

SERVICEMEMBERS' CIVIL RELIEF ACT FREQUENTLY ASKED QUESTIONS

Here are frequently asked questions and answers on some rights and benefits available under the SCRA.

I have heard about 6% loans. How do I get them?

You may be entitled to have the interest rate on some of your loans reduced to 6% for the time you are on active duty. There are a number of special requirements. You need to talk to a Legal Assistance Attorney to ensure you are eligible. You may be eligible if you and your loan meet the following conditions:

- You took out the loan during a time when you were not on any form of active duty in any branch of the military.
- The interest rate is currently above 6% per year.
- Your military service affects your ability to pay the loan at the regular (pre-service) interest rate. Generally this requirement means that you make less money in the military than you made as a civilian. There are some special legal issues here - you should be ready to talk to your Legal Assistance Attorney about your entire financial situation.
- You notified the lender in writing with a copy of the your orders.

What about the lease on my apartment?

I live alone and I will not be there. I want to let my apartment go and put my furniture in storage. Can I get out of my lease? Generally - **yes**. If you have a lease for a house, apartment, or even a business location, you may be able to get out of the lease when you come on active duty. Here are the requirements:

- You originally signed your lease when you were not on any form of active duty.
- You have received your orders to active duty.
- You gave written notice to your landlord that you want to terminate your lease and a copy of your orders. You will still have to pay rent for a short while. Your landlord can charge you rent for 30 days after the date your next rent is due, after the date you give your written notice.

Example: You give notice on 15 December. Your next rent is normally due 1 January. The landlord can make you pay rent until 31 January. The key is to get the written notice in the landlord's hands just as soon as possible.

I have to go to court on a lawsuit that came up over an auto accident last year. Can I get the lawsuit delayed?

If you are a party (one of the people suing or being sued) in a civil case (not a criminal case), the court must grant you an initial delay of 90 days upon your request explaining how your military duties materially effect your ability to appear, your date of availability, and a letter from your commander. Generally, your commander will have to show that military duty is keeping you from going to court. This is a tricky legal area - I recommend you have your civilian lawyer contact a Military Legal Assistance Attorney to discuss the best way to proceed in your case.

What will happen when I get off of active duty and I try to start it again - will I still be covered?

As long as you are on active duty, your health care needs are covered by the Military's medical facilities. In addition, your family members will become eligible for coverage. You may want to suspend your civilian coverage. If you do this, the SCRA will require your civilian insurance company to reinstate your coverage when you get off of active duty. They have to write you a policy. They cannot refuse to cover most "pre-existing conditions".

Will I have to pay state income taxes on my pay while I am on active duty?

If your home state taxes military pay, you will have to pay those taxes. If you get assigned to another state, you will still legally be a "domiciliary" of your home state. The state to which the military assigns you cannot tax your military pay. If you moonlight, they can tax that pay - just your military pay is exempt.