

## CHAPTER 6

### THE ARMED FORCES TAX COUNCIL

The Department of Defense (DoD) created the Armed Forces Tax Council (AFTC) on 1 December 1988.<sup>1</sup> Several offices within DoD provide members for the AFTC. Each of the Service Secretaries designates a representative. The Assistant Secretary of Defense (Force Management and Personnel) designates the Executive Director (formerly called the chair). The Assistant Secretary of Defense (Reserve Affairs), DoD Comptroller, and DoD General Counsel each designate another member.

The AFTC coordinates matters affecting Federal, State, local, and foreign tax liabilities of service members and the related obligations of the military departments as employers. The AFTC coordinates current and proposed DoD publications and requests rulings and comments on tax matters from the Treasury Department, the Internal Revenue Service (IRS), and state taxation authorities. It also reviews and makes legislative proposals affecting the tax obligations of service members and the military departments; request interpretations of tax laws as required by DoD offices; and provides advice on tax policy matters.

Legal assistance attorneys (LAAs) should be aware of a memorandum issued by DoD General Counsel requiring DoD attorneys to obtain approval from the DoD Office of General Counsel and from the general counsel of their military departments before requesting rulings or opinions of issues with general military applicability from non-DoD agencies, e.g., the IRS, Treasury Department. Army attorneys who wish to raise such issues so as to obtain rulings or opinions on tax matters should send their requests to the Army AFTC representative at the Legal Assistance Policy Division.

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1. See Dep't of Defense Directive 5124.3, Armed Forces Tax Council (Dec 1, 1988).

