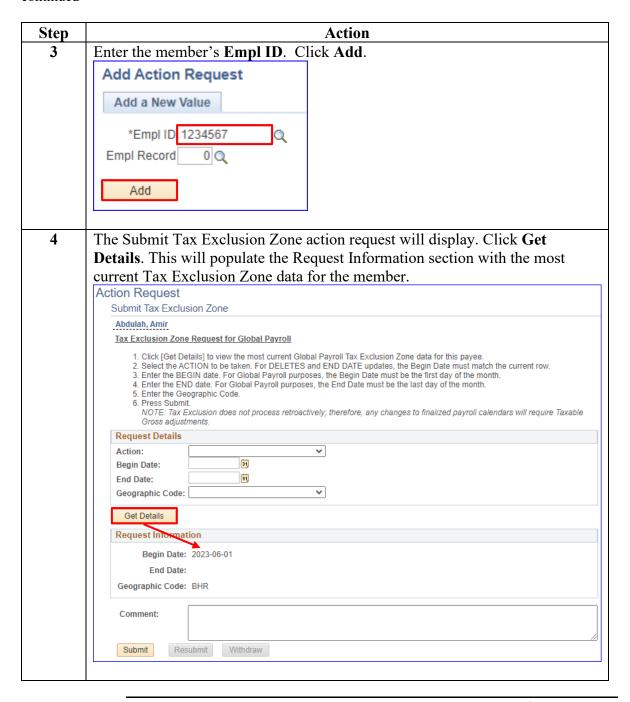
**Important** 

Initially, CTE was programmed to automatically stop with the processing of a PCS departure, but this entitlement is now a manual process. See <a href="Start and Stop Information">Start and Stop Information</a> for more information.

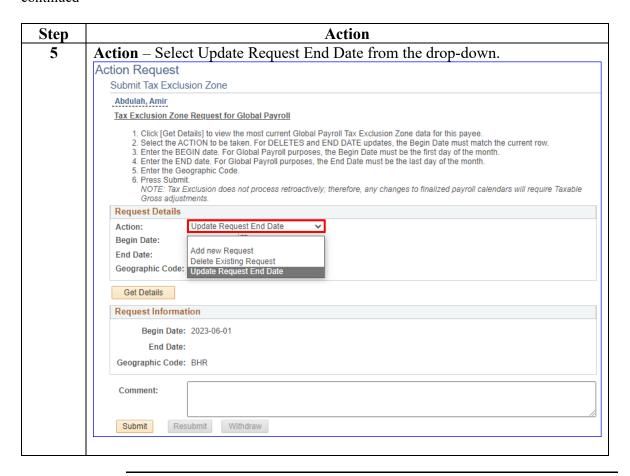
**Procedures** See below.



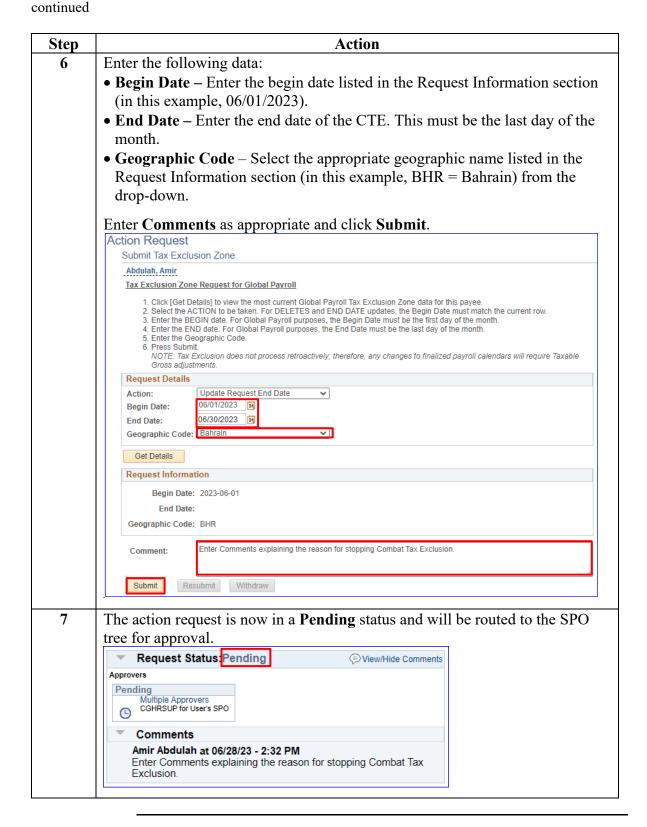
## Procedures, continued



# Procedures, continued



### Procedures,



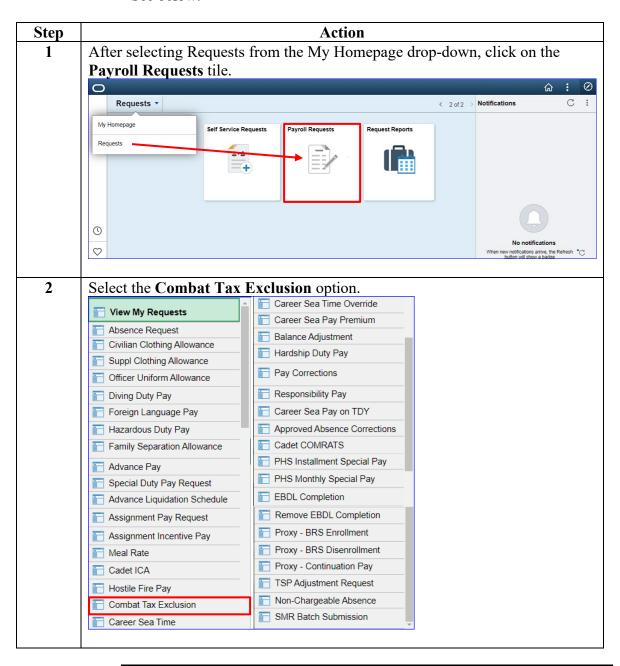
#### **Delete Combat Tax Exclusion**

**Introduction** This section provides the procedures for deleting CTE in DA.

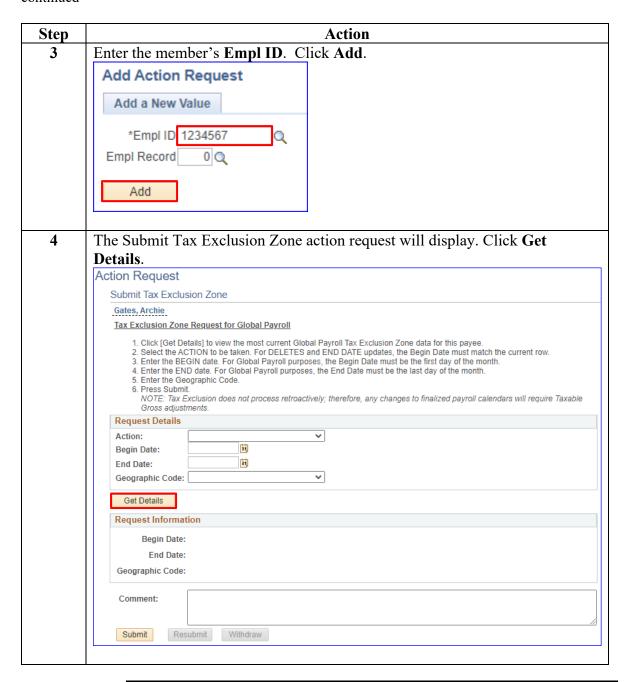
When to Use The delete function

The delete function should only be used if CTE was erroneously entered into DA (i.e., incorrect Empl ID used, or member was never authorized CTE).

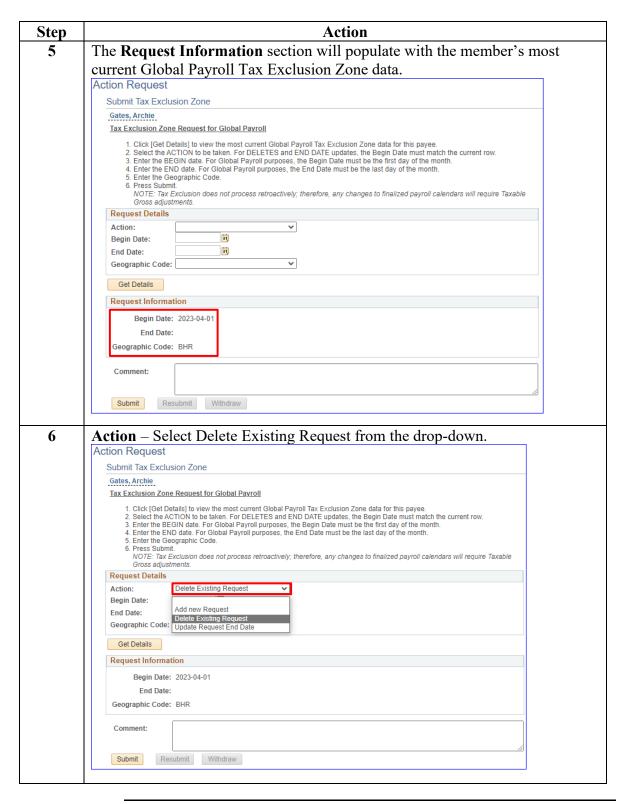
**Procedures** See below.



## Procedures, continued



## Procedures, continued

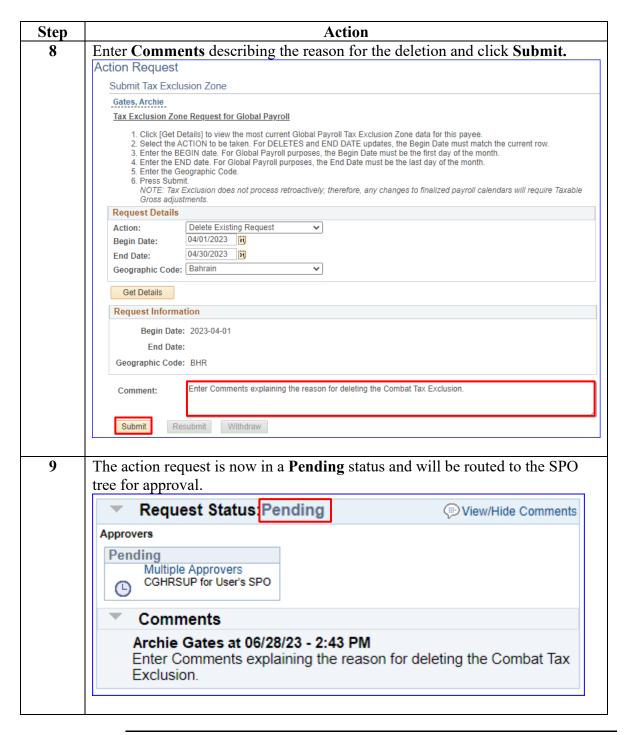


## Procedures, continued



#### Procedures,

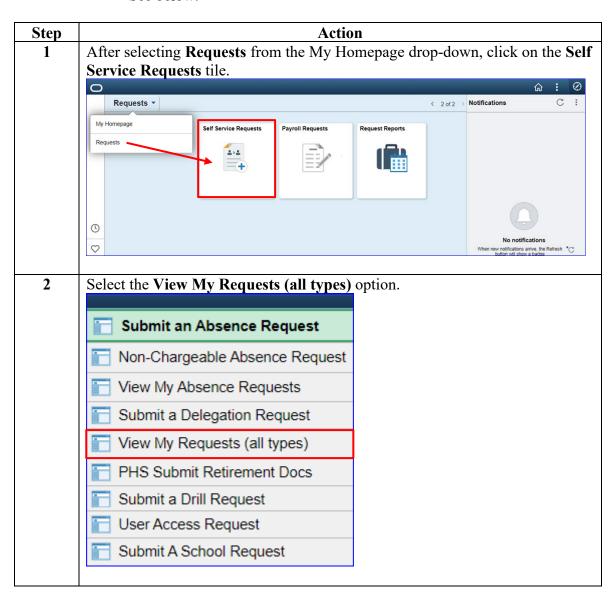
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## **Approve a Combat Tax Exclusion Request**

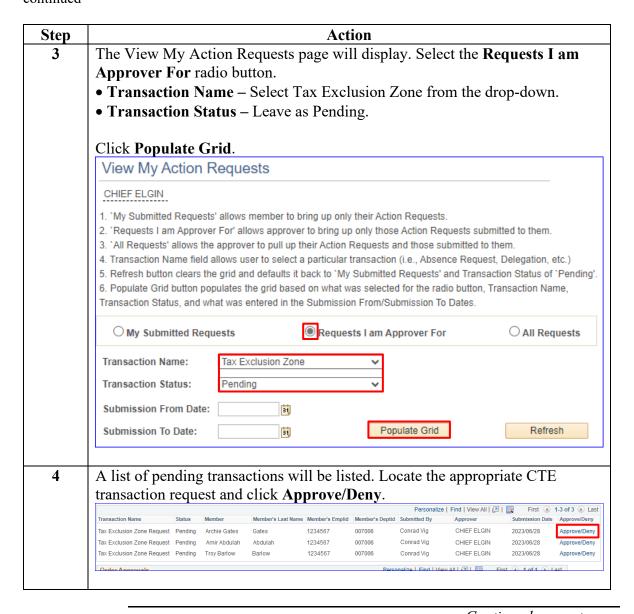
**Introduction** This section provides the procedures for

**Procedures** See below.



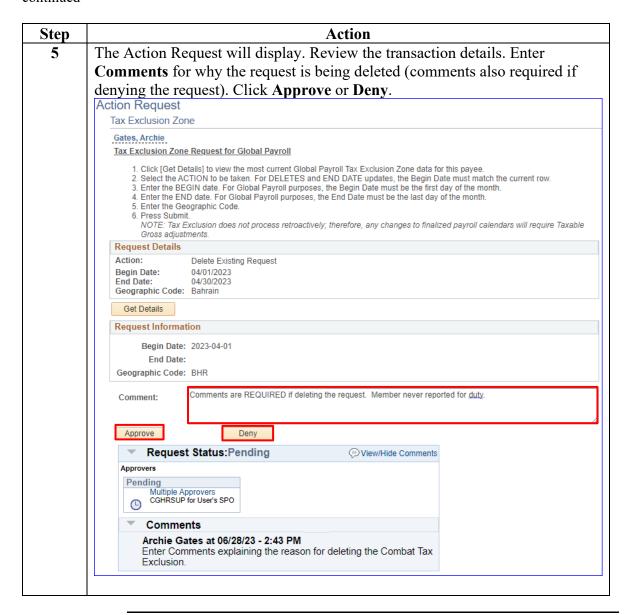
### Approve a Combat Tax Exclusion Request, Continued

# Procedures, continued



### Approve a Combat Tax Exclusion Request, Continued

## Procedures, continued



### Approve a Combat Tax Exclusion Request, Continued

#### Procedures,

continued

