



Missouri

DEPARTMENT OF REVENUE

*Military
Reference
Guide*



Revised February 2011



Missouri Department of Revenue Contact Information

MILITARY LIAISON

The Missouri Department of Revenue has designated a "Military Liaison" to assist military personnel with questions about Missouri income tax, driver licenses, motor vehicle registrations, and other issues. Please call (573) 751-3622 and ask for the Department's Military Liaison, or e-mail the Department at military@dor.mo.gov.

You may also obtain information about tax, motor vehicle, and driver license from the Department by contacting:

Taxation Division

PO Box 2200

Jefferson City, MO 65105-2200

Phone: (573) 751-3505

Fax: (573) 751-2195

Motor Vehicle Bureau

PO Box 100

Jefferson City, MO 65105-0100

Telephone: (573) 526-3669

Fax: (573) 751-0789

Driver License Bureau

PO Box 200

Jefferson City, MO 65105-0200

Telephone: (573) 751-2730

Fax: (573) 522-8174



MILITARY REFERENCE GUIDE INDEX

Taxation Division	3
Introduction	4
Filing Requirements	5
Tax Diagram	6
Combat Pay	7
Extension of Deadlines	8
Interest and Penalties	9
Frequently asked Questions-Missouri is the Home of Record	9-10
Pension Exemptions	10
Frequently asked Questions-Missouri is <u>not</u> the Home of Record	11-12
No Return Required-Military Online Form	12
Property Tax Exemption for Certain Veterans	12
Driver License Bureau	13
Renewal of Documents	14-15
Power of Attorney	16
Commercial Driver License	16
Special Notes	16
Motor Vehicle Bureau	17
Vehicle Registration Renewal and Required Documents	18
Titling and Inspections	18
Extensions	18-19
Specialty Plates	19
Special Notes	19



*Taxation
Division*



TAX INTRODUCTION

The Servicemembers Civil Relief Act prevents military personnel from being taxed on their military income by any state other than their home of record state. The Military Spouses Residency Relief Act, effective for the 2009 tax year and forward, prevents income earned by servicemembers' spouses from being taxed by any state other than the state they declare as their state of residence.

To determine if any income for a military individual (and spouse, if married) is taxable to Missouri, the individual must first determine if Missouri is his or her home of record.

If you entered the armed forces in Missouri, your home of record is presumed to be Missouri and you are presumed to be domiciled in Missouri. Since individuals with a Missouri home of record can be stationed in Missouri or outside Missouri, their tax obligations can be different based on their specific circumstances.

Nonresidents of Missouri who are stationed in Missouri due to military orders generally do not have a Missouri home of record. Any military pay earned in Missouri by a person who does not have a Missouri home of record is not taxable and may be excluded from Missouri adjusted gross income. However, any additional non-military income is taxable.



FILING REQUIREMENTS

HOME OF RECORD – MISSOURI

- Stationed in Missouri - If your home of record is Missouri and you are stationed in Missouri due to military orders, all of your income, including your military pay, is taxable to Missouri. If you are entering or leaving the military, Missouri is your home of record, and you spend more than 30 days in Missouri, your total income, including your military pay, is taxable to Missouri.
- Stationed outside Missouri - If you: (a) maintained no permanent living quarters in Missouri during the year; (b) maintained permanent living quarters elsewhere; and (c) did not spend more than 30 days of the year in Missouri, you are considered a nonresident for tax purposes and your military pay, interest, and dividend income are not taxable to Missouri. Complete Form MO-NRI and attach to Form MO-1040. If your spouse remains in Missouri more than 30 days while you are stationed outside Missouri, your total income, including your military pay, is taxable to Missouri. If your spouse is stationed with you outside of Missouri and Missouri is their state of residence, any income earned by your spouse is taxable to Missouri. If your spouse earns more than \$1,200 you must file a Missouri return (Form MO-1040).

HOME OF RECORD - NOT MISSOURI

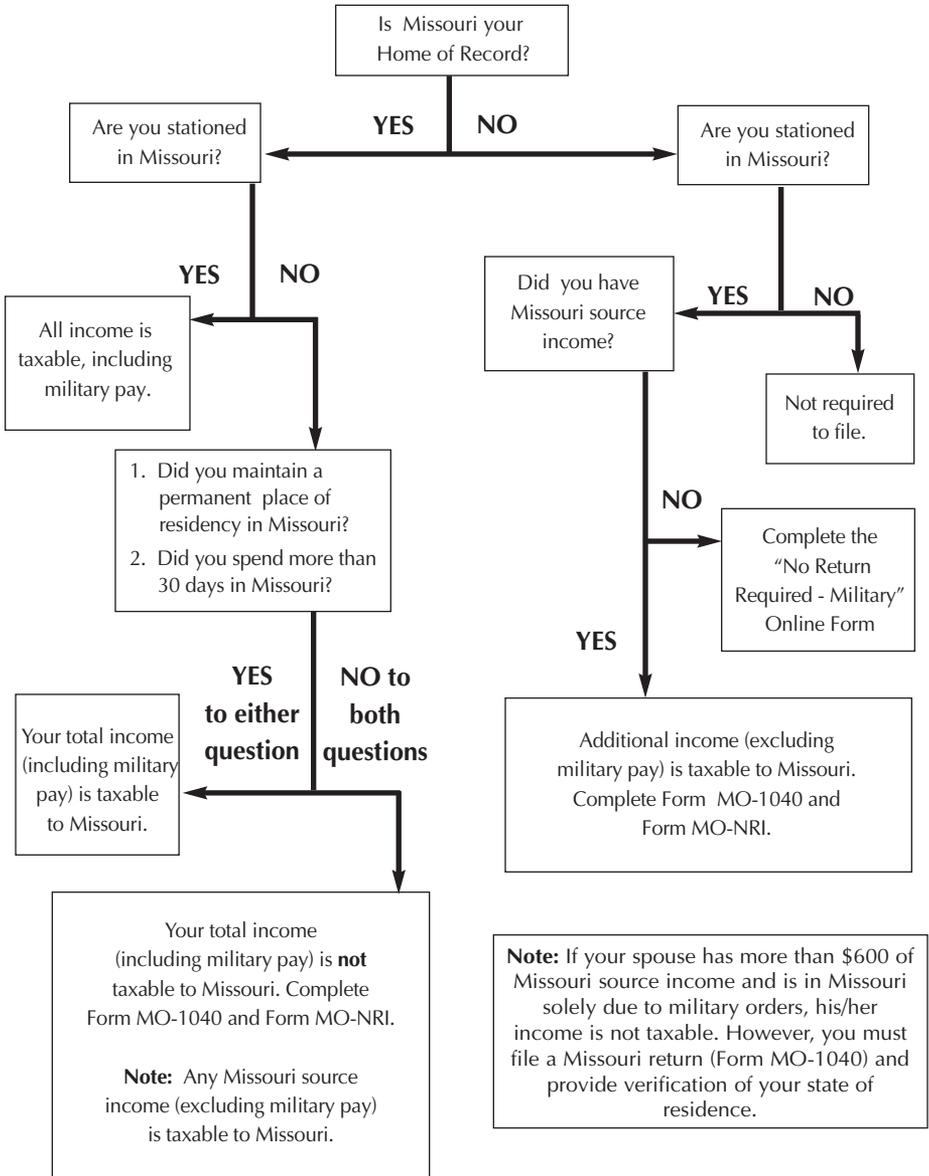
The military pay of nonresident military personnel stationed in Missouri due to military orders is not taxable to Missouri. If you are a servicemember and earned only military income while stationed in Missouri, complete a No Return Required-Military Online Form at the following address: <http://dor.mo.gov/military/>.

If you are a military servicemember and earned \$600 or more in Missouri in non-military income, this non-military income is taxable to Missouri and cannot be subtracted from your federal adjusted gross income on your Missouri return (Form MO-1040).

If you are the spouse of a military servicemember, are in Missouri because the military servicemember is stationed in Missouri on military orders, and your state of residence is another state, any income earned by you is not taxable to Missouri. However, if you earn more than \$600 you must file a Missouri return (Form MO-1040) and provide verification of your state of residence. Acceptable verification may include any of the following: a copy of your 2010 state income tax return filed in your state of residence, 2010 property tax receipt, current driver license, vehicle registration, or voter identification card. You must report the military pay of the servicemember and your income on Form MO-A, Part 1, Line 9, as a "Military (Nonresident)" subtraction to your federal adjusted gross income. For additional information, please visit <http://dor.mo.gov/military/>.



USE THIS DIAGRAM TO DETERMINE WHICH INCOME TAX FORM (IF ANY) TO USE



For more information see the Department's web site at
<http://dor.mo.gov/military/>



COMBAT PAY

COMBAT ZONE - MILITARY

A combat zone is any area the President of the United States designates by Executive Order as an area in which the U.S. Armed Forces are engaging or have engaged in combat. An area usually becomes a combat zone and ceases to be a combat zone on the dates the President designates.

COMBAT PAY INCLUDED IN FEDERAL ADJUSTED GROSS INCOME

If a military person's federal adjusted gross income includes military pay received while serving in a combat zone, that portion of combat pay may be subtracted on the Missouri return.

In most cases, the IRS allows enlisted members, warrant officers, and commissioned officers to exclude the military pay received while serving in a combat zone, so no deduction is necessary on the Missouri return. However, if a military person's combat pay is included in Form W-2, Box 1, wages and included in their federal adjusted gross income, a subtraction is allowed using Form MO-A, Part 1.



EXTENSION OF DEADLINES

The time for taking care of certain tax matters can be postponed. These postponements are referred to as “extensions of deadlines.”

QUALIFYING FOR AN EXTENSION OF DEADLINE

The deadline for filing tax returns, paying taxes, or filing claims for refund, are automatically extended if either 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. A qualifying service outside of a combat zone is the service in direct support of military operations in the combat zone, and the service qualifies you for special military pay for duty subject to hostile fire or imminent danger. Other qualifying services would include if you were hospitalized while serving in a combat zone, or hospitalized after serving in the combat zone and have a wound, disease, or injury that happened while serving in the combat zone.
- 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.

LENGTH OF EXTENSION

Your deadline for taking actions with the Missouri Department of Revenue is extended for 180 days after 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).

In addition to the 180 days, your deadline is extended by the number of days that were left for you to take action with the Missouri Department of Revenue 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 in the 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.



INTEREST AND PENALTIES

The Department follows the federal guidelines on assessment and collection deadlines. During the extension period, assessment and collection deadlines will be extended, and you will not be charged interest and penalties attributable to the extension period.

FREQUENTLY ASKED QUESTIONS WHEN MISSOURI IS THE HOME OF RECORD

1. My income is entirely from the military and I have not spent more than 30 days in Missouri during the year. Is my military income taxable to Missouri?
 - A. No. You need to complete the “No Return Required - Military” online form indicating you are not required to file a Missouri return. However, if you had Missouri withholdings you must complete Forms MO-1040 and MO-NRI to recover your withholdings.
2. I entered the military from Missouri on April 1st. I was stationed at a military base in another state through the end of the year. Is my military income taxable to Missouri?
 - A. Yes. Your military pay is taxable to Missouri since you were in Missouri more than 30 days during the year.
3. I have been stationed at a military base in another state all year and my income is entirely from the military. My spouse resides in Missouri. Is my military pay taxable to Missouri?
 - A. Yes. If your spouse spent more than 30 days in Missouri during the year, you are 100 percent taxable to Missouri and must complete Form MO-1040 (long form).
4. I have been stationed at a military base in another state all year and my income is entirely from the military. Missouri state taxes were withheld from my military pay. Do I need to file a Missouri return to receive a refund?
 - A. Yes. In order to receive a refund, you must complete Form MO-1040 (long form) along with Form MO-NRI (Missouri Income Percentage).
5. I am retired and receive a pension from the military. Is my military pension taxable to Missouri? If so, how is my military pension taxed?



- A. Pension income is taxable to the state one resides in while receiving payments. You may qualify for a pension exemption. You must complete Form MO-1040 (long form), along with Form MO-A, Part 3.

Married couples with Missouri adjusted gross income less than \$100,000 and single individuals with Missouri adjusted gross income less than \$85,000, may deduct the greater of \$6,000 or 65 percent of their public retirement benefits, to the extent the amounts are included in their federal adjusted gross income. The deductible percentage of their public retirement benefits will increase until 2012. The total public pension exemption is limited to \$33,703 for each spouse.

Note: Taxpayers who also qualify for the Social Security or Social Security Disability Deduction, must reduce their public pension exemption by the amount of the Social Security or Social Security Disability Deduction.

For the tax year beginning January 1, 2010, 15% of a military pension income will be exempt from Missouri income tax. This tax deduction will increase 15% annually until January 1, 2016, when all military pension income will be tax free. The military pension is calculated on Form MO-A, Part 3, Section D.

6. If I am in the military serving in a combat zone and cannot file my taxes by the due date, do I qualify for an extension to file my return?

A. Yes. Any military personnel qualifies for an extension of 180 days if they are: 1) serving in a combat zone; 2) deployed outside of the United States away from their permanent duty station while participating in a contingency operation, or; 3) had continuous qualified hospitalization for injury from service in a combat zone or contingency operation. The extension begins after the last day of the latest of these situations.

7. I was stationed at a military base in California; I will be separating from the military in October and returning to Missouri. Is my military income taxable to Missouri?

A. Yes. If you spend more than 30 days in Missouri during the year, you are 100 percent taxable to Missouri.

8. I have been stationed at a military base in another state all year and my income is entirely from the military. My spouse is a resident of Missouri, resides with me, and works for a company in the state in which we are stationed. Are we required to file a return?

A. Yes, under the Military Spouse's Residency Relief Act, if you are the spouse of a military servicemember residing outside of Missouri solely because your spouse is there on military orders, any income you earn is taxable to Missouri. You must complete Form MO-1040 (long form). The military servicemember may calculate their Missouri income percentage by completing Form MO-NRI. The spouse of the servicemember is not eligible to calculate a Missouri income percentage and should report 100% on Line 27 of MO-1040.



FREQUENTLY ASKED QUESTIONS WHEN MISSOURI IS NOT THE HOME OF RECORD

1. I am stationed at a military base in Missouri and my income is entirely from the military. Do I need to file a Missouri return?
 - A. No. Your military pay is not taxable to Missouri due to the Servicemembers Civil Relief Act. However, you need to complete the “No Return Required - Military” online form indicating you are not required to file a Missouri return.

2. My spouse and I are stationed at a military base in Missouri and we are both residents of another state. My income is entirely from the military and my spouse works for a Missouri company. Do we need to file a Missouri return?
 - A. Yes. You must complete Form MO-1040 (long form) along with Form MO-A. Your military pay is not taxable to Missouri due to the Servicemembers Civil Relief Act and your spouse’s income is not taxable due to the Military Spouse’s Residency Relief Act. Report on Form MO-A, Part 1, Line 9 your military pay and your spouse’s income. Be sure to mark the box titled Military (nonresident). Your spouse must verify they are a resident of another state by providing any of the following: a copy of your other state return, property tax receipts, a valid driver license, or vehicle registration, or a voter identification card. Please see the Department’s web site for additional information at <http://dor.mo.gov/military/>.

3. I am stationed at a military base in Missouri and Missouri is not my “home of record.” Most of my income is from the military, but I have a part-time job and my spouse works full-time for a Missouri company. Do we need to file a Missouri return?
 - A. Yes. You must complete Form MO-1040 (long form) along with Form MO-A. Your military pay is not taxable to Missouri due to the Servicemembers Civil Relief Act and your spouse’s income is not taxable due to the Military Spouse’s Residency Relief Act. Report on Form MO-A, Part 1, Line 9 your military pay and your spouse’s income. Be sure to mark the box titled Military (nonresident). Your spouse must verify they are a resident of another state by providing any of the following: a copy of your other state return, property tax receipts, a valid driver license, or vehicle registration, or a voter identification card. Any income you earned at your part-time job is taxable to Missouri. Please see the Department’s web site for additional information at <http://dor.mo.gov/military/>.



4. I am stationed in Missouri and have a part-time job in Missouri, and my spouse resides in Texas. Am I required to use the same filing status on my Missouri return as I did on my federal return?

A. Yes. You are required to use the same filing status to file your Missouri return as you did on your federal return. You must complete Form MO-1040 (long form) along with Form MO-A. Your military pay is not taxable to Missouri due to the Servicemembers Civil Relief Act and your spouse's income is not taxable due to the Military Spouse's Residency Relief Act. Report on Form MO-A, Part 1, Line 9 your military pay and your spouse's income. Be sure to mark the box titled Military (nonresident). Any income you earned at your part-time job is taxable to Missouri.

“NO RETURN REQUIRED- MILITARY” ONLINE FORM



Effective for the 2007 tax year and forward, military individuals who are not required to file a Missouri return can use the “No Return Required - Military” online form, which can be found online at <http://dor.mo.gov/military>.

This form should be submitted to the Department by the return's due date. (A return's due date is normally April 15th, following the close of the taxable year.) Submitting this online form timely should prevent the Department from sending a “Request for Tax Return” notice to a military individual.

PROPERTY TAX EXEMPTION FOR CERTAIN VETERANS

Constitutional Amendment 2 exempts from property taxes all real property used as a homestead by any Missouri citizen who is a former prisoner of war with a total service-connected disability.

This exemption is not administered by the Missouri Department of Revenue.



*Driver License
Bureau*



RENEWAL OF DOCUMENTS

Missouri allows for an early renewal of driver licenses, permits, or non-driver licenses documents for persons leaving the state or country. An applicant can apply for early renewal at a local license office prior to leaving to ensure the document does not expire while deployed.

Missouri also allows renewal by mail for members of the armed forces and their dependents. Applicants should submit renewal form 4317 (available on-line at <http://dor.mo.gov/forms/index.php>, or faxed upon request), along with required documents and fees.

Missouri allows a renewal without re-examination for members of the armed forces whose license has expired while out of state, for up to six months from honorable discharge or within ninety days of reestablishing residency in Missouri, whichever occurs first. The expired Missouri license and discharge papers must be submitted at the time of application in addition to other applicable renewal documents. The expired license is not valid for driving. These provisions only waive re-examination and do not extend the actual driving privileges beyond the expiration date.

Required Documents for Renewal

When you obtain or renew any license, permit, or nondriver license, you will be required to show verification of name, date of birth, place of birth, Social Security Number, and Missouri residential address, as required by Missouri law. If renewing, you will also be required to present and surrender your current license, permit, or nondriver license. Details of these requirements are listed below. For more information, visit <http://dor.mo.gov/drivers/checklist.php>.

- **Name, Date of Birth, Place of Birth:** A U.S. citizen may show a birth certificate issued by a state or local government (with an embossed, stamped or raised seal), a valid or expired U.S. passport, a Certificate of Citizenship, Certificate of Naturalization, or a Certificate of Birth Abroad. A hospital-issued birth certificate is not acceptable. A U.S. Military Identification Card or discharge papers accompanied by a copy of a U.S. Birth Certificate issued by a state or local government is acceptable. Examine the full list of acceptable required documents at <http://dor.mo.gov/drivers/idrequirements.php>.
- **Social Security Number:** A Social Security card or Medicare card with your current name can be presented. If your name on the Social Security card or Medicare card does not match your current name, additional documents must be presented to supply verification of your name change. See the following page for acceptable documents.
- **Missouri Residential Address:** You have a variety of options to prove your current address. Examples include: a recent utility bill (including phone, electric, gas, water, sewer, and cable), property tax receipt, most recent bank statement, voter ID card, or any official letter issued within the last 30 days by another state or local governmental agency on its letterhead.



A Missouri residential address will be required each time you apply to renew a driver license, nondriver license, or instruction permit. If you are under the age of 21 and cannot provide verification of a Missouri residential address, a parent or legal guardian may provide such a document on your behalf.

- A residential address is a person's true, fixed, principal, and permanent home, to which a person intends to return and remain, even though currently residing elsewhere.

Social Security Number

State law requires you to include your Social Security Number (SSN) on your application to obtain a license or permit. A license office employee may ask for proof of your SSN. Any one of the documents below is acceptable as proof of SSN:

- **Social Security card** - A metal card *is not* acceptable.
- **Recent payroll stub** containing the SSN.
- **Military Identification Card** containing the SSN.
- **IRS/state tax forms** - A Form W-2 *is not* acceptable.
- **Financial statement, on company form/letterhead**, containing the SSN.

If you do not have a Social Security Number, you must sign an affidavit stating that you do not have a Social Security Number. If a Social Security Number has not been assigned, you must present a letter from the Social Security Administration (SSA) regarding the status of your number. Your application and supporting documents will be sent to the central office for verification. Your permit/license will be issued if approved.

Name Changes

If the name on your required documents does not match your current name, present one of the documents below showing your correct/current name.

- **Last Name Change** - certified marriage certificate, certified divorce decree, certified court order, certified adoption papers, or amended birth certificate, U.S. passport, or social security card/medicare card.
- **First Name Change** - court order or adoption papers.
- **Middle Name Change** - court order.



POWER OF ATTORNEY

Missouri allows applications for renewal of license to be submitted at a local license office by a person with power of attorney for active duty military personnel. Documents to verify power of attorney in addition to applicant name, date of birth, place of birth, Social Security Number, and residential address must be submitted with the application. The application form 4318 is available on-line at <http://dor.mo.gov/forms/index.php>, or may be faxed upon request or acquired from the local license office.

COMMERCIAL DRIVER LICENSE

Missouri allows active duty military or retired military personnel to complete an application for waiver of skills testing to obtain a commercial driver license. Applicant must have a minimum of 60 days active duty driving experience in a commercial motor vehicle for the military (not vehicle training) within the 2 years prior to date of application for waiver. Applicants must still complete the required knowledge examinations for the commercial driver license class applied for. All military waiver transactions will be submitted for secondary review to ensure driving history, military status, and commercial vehicle experience has been met. A letter may be sent if additional information is required to determine eligibility. The Military Skills Test Waiver Application 5140 is available on-line at <http://dor.mo.gov/forms/index.php> or may be faxed upon request or acquired at a local license office.

SPECIAL NOTES

Missouri has a special process that allows for driver license suspensions and revocations to be stayed in certain cases for members of the armed forces performing such military service. The suspensions and revocations will remain in a stayed status until 60 days after the military service ends.

More information regarding how to get your license reinstated or to find out what is on your driver record is available 24 hours, 7 days a week at (573) 526-2407. You may also access the Missouri Driver Guide on-line at <http://dor.mo.gov/drivers/dlguide/>



*Motor Vehicle
Bureau*



VEHICLE REGISTRATION RENEWAL AND REQUIRED DOCUMENTS

Military applicants may renew an expired motor vehicle registration up to 60 days after completion of military service without a \$5 renewal penalty. The vehicle may not be operated during the period the registration is expired.

With each transaction the applicant must submit official orders from the appropriate military authority as evidence of military service and the date of discharge.

TITLING AND INSPECTIONS

Military applicants may authorize another individual to sign the General Affidavit (form 768) indicating the vehicle is out-of-state and will be inspected within ten (10) days of returning to Missouri, if applicable. A power of attorney or a statement from the military applicant allowing the signature is not required.

Military applicants are allowed 180 days from completion of military service before a title penalty is assessed on the purchase of a motor vehicle, trailer, boat, outboard motor, all terrain vehicle, or manufactured home.

Military applicants may have a commissioned officer or other out-of-state law enforcement officer sign an inspection form to verify the vehicle identification number (VIN) and odometer reading of a vehicle previously titled out of state (ID/OD inspection).

EXTENSIONS

Any person engaged in the performance of active duty in a United States military conflict for 30 days or more, will receive an extension for complying with certain motor vehicle laws. Qualified military service includes:

- A member of the National Guard or National Guard Reserve;
- A member of the United States Armed Forces or Reserve (Army, Navy, Air Force, Coast Guard, or Marines); and
- An officer of the United States Public Health Service detailed by proper authority for duty with any branch of the United States Armed Forces.



Active duty military personnel who sell a vehicle and are deployed before a new vehicle can be purchased are allowed an extension of 180 days after return to purchase a vehicle and obtain the tax allowance. A copy of their military orders of completion of deployment must be submitted. This extension also applies to “total loss” vehicle tax credits.

SPECIALTY PLATES

Missouri has over 30 different types of military personalized license plates available to qualified military individuals. To preview these specialty plates or read the requirements to obtain them, visit <http://dor.mo.gov/motorv/plates>.

Examples include, but are not limited to:

- | | | |
|------------------|--------------|----------------------------|
| Air Force | Navy | Operation Enduring Freedom |
| National Guard | Coast Guard | Marine Corps |
| Civil Air Patrol | Army | Purple Heart |
| Some Gave All | U.S. Veteran | Operation Iraqi Freedom |

SPECIAL NOTES

Active duty military applicants may discontinue liability insurance on a vehicle with an otherwise valid registration, provided that the vehicle is not being operated.

Military applicants stationed outside of the state of Missouri are eligible for waiver of their property tax receipt verification requirement if the applicant provides a Leave and Earnings Statement which does NOT indicate Missouri as his or her home of record.

