

Military Divorce – Stress, Physical Separation can Lead to Marriage Dissolution

Heightened efforts to protect the U.S. require a strong military presence at home and abroad. Some American soldiers are on their third or fourth combat tour - 15 months away from home with just 18 days' leave. The strain is showing on their relationships.

Are divorce rates among the military on the rise? The answer varies, depending on the study or article you read. That said, there appears to be a rise in military divorces following deployment.

Divorce – military differs from civilian

Military divorces sometimes include elements that make them more complicated than civilian divorces. "Military couples must be aware of factors that affect their divorce as a result of military service," states Certified Divorce Financial Analyst **Denisa Tova**, one of the partners in the Divorce Resource Centre of Colorado (DRCC). All of the DRCC partners are familiar with the unique challenges presented by divorce in the military, but Colorado Springs based Tova has beefed up that part of her practice because of the large military presence in the area.

Military divorce requires a special knowledge of laws and familiarity with issues, including:

- Military pay
- Military retirement pay
- Military Disability pay
- Military pension division orders through DFAS
- Survivor benefit plan (SBP)
- Military housing
- Medical and other military benefits
- Separation bonuses
- Transfers to the Reserve/Guard
- Uniform Services Former Spouses' Protection ACT

Arm yourself with information

Tova offers the following tips to help you navigate the roadblocks and landmines often present in military divorce:

- **Track and understand gross income** and all factors that impact your Modified Adjustable Gross Income (MAGI).
- **Be aware of the Combat zone exclusion** - If you served in a combat zone, a portion of your pay can be excluded from your income.
- **Be aware of the 2003 Military Family Tax Relief ACT** - This relates to the sale of the home, often resulting in relocation. The new law offers an exception to the use and ownership (2 out of 5 years) rule for the service members in "qualified official extended duty." The rule is extended from five years to ten years for the single property.
- **Take advantage of education credits** - You are entitled to tax credits or deductions if you, your spouse or a dependent is enrolled in a college or vocational school.
- **Be aware of the automatic two-month extension** - Check with your accountant to make sure you qualify.
- **Permanent Change of Station and Child Tax Credits** - Taking advantage of these credits can alleviate the cash flow burden on moving families.
- **Falling short of 20 years** - Divorcing before the service member attains 20 years of creditable service to qualify for retirement pay can be detrimental to the non-military spouse.
- **Military pensions subject to different rules than QDRO** - Divisible in the event of divorce, military pensions are subject to different rules than the Qualified Domestic Relations Orders (QDRO) for private retirement accounts or Domestic Relations Orders (DRO) for state and municipal pensions.
- **Alimony and child support** - are also subject to special rules.
- **Lodging or food in lieu of BAH or BAS** - Colorado family law courts also assign/credit income to a servicemember who receives lodging or food in lieu of BAH or BAS.
- **Military housing is considered an "in-kind payment"** - much like a company car provided by a private-sector employer.

As a military family, you have chosen to serve your country. On the home front, it's just as important to take care of yourself and your future.

Every divorce is unfortunate and stressful; the additional stress of a military divorce can make it even more difficult to make necessary decisions for the good of the family. When divorce is inevitable, it's important to do your financial homework. Don't go it alone. If necessary, seek professional help from a divorce financial analyst who can help you avoid the financial pitfalls so common when emotions affect decision-making.

Denisa Tova, CFP®, CFDP™, ChFC, CLU provides divorce financial expertise to divorcing individuals. She is a Certified Financial Planner™ practitioner, Certified Divorce Financial Analyst, and a managing partner of Divorce Resource Centre of Colorado, LLC.

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