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: Stop Combat 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 auto-stop 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.
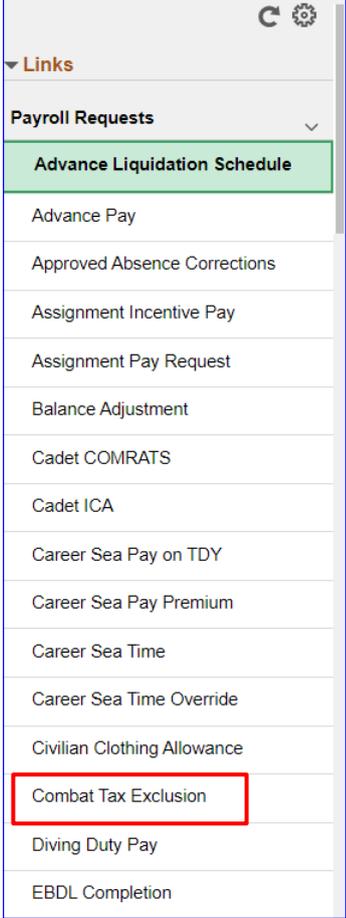
Contents

Start Combat Tax Exclusion

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

Procedures   See below.

Step	Action
1	Click on the **AD/RSV Payroll Workcenter** tile. AD/RSV Payroll Workcenter
2	Select the **Combat Tax Exclusion** option. Links Payroll Requests Advance Liquidation Schedule Advance Pay Approved Absence Corrections Assignment Incentive Pay Assignment Pay Request Balance Adjustment Cadet COMRATS Cadet ICA Career Sea Pay on TDY Career Sea Pay Premium Career Sea Time Career Sea Time Override Civilian Clothing Allowance Combat Tax Exclusion Diving Duty Pay EBDL Completion

Start Combat Tax Exclusion, Continued

Procedures,
continued

Step	Action
3	Enter the member's **Empl ID**. Click **Add**. **Add Action Request** Add a New Value *Empl ID `1234567` 🔍 Empl Record `0` 🔍 **Add**
4	The Submit Tax Exclusion Zone action request will display. Follow the 6 step directions on the page. **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: [ ] 📅 End Date: [ ] 📅 Geographic Code: [▾] Get Details **Request Information** Begin Date: End Date: Geographic Code: Comment: [ ] Submit Resubmit Withdraw

Start Combat Tax Exclusion, Continued

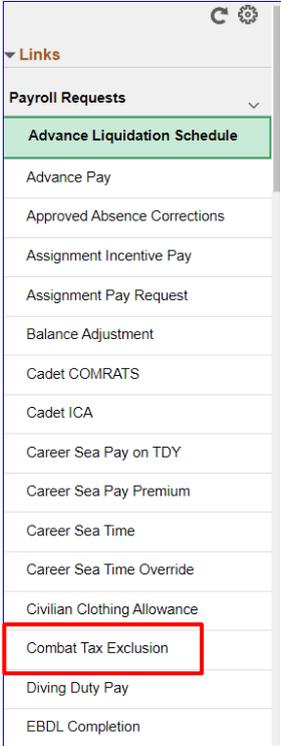**Procedures**,
continued

Step	Action
5	**NOTE: End Date –** If the CTE period is known, enter an end date. This must be the last day of the month. If the CTE period is unknown, leave blank. **NOTE:** See Start and Stop Information for more details. Enter **Comments** as appropriate and click **Submit**. 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: Add new Request Begin Date: 07/01/2023 End Date: Geographic Code: Bahrain Get Details **Request Information** Begin Date: 2022-06-01 End Date: 2023-06-30 Geographic Code: BHR Comment: Enter Comments supporting why this member is authorized Combat Tax Exclusion. Submit Resubmit Withdraw
6	The action request is now in a **Pending** status and will be routed to the SPO tree for approval. **Request Status: Pending** View/Hide Comments Approvers Pending Multiple Approvers CGHRSUP for User's SPO **Comments** Troy Barlow at 06/28/23 - 2:19 PM Enter Comments supporting why this member is authorized Combat Tax Exclusion.

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, <mark>but this entitlement is now a manual process</mark>. See Start and Stop Information for more information.
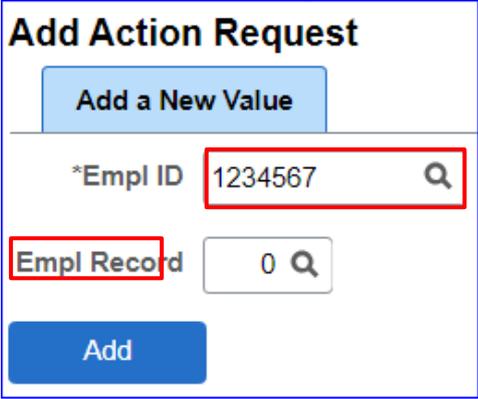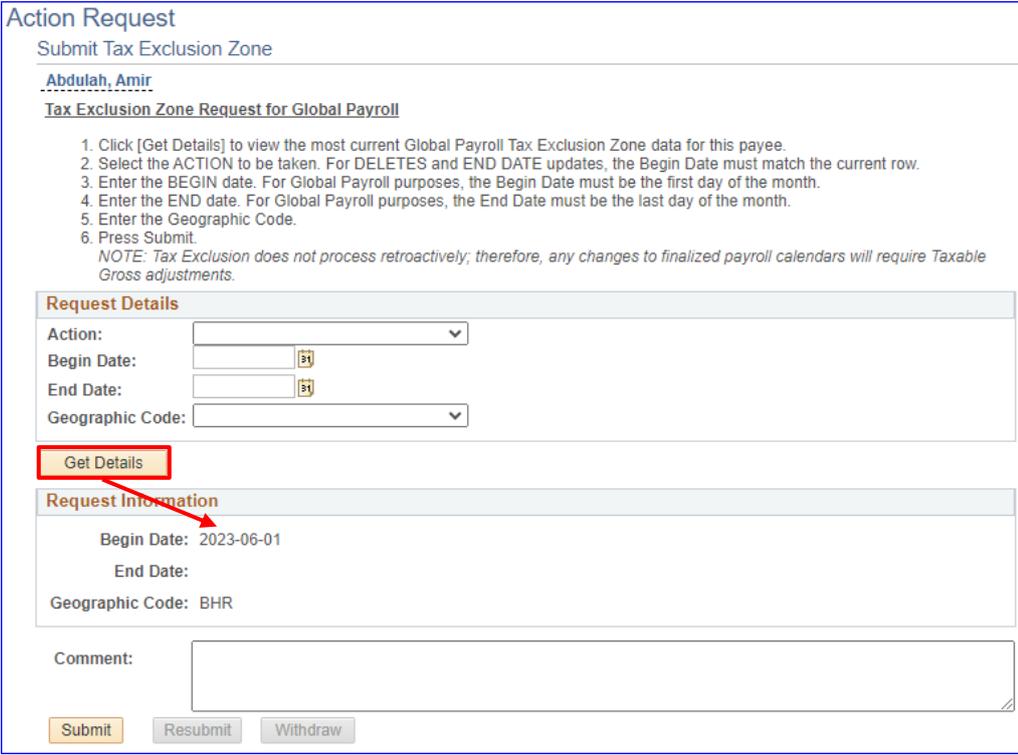
Procedures   See below.

Step	Action
1	Click on the **AD/RSV Payroll Workcenter** tile.
2	Select the **Combat Tax Exclusion** option.

Stop Combat Tax Exclusion, Continued

Procedures,
continued

Step	Action
3	Enter the member's **Empl ID**. Click **Add**. **Add Action Request** Add a New Value *Empl ID 1234567 Empl Record 0 Add
4	The Submit Tax Exclusion Zone action request will display. Click **Get Details**. This will populate the Request Information section with the most current Tax Exclusion Zone data for the member. Action Request Submit Tax Exclusion Zone Abdulah, Amir **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: End Date: Geographic Code: Get Details **Request Information** Begin Date: 2023-06-01 End Date: Geographic Code: BHR Comment: Submit Resubmit Withdraw

Stop Combat Tax Exclusion, Continued

Procedures,
continued

Step	Action
5	**Action** – Select Update Request End Date from the drop-down.

Action Request

Submit Tax Exclusion Zone

Abdulah, Amir

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: Update Request End Date

Begin Date:

End Date:

Add new Request
Delete Existing Request
Update Request End Date

Geographic Code:

Get Details

Request Information

Begin Date: 2023-06-01

End Date:

Geographic Code: BHR

Comment:

Submit   Resubmit   Withdraw

Stop Combat Tax Exclusion, Continued

Procedures, continued

Step	Action
6	Follow the remainer of the steps on the page Enter **Comments** as appropriate and click **Submit**. **Action Request** Submit Tax Exclusion Zone Abdulah, Amir **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: Update Request End Date Begin Date: 06/01/2023 End Date: 06/30/2023 Geographic Code: Bahrain Get Details **Request Information** Begin Date: 2023-06-01 End Date: Geographic Code: BHR Comment: Enter Comments explaining the reason for stopping Combat Tax Exclusion. Submit Resubmit Withdraw
7	The action request is now in a **Pending** status and will be routed to the SPO tree for approval. ▼ **Request Status:** Pending 💬 View/Hide Comments **Approvers** Pending Multiple Approvers CGHRSUP for User's SPO ▼ **Comments** Amir Abdulah at 06/28/23 - 2:32 PM Enter Comments explaining the reason for stopping Combat Tax Exclusion.

Delete Combat Tax Exclusion

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

When to Use   ==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).
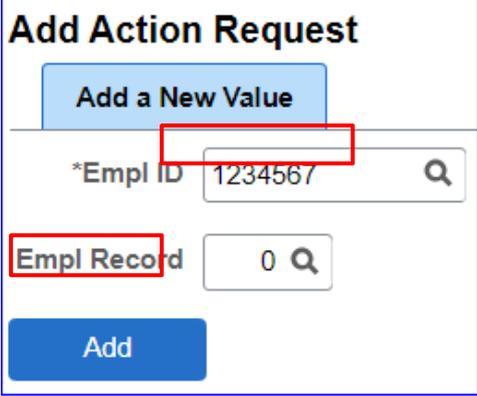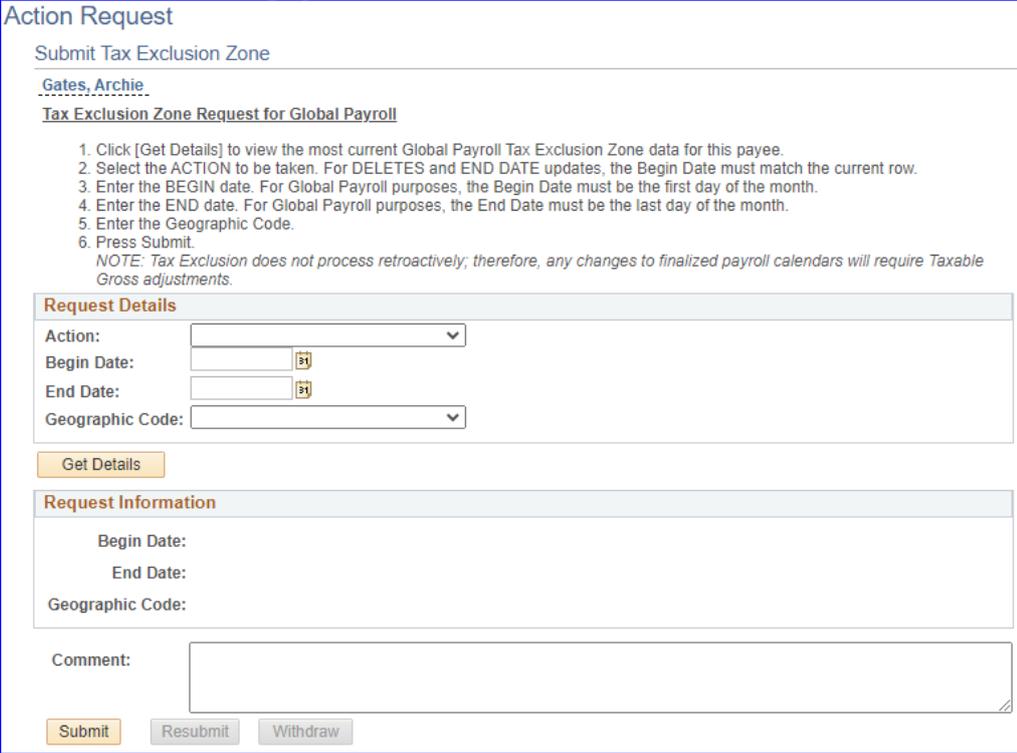
Procedures   See below.

Step	Action
1	Click on the **AD/RSV Payroll Workcenter** tile. AD/RSV Payroll Workcenter
2	Select the **Combat Tax Exclusion** option. Links Payroll Requests Advance Liquidation Schedule Advance Pay Approved Absence Corrections Assignment Incentive Pay Assignment Pay Request Balance Adjustment Cadet COMRATS Cadet ICA Career Sea Pay on TDY Career Sea Pay Premium Career Sea Time Career Sea Time Override Civilian Clothing Allowance Combat Tax Exclusion Diving Duty Pay EBDL Completion
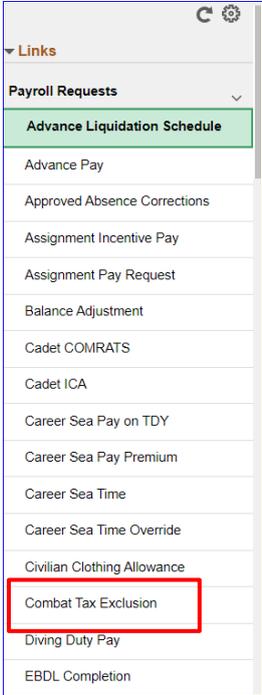
Delete Combat Tax Exclusion, Continued

Procedures,
continued

Step	Action
3	Enter the member's **Empl ID**. Click **Add**.
4	The Submit Tax Exclusion Zone action request will display. Follow the 6 steps of instruction on the page.

Delete Combat Tax Exclusion, Continued

Procedures,
continued

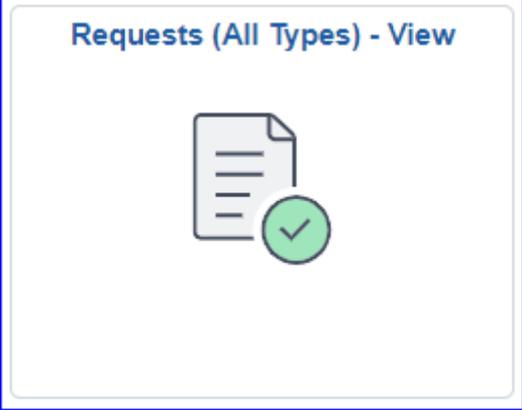| Step	Action
5	**Action** – Select Delete Existing Request from the drop-down. Action Request Submit Tax Exclusion Zone Gates, Archie **Tax Exclusion Zone Request for Global Payroll** 1. Click [Get Details] to view the most current Global Payroll Tax Exclusion Zone data for this payee. 2. Select the 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: Delete Existing Request Add new Request Delete Existing Request Update Request End Date Begin Date: End Date: Geographic Code: Get Details **Request Information** Begin Date: 2023-04-01 End Date: Geographic Code: BHR Comment: Submit Resubmit Withdraw
6	Follow the remaining steps on the page. Enter **Comments** describing the reason for the deletion and click **Submit.** Action Request Submit Tax Exclusion Zone Gates, Archie **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: Delete Existing Request Begin Date: 04/01/2023 End Date: 04/30/2023 Geographic Code: Bahrain Get Details **Request Information** Begin Date: 2023-04-01 End Date: Geographic Code: BHR Comment: Enter Comments explaining the reason for deleting the Combat Tax Exclusion. Submit Resubmit Withdraw

Delete Combat Tax Exclusion, Continued

Procedures,
continued

Step	Action
7	The action request is now in a **Pending** status and will be routed to the SPO tree for approval.
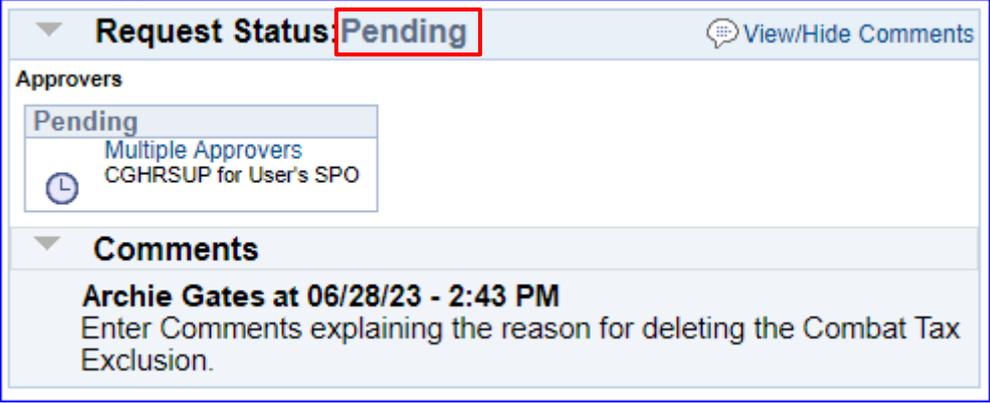
Approve a Combat Tax Exclusion Request

Introduction   This section provides the procedures for

Procedures   See below.

Step	Action
1	Navigate to **Member Self Service** via the drop-down or by page **arrows**.
2	Click on the **Requests (All Types) - View** tile.
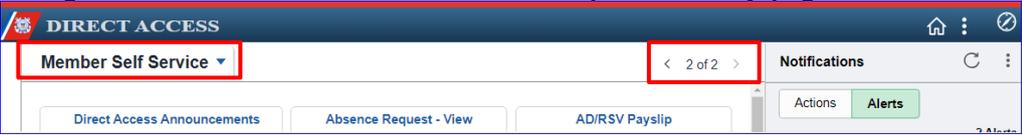
Approve a Combat Tax Exclusion Request, Continued

Procedures,
continued

Step	Action
3	The View My Action Requests page will display. Select the **Requests I am Approver For** radio button. • **Transaction Name** – Select Tax Exclusion Zone from the drop-down. • **Transaction Status** – Leave as Pending. Click **Populate Grid**. **View My Action Requests** CHIEF ELGIN 1. `My Submitted Requests' allows member to bring up only their Action Requests. 2. `Requests I am Approver For' allows approver to bring up only those Action Requests submitted to them. 3. `All Requests' allows the approver to pull up their Action Requests and those submitted to them. 4. Transaction Name field allows user to select a particular transaction (i.e., Absence Request, Delegation, etc.) 5. Refresh button clears the grid and defaults it back to `My Submitted Requests' and Transaction Status of `Pending'. 6. Populate Grid button populates the grid based on what was selected for the radio button, Transaction Name, Transaction Status, and what was entered in the Submission From/Submission To Dates. ○ My Submitted Requests　◉ Requests I am Approver For　○ All Requests Transaction Name: Tax Exclusion Zone Transaction Status: Pending Submission From Date: Submission To Date:　　Populate Grid　Refresh
4	A list of pending transactions will be listed. Locate the appropriate CTE transaction request and click **Approve/Deny**. Personalize | Find | View All | 🔲 | 🔲　First ◀ 1-3 of 3 ▶ Last | Transaction Name	Status	Member	Member's Last Name	Member's Emplid	Member's Deptid	Submitted By	Approver	Submission Date	Approve/Deny
Tax Exclusion Zone Request	Pending	Archie Gates	Gates	1234567	007006	Conrad Vig	CHIEF ELGIN	2023/06/28	Approve/Deny
Tax Exclusion Zone Request	Pending	Amir Abdulah	Abdulah	1234567	007006	Conrad Vig	CHIEF ELGIN	2023/06/28	Approve/Deny
Tax Exclusion Zone Request	Pending	Troy Barlow	Barlow	1234567	007006	Conrad Vig	CHIEF ELGIN	2023/06/28	Approve/Deny	 Order Approvals　Personalize | Find | View All | 🔲 | 🔲　First ◀ 1 of 1 ▶ Last

Approve a Combat Tax Exclusion Request, Continued

Procedures,
continued

Step	Action
5	The Action Request will display. Review the transaction details. Enter **Comments** for why the request is being deleted (comments also required if denying the request). Click **Approve** or **Deny**.

Approve a Combat Tax Exclusion Request, Continued

Procedures,
continued

Step	Action
6	The request will update to **Approved** or **Denied**.