



New York State Comptroller Thomas P. DiNapoli

Tips for New Yorkers Serving on Active Duty

1) Lower your interest payments. Under the Soldier's and Sailor's Civil Relief Act, active duty military members are entitled to a maximum 6 percent interest rate per year for debts incurred prior to military service. Debts include interest on mortgages, car loans and credit cards.

2) Consider online banking and automatic bill payment. Military members are subject to frequent moves and deployments. To avoid incurring fees for missing bill payments and to eliminate the hassle of changing banks every time you move, an online banking account may be right for you. Not only are many services free, but online banks typically offer competitive interest rates on savings accounts.

3) "Do you offer a military discount?" Many businesses, including hotels, car rentals and entertainment venues offer some type of discount to members of the armed forces. So ask before you make your purchase!

4) Deploying? Let America know! There are hundreds of nonprofit organizations seeking ways to help deployed military members and their families. These organizations offer free computers, donated frequent flyer miles, gift certificates, scholarships and free phone cards. Learn more at www.americasupportsyou.mil.

5) Use deployment income to pay down debts. Deployed military members may be entitled to several tax-free salary enhancements, including a family separation allowance, hardship duty pay and combat pay. Also, income received while deployed to a hazardous duty zone is exempt from federal and state taxes. This income may be needed to care for your family and other obligations in your absence, but any leftover could be used to pay down debts. Becoming debt free is a great welcome home gift.

6) Earn 10 percent interest on combat pay. Military members deployed in combat zones may also be eligible to deposit all or part of their pay (up to \$10,000) into a Department of Defense savings account that accrues interest at a 10% annual rate. Visit www.dfas.mil for more information.



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