DEPARTMENT OF DEFENSE

FINANCIAL MANAGEMENT REGULATION

VOLUME 7A: "MILITARY PAY POLICY - ACTIVE DUTY AND RESERVE PAY"

UNDER SECRETARY OF DEFENSE
(COMPTROLLER)
VOLUME 7A, CHAPTER 1: “BASIC PAY”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated April 2016 is archived.

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<th>PURPOSE</th>
</tr>
</thead>
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</tr>
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CHAPTER 1

BASIC PAY

0101 GENERAL

010101. Purpose

This chapter prescribes the criteria for determining creditable service for military members; provides examples for computing valid creditable service; states periods of service that are not creditable for pay purposes; cites conditions for the payment of military pay entitlements; explains the computation of leave and conditions for leave accrual; and provides for situations where enlistments are not valid. Tables 1-1 through 1-15 outlining various conditions in which military pay is payable and basic pay charts for all grades of military personnel are at the end of this chapter. See the Joint Travel Regulations (JTR), Chapter 10 for entitlement to Basic Allowance for Housing (BAH), and Chapter 25, Table 25-1, for Basic Allowance for Subsistence (BAS) payments.

010102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

0102 CREDITABLE SERVICE

010201. Service Which is Creditable

A. General

1. The several military pay and personnel systems use a variety of dates to determine various entitlements. Among them is the date that denotes how much service a member has for the purpose of determining longevity pay rates. The Army refers to this as the “pay entry basic date”, the Navy and Marine Corps refer to this as the “pay entry base date”, while the Air Force calls it the “pay date”. This chapter will refer to this data element as the “basic pay date”, which is defined as reflecting all service that is creditable towards longevity.

2. The member’s servicing personnel office is responsible for providing, when necessary, a statement of service that can include the basic pay date, total active Federal military service date, total commissioned Federal military service date, and a variety of other dates, depending on the nature of the individual member’s service. This regulation details only the computation of the basic pay date, since Military Service personnel regulations control the computation of all other dates.

B. Computation of Creditable Service. For most members who enter and serve on active duty without a break in service, the basic pay date is the date the member enters active or inactive service. If, however, there is a break in service, the time between periods of service usually is not included. Also, there are statutory periods when service in a particular component may not be counted. Conversely, there are periods for which some members are given constructive
service, even though they were not actually serving on active or inactive duty. Use the following guidance to compute the basic pay date when there has been a break in service of any kind or if there is a need to include constructive service.

C. **Creditable Service Periods.** Include active or inactive service in any of the following components without restriction:

1. Regular service in the Army, Air Force, Navy, Coast Guard, and Marine Corps;

2. Army, Naval, Marine Corps, Air Force, and Coast Guard Reserve;

3. Army of the United States (service without specification of a component);

4. Army National Guard;

5. Army National Guard of the United States;

6. National Guard;

7. National Guard of the United States;

8. Air Force of the United States (service without specification of a component);

9. Air National Guard;

10. Air National Guard of the United States;

11. Nurse Corps and Nurse Corps Reserve of the Public Health Service; or

12. Public Health Service and Reserve Corps of the Public Health Service.

D. **Other Creditable Service** (with restrictions noted in this subparagraph and in subparagraph 010202.A). Include the following periods of service:

1. Officer, deck officer, or junior engineer service in the National Oceanic and Atmospheric Administration, including similar periods of service in the former Corps of the Environmental Science Services Administration and the U.S. Coast and Geodetic Survey;

2. Service on a Military Service retired list, temporary disability retired list, or honorary retired list of any Uniformed Service or service as a member of the Fleet Reserve or Fleet Marine Corps Reserve;
3. Any period of service during which a member is entitled to retired, retirement, or retainer pay from any Uniformed Service;

4. Service as a cadet or midshipman at a military academy is always creditable service for an enlisted member who is not commissioned and reverts back to his/her enlisted status to complete their enlistment contract. See Table 1-1 to determine whether such service is creditable for commissioned and warrant officers;

5. Credit the time when an enlisted member is retained after the expiration of term of service of an Armed Force for medical care or hospitalization for disease or injury incident to service. Do not credit such periods of service if the underlying medical condition requiring medical care or hospitalization was due to the member’s misconduct;

6. Service otherwise creditable that is performed before a member reaches the statutory age for enlistment, unless the enlistment contract was voided or invalidated for fraud;

7. Active service performed as a temporary member of the U.S. Coast Guard Reserve;

8. Service terminated by desertion or dishonorable discharge unless the enlistment was fraudulent and was voided for that reason;

9. Periods of service when a member is detailed to and receiving pay and allowances from any other agency of the United States, even though accrual of military pay and allowances is suspended;

10. Service as a member of the Army, Navy, or Air Force Reserve Officers’ Training Corps (ROTC), provided the member has concurrent Selected Reserve (drilling status) for duty performed on or after August 1, 1979;

11. Service as an officer, Army field clerk, flight officer, aviation midshipman, or enlisted member of a uniformed service;

12. Service as an enlisted member in a Reserve Component, including Ready Reserve service (inactive and active) under the Delayed Entry (Enlistment) Program (DEP), before beginning active duty or an initial period of Active Duty Training (ADT), provided the Reserve enlistment was entered into before January 1, 1985. As of January 1, 1985, the following restrictions went into effect as and when stated:

   a. For enlistments in a Reserve Component under Title 10, United States Code (U.S.C.), section 12103(b) or (d), including enlistments under a DEP, that were entered into between January 1, 1985, and November 28, 1989, the period served in the Reserve Component before beginning active duty or an initial period of ADT is not creditable; or
b. For enlistments entered into on or after November 29, 1989:

(1). A period of enlisted service in a Reserve Component under 10 U.S.C. § 12103(b) or (d), including inactive service under a DEP, is creditable service only if the member performs Inactive Duty Training (IDT) before beginning active duty or an initial period of ADT; or

(2). Service performed as an enlisted member in a Reserve Component under 10 U.S.C. § 513, other than a period of active duty, is not creditable service; or

13. Any period of service which was creditable under any Federal statute in effect on January 10, 1962.

E. Constructive Service

1. Some medical and dental officers are entitled to extra credit for longevity purposes to reflect the time spent in medical or dental school. Medical and dental officers must meet one or more of the following criteria to be entitled to the constructive credit:

   a. On or before September 15, 1981, the officer already had the constructive service credit; the credit is not lost if there is a break in service either before or after that date. This includes Public Health Service officers.

   b. On September 14, 1981, the individual was enrolled either in the Armed Forces Health Professions Scholarship Program or in the Doctor of Medicine (DOM) program at the Uniformed Services University of Health Sciences (USUHS), completed that program, and was appointed as a medical or dental officer.

   c. On September 14, 1981, the individual was participating in a program that credited years of service and led to an appointment as an officer in the Army, Navy, Air Force, or Marine Corps.

2. Medical and dental officers who meet the criteria in subparagraph 010201.E.1 are entitled to 4 years of constructive service credit. Also, those medical officers who have completed a medical internship or its equivalent, or who entered military status while serving such an internship, are entitled to a fifth year of constructive service credit.

3. Where a member is entitled to service credit for a period covered by the constructive credit, reduce the constructive service credit by an amount equal to the actual service credit.

Example 1:

The member was credited with 4 years of constructive service and a basic pay date of August 3, 1973.

2. An individual completed a medical internship on June 30, 1979 and accepted a commission as a medical officer on August 11, 1979. The member was credited with 5 years of constructive service and a basic pay date of August 11, 1974.

3. An individual entered medical school in 1970 and accepted a commission on January 12, 1972. He graduated from medical school on June 10, 1974 and completed a civilian residency during the period from July 1, 1974 through June 30, 1975. Compute basic pay date as follows:

First, compute dual status period, which is the period of time between the date of commission and date of graduation:

<table>
<thead>
<tr>
<th></th>
<th>YR</th>
<th>MO</th>
<th>DAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graduated:</td>
<td>74</td>
<td>06</td>
<td>10</td>
</tr>
<tr>
<td>Commission Date:</td>
<td>72</td>
<td>01</td>
<td>12</td>
</tr>
<tr>
<td>Dual Status Period:</td>
<td>02</td>
<td>04</td>
<td>28+1 (inclusive day)</td>
</tr>
</tbody>
</table>

Then, compute constructive service credit, which is the 4 years constructive credit less the time already credited as commissioned service:

<table>
<thead>
<tr>
<th></th>
<th>YR</th>
<th>MO</th>
<th>DAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum Constructive Service Credit:</td>
<td>03</td>
<td>11</td>
<td>30 (4 years)</td>
</tr>
<tr>
<td>Less Dual Status Time:</td>
<td>02</td>
<td>04</td>
<td>29</td>
</tr>
<tr>
<td>Constructive Credit:</td>
<td>01</td>
<td>07</td>
<td>01</td>
</tr>
</tbody>
</table>

The member’s basic pay date was 1 year, 7 months, and 1 day before his commission date of January 12, 1972 or June 11, 1970.

Example 2: The scenario is the same as in the previous subparagraph, except the member accepted a commission on July 12, 1974 after starting the internship. The member was entitled to 5 years of constructive service credit instead of 4 years:

<table>
<thead>
<tr>
<th></th>
<th>YR</th>
<th>MO</th>
<th>DAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date Finished Internship:</td>
<td>75</td>
<td>06</td>
<td>30</td>
</tr>
<tr>
<td>Commission Date:</td>
<td>74</td>
<td>07</td>
<td>12</td>
</tr>
<tr>
<td>Dual Status Period:</td>
<td>00</td>
<td>11</td>
<td>18+1 (inclusive day)</td>
</tr>
</tbody>
</table>
Maximum Constructive
Service Credit:   04  11   30 (5 years)
Less Dual Status Time:  00  11   19
Constructive Credit:   04  00   11

The member’s basic pay date was 4 years, no months, and 11 days before his
commission date, or July 1, 1970.

Example 3: An officer, commissioned on November 19, 1962, entered dental
school on September 9, 1970 and graduated on May 28, 1974. To compute
constructive service credit:

First, compute dual status.

| Graduated: | 74 | 05 | 28 |
| Started School: | 70 | 09 | 09 |
| Dual Service: | 03 | 08 | 19+1 (inclusive day) |

Then, deduct the dual service from the 4-year constructive credit period to arrive at
net constructive service credit:

<table>
<thead>
<tr>
<th>Maximum Constructive</th>
<th>YR</th>
<th>MO</th>
<th>DAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Credit:</td>
<td>03</td>
<td>11</td>
<td>30 (4 years)</td>
</tr>
<tr>
<td>Less Dual Service:</td>
<td>03</td>
<td>08</td>
<td>20</td>
</tr>
<tr>
<td>Constructive Credit:</td>
<td>00</td>
<td>03</td>
<td>10</td>
</tr>
</tbody>
</table>

Change the member’s basic pay date to 3 months and 10 days before the previous
one (November 19, 1962) to August 10, 1962.

010202. Service Not Creditable

A. General. Do not use any service that is not listed as creditable service to
calculate a basic pay date. The following list includes a few types of service that are not creditable:

1. The time served in an enlistment that is terminated, voided, or
invalidated as fraudulent;

2. The time served as a commissioned officer in the Philippine Army;

3. The constructive time authorized by the Act of December 28, 1945
(59 Stat. 664), for determining grade and eligibility for promotion;

4. The period of time a member was on the Emergency Officers’
Retired List;
5. The time an individual was a member of a state, home, or territorial guard;

6. For commissioned officers, any period of service performed in the ROTC after October 12, 1964 and prior to August 1, 1979, even if such member held concurrent Reserve status;

7. Time an individual was a member of the inactive National Guard. This does not apply to an individual who was a member of the National Guard Reserve and the National Guard of the United States. Time during which the individual had dual status, enlisted or commissioned, in the inactive National Guard and the National Guard of the United States is creditable;

8. The time, subsequent to September 14, 1981, a member serves while enrolled in the Armed Forces Health Professions Scholarship and Financial Assistance Programs, or while a DOM student at the USUHS. Use any service creditable on the date of the officer’s entry into DOM USUHS to compute the officer’s basic pay for longevity purposes while a USUHS student, not to exceed the maximum rate of O-1 pay in Table 1-7 or, if applicable, the maximum O-1E pay in Table 1-8, or the member’s former pay grade as outlined in subparagraph 010303.A;

9. The time served in a Reserve Component before beginning active duty or an initial period of ADT for enlistment in a Reserve Component under 10 U.S.C. § 12103(b) or (d) that was entered into between January 1, 1985, and November 28, 1989;

10. For enlistments entered into on or after November 29, 1989:

   a. A period of enlisted service in a Reserve Component under 10 U.S.C. § 12103(b) or (d), including inactive service under a DEP, if the member does not perform IDT before beginning active duty or an initial period of ADT; or

   b. Service performed as an enlisted member in a Reserve Component under 10 U.S.C. § 513, other than a period of active duty.

B. Effect of Lost Time Absence From Duty on Creditable Service

1. Prior to February 11, 1996, a commissioned or warrant officer was entitled to credit for every day in a commissioned or warrant status, without regard to an absence of any kind, whether authorized or unauthorized, and including confinement prior to and during trial. In addition, absence during which a member was serving on active duty as an enlisted member was creditable if the enlisted member also held a commission as a Reserve officer. After February 10, 1996, a commissioned or warrant officer may not count the following periods of absence for any purpose other than that of computing length of service for basic pay:

   a. Desertion;
b. Absence from organization, station, or duty for more than 1 day without proper authority, as determined by proper authority;

c. Confinement by military or civilian authorities for more than 1 day in connection with a trial, whether before, during or after the trial; or

d. The officer’s inability for more than 1 day, as determined by competent authority, to perform assigned duties because of the officer’s intemperate use of drugs or alcoholic liquor, or because of disease or injury resulting from the officer’s misconduct.

2. See Table 1-2 to determine the creditability for absence while in an enlisted status.

010203. Active Enlisted and/or Warrant Officer Service for Members in Basic Pay Grades O-1E, O-2E, or O-3E

A. Service Counted

1. General. Commissioned officers with over 4 years of prior active service as an enlisted member, warrant officer, or combined service in both grades are entitled to count such service for purposes of computing basic pay for longevity purposes. Such prior service includes all active service, in either the Regular or Reserve Component or both (i.e., ADT in enlisted or warrant officer status, annual Reserve training duty, and full-time National Guard duty). Service on active duty or ADT and IDT for at least 4 years and 1 day satisfy the over 4 years of service requirement under this section.

2. Creditable Prior Enlisted Service. Commissioned officers in pay grades O-1, O-2, or O-3 who are credited with over 4 years (i.e., at least 4 years and 1 day) of prior active service as an enlisted member are entitled to the special rate of basic pay for pay grade O-1E, O-2E, or O-3E.

3. Creditable Prior Warrant Officer Service. Commissioned officers in pay grades O-1, O-2, or O-3 who are credited with over 4 years (i.e., at least 4 years and 1 day) of prior active service as a warrant officer are entitled to the special rate of basic pay for pay grade O-1E, O-2E, or O-3E.

4. Creditable Combined Prior Service. Effective October 1, 1993, commissioned officers in pay grades O-1, O-2, or O-3 who are credited with over 4 years (i.e., at least 4 years and 1 day) of combined prior active service as an enlisted member and warrant officer are entitled to the special rate of basic pay for pay grade O-1E, O-2E, or O-3E.

5. Creditable Service for Certain Reserve Commissioned Officers. Effective January 1, 2002, commissioned officers in pay grades O-1, O-2, and O-3 who are paid from funds appropriated for Reserve personnel and credited with 1,460 points for retirement
computed under 10 U.S.C. § 12732(a)(2) service as a warrant officer and/or enlisted member are entitled to the special rate of basic pay for pay grade O-1E, O-2E, or O-3E.

6. **Creditable Service for Certain Commissioned Officers.** Effective November 24, 2003, the restriction that members must be paid from reserve appropriated funds to qualify for the special rate of basic pay for pay grades O-1E, O-2E, and O-3E based upon creditable service points is eliminated. Therefore, effective that date, commissioned officers in pay grades O-1 through O-3 with more than 1,460 points computed under 10 U.S.C. § 12732(a)(2) for service as a warrant officer and/or an enlisted member are entitled to the special rate of pay.

7. **Leap Year.** Reserve Component members who perform duty during a leap year earn a point for the extra day of duty in the month of February under 10 U.S.C. § 12732(a)(2). A leap year represents 1 year of service for basic pay purposes. Thus, the extra point does not qualify the member for having earned the equivalent of over 4 years of active service, and the member would not be eligible for the O-1E, O-2E, or O-3E rate of basic pay. The member would have to serve more than 4 years of active service to qualify for the special rate of basic pay.

8. **Creditable Service while Graduate Students at USUHS.** The Secretary of Defense shall establish such selection procedures, service obligations, and other requirements as the Secretary considers appropriate for graduate students (other than medical students) in a postdoctoral, postgraduate, or technological institute established pursuant to 10 U.S.C. § 2113(e). The subparagraph 010202.A.8, does not apply to graduate students.

B. **Service Not Counted.** In computing active service, do not count:

1. Active service in a dual status (temporary officer/permanent enlisted) in the Navy or Marine Corps;

2. Service as a National Guard technician; or

3. Except for periods of active duty service performed while a USUHS DOM student, time served as a DOM student at USUHS. See subparagraph 010202.A.8 and applicable notes to Tables 1-7 and 1-8.

010204. **Computation of Creditable Service**

A. **Computing a Basic Pay Date**

1. All basic pay date computations start from the date of the member’s most recent entry on duty without a break in service. Use the following dates:

   a. For enlisted members, the date of enlistment, but see subparagraph 010201.D.10, for service under a DEP;
b. For officers, the date of acceptance of a commission. The date of acceptance for officers graduating from a Military Service academy is the date of graduation; or

c. For officers entitled to count service as an acting assistant surgeon, intern, or hospital steward in the Public Health Service or the Public Health Marine Hospital Service, the date of acceptance of the appointment. Do not count service performed before that date.

2. After determining initial basic pay date, compute creditable service for all service prior to that date. Use the following to compute basic pay date. If the member had any periods of service during which there was lost time, do not use those periods here. Instead, compute according to subparagraph 010204.A.3.

a. List beginning dates of service for each separate period of service, without changing any of them, and add them together.

b. List all ending dates. If the day is the 31st day of the month, change it to 30. If the day is February 28 in a non-leap year, change it to February 30 for computation purposes. If the day is February 29, change it to February 30 for computation purposes. Do not change February 28 of a leap year to February 30. Add all ending dates together.

c. Subtract the beginning day result from the ending day result.

d. For each non-continuous period of service, add 1 day to account for inclusive days. Explanation: Any period of service is at least one day. If, for example, the member had one day of service on January 17, 2012, the computation would look like this:

<table>
<thead>
<tr>
<th>Ending Day:</th>
<th>YR</th>
<th>MO</th>
<th>DAY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>12</td>
<td>01</td>
<td>17</td>
</tr>
<tr>
<td>Less Beginning Day:</td>
<td>12</td>
<td>01</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>00</td>
<td>00</td>
<td>00</td>
</tr>
</tbody>
</table>

It is necessary to add 1 day for inclusive days to avoid this erroneous answer.

e. Convert to full years, months, and days. The result is years of service creditable for pay purposes.
EXAMPLE:

Member served as follows:

<table>
<thead>
<tr>
<th>From:</th>
<th>To:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active Duty Army (Enlisted)</td>
<td>Jan 1, 81 Feb 29, 84</td>
</tr>
<tr>
<td>Army National Guard (ARNG) (Com)</td>
<td>Jun 1, 84 May 26, 91</td>
</tr>
<tr>
<td>Air National Guard (ANG) (Com)</td>
<td>Aug 1, 93 Mar 31, 98</td>
</tr>
<tr>
<td>U.S. Air Force (Com)</td>
<td>Apr 1, 98 Jun 4, 05</td>
</tr>
</tbody>
</table>

Convert February 29, 1984 to February 30, 1984 since 1984 was a leap year.

Convert March 31, 1998 to March 30, 1998 since the 31st day of a month does not count as an ending date, though it would count as a beginning date. The period from August 1, 1993 through June 4, 2005 is continuous, so it is all included in the third line of the computation.

Subtract total of beginning dates from the total of ending dates:

<table>
<thead>
<tr>
<th>YR</th>
<th>MO</th>
<th>DAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
<td>01</td>
<td>01</td>
</tr>
<tr>
<td>1984</td>
<td>02</td>
<td>30</td>
</tr>
<tr>
<td>1991</td>
<td>05</td>
<td>26</td>
</tr>
<tr>
<td>2005</td>
<td>06</td>
<td>04</td>
</tr>
<tr>
<td>5958</td>
<td>15</td>
<td>03</td>
</tr>
<tr>
<td>5980</td>
<td>13</td>
<td>60</td>
</tr>
</tbody>
</table>

Add 1 day for each of the 3 periods used in the computation. The result is 21 years, 10 months, and 60 days, which converts to exactly 22 years of creditable service.

3. Regarding computations involving lost time, if a member has lost time, compute the creditable service for the period served separately. Add the results to any creditable service computed separately under subparagraph 010204.A.2.

   a. When there is a period of lost time that has not been made good, compute the lost time on a 30-day month basis; but, if the lost time begins on the 31st day of a month, include that day as a lost day. Compute as follows:

Determine the years, months, and days of lost time and deduct that amount from the total service during the period.
Example 1: A member enlisted for 4 years on July 18, 2000 but was Absent Without Leave (AWOL) from February 10, 2003 through March 16, 2003. The member received a hardship discharge on August 10, 2003 without making up the lost time. The member reenlisted February 20, 2005. Compute creditable service and basic pay date as follows:

First compute the lost time.

<table>
<thead>
<tr>
<th></th>
<th>YR</th>
<th>MO</th>
<th>DAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ended AWOL:</td>
<td>03</td>
<td>03</td>
<td>16</td>
</tr>
<tr>
<td>Began AWOL:</td>
<td>03</td>
<td>02</td>
<td>10</td>
</tr>
<tr>
<td>Lost Time:</td>
<td>00</td>
<td>01</td>
<td>06+1 (inclusive day)</td>
</tr>
</tbody>
</table>

Then compute first period of service.

<table>
<thead>
<tr>
<th></th>
<th>YR</th>
<th>MO</th>
<th>DAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discharged:</td>
<td>03</td>
<td>08</td>
<td>10</td>
</tr>
<tr>
<td>Entered Active Duty:</td>
<td>-00</td>
<td>07</td>
<td>18</td>
</tr>
<tr>
<td>Subtotal:</td>
<td>03</td>
<td>00</td>
<td>22+1 (inclusive day)</td>
</tr>
</tbody>
</table>

Deduct Lost Time: 00 01 07
Creditable Service: 02 11 16

Subtract 2 years, 11 months, and 16 days from reenlistment date of February 20, 2005 to arrive at a new basic pay date of March 4, 2002.

b. A member who makes good the lost time does so on a day-to-day basis. When the member makes good lost time and completes the enlistment or contract period, compute the period of lost time on both a 30-day month basis and a day-to-day basis and use the result that is most advantageous to the member. To illustrate, if a member is AWOL on March 30 through April 1, it would be 3 days on the day-to-day basis but only 2 days on a 30-day month basis. Compute creditable service as follows (and separately from periods of service which do not have lost time):

(1) First step: Compute total lost time on both a 30-day basis and a day-to-day basis. Convert the day-to-day basis computation to years, months and days, and compare it to the computation on the 30-day basis. Discard the one which shows a higher total of days lost.

(2) Second step: Compute the gross amount of service during the period by subtracting the entry date from the discharge date and adding 1 day for inclusive day.

(3) Third step: Subtract the lost time from the result of the second step. If the result is at least as long as the enlistment contract, use that amount. If the result is less than the enlistment contract, increase it to equal the enlistment contract.
(4) Fourth step: Add this creditable service to any other periods and use the total to figure the member’s basic pay date.

Example 2: Assume the member in example 1 had not received a hardship discharge; instead, he or she had completed the enlistment contract, including making good the lost time. He made up the 35 days of lost time computed on a day-to-day basis. The days served to make good the lost time were July 18-31, 2004 (14 days) and August 1-21, 2004 (21 days).

When the member reenlists on February 20, 2005, compute creditable service as follows:

\[
\begin{array}{ccc}
YR & MO & DAY \\
04 & 08 & 21 & (ending date of the last period of service) \\
-00 & 07 & 18 & (beginning date of the last period of service) \\
04 & 01 & 03 & +1 (inclusive day) \\
\end{array}
\]

The result is 4 years, 1 month and 4 days before deducting lost time. Note that the lost time computed on a 30-day month basis was 37 days, but was only 35 days when computed on a day-to-day basis. Subtract the 35 days lost time from the period of service computed above.

\[
\begin{array}{ccc}
YR & MO & DAY \\
04 & 01 & 04 \\
-00 & 01 & 05 \\
03 & 11 & 29 & (total service) \\
\end{array}
\]

The result is less than the enlistment contract of 4 years, but since the member completed the enlistment contract, he or she is entitled to credit for the entire 4 years. Set basic pay date at February 20, 2001, when the member reenlists on February 20, 2005.

Example 3: A member enlisted on July 18, 2000, for 4 years. She was AWOL from July 28, 2003 through September 3, 2003, which is 38 days on a day-to-day basis (July 28-31, 4 days; August 1-31, 31 days; and September 1-3, 3 days). She is discharged on August 24, 2004 after making good the 38 days of bad time by serving July 18-31 (14 days) and August 1-24 (24 days).

Step 1. When she reenlists on February 20, 2005, compute prior service as follows:

\[
\begin{array}{ccc}
YR & MO & DAY \\
04 & 08 & 24 & (ending date of the last period of service) \\
-00 & 07 & 18 & (beginning date of the last period of service) \\
04 & 01 & 06+1 & (inclusive day) \\
\end{array}
\]

The result is 4 years, 1 month and 7 days before deducting lost time.
Step 2. Lost time on a day-to-day basis was 38 days. Compute lost time on a 30-day month basis as:

<table>
<thead>
<tr>
<th>Month</th>
<th>Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 28-31, 2003</td>
<td>03</td>
</tr>
<tr>
<td>August 1-30, 2003</td>
<td>30</td>
</tr>
<tr>
<td>September 1-3, 2003</td>
<td>03</td>
</tr>
<tr>
<td>Total</td>
<td>36</td>
</tr>
</tbody>
</table>

Step 3. Following the rule set out in step 2, above, deduct the lost time in the manner most beneficial to the member.

Step 4. Set the basic pay date at February 19, 2001 when the member reenlists on February 20, 2005.

4. Adjusting basic pay date when member has lost time. Lost time does not change an officer’s basic pay date (See paragraph 010202.B). When an enlisted person returns to duty after a period of lost time, add the number of days lost time to the member’s basic pay date to reflect the lost time.

Example: An enlisted member with no prior service enlisted on July 18, 2003. He was AWOL from February 10, 2005 through March 16, 2005. When member returns to duty status, change his basic pay date as follows:

Compute lost time:

<table>
<thead>
<tr>
<th>Month</th>
<th>Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 10-30</td>
<td>21</td>
</tr>
<tr>
<td>March 1-16</td>
<td>16</td>
</tr>
<tr>
<td>Total</td>
<td>37</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>YR</th>
<th>MO</th>
<th>DAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>03</td>
<td>07</td>
<td>18</td>
</tr>
<tr>
<td>+03</td>
<td>01</td>
<td>07</td>
</tr>
<tr>
<td>03</td>
<td>08</td>
<td>25</td>
</tr>
</tbody>
</table>

The new basic pay date is August 25, 2003.

B. Procedure When Basic Pay Date Falls on February 29. When basic pay date falls on February 29, entitlement to longevity increases begins on March 1 in non-leap years and on February 29 in leap years.
0103 COMPUTATION OF PAY

010301. Basic Pay Entitlements

A. When Entitled to Basic Pay. The pay of Military Service members is prescribed by law. Current basic pay rates are contained in Tables 1-7, 1-8, 1-9, 1-10 and at the Defense Finance and Accounting Service website. Members are entitled to receive pay according to their pay grades and years of service if they are:

1. On active duty in a pay status; and
2. Not prohibited by law from receiving such pay.

B. Employment of Members in Another Capacity

1. Employment Under the Government

   a. Unless otherwise provided by law (such as during the period a member is on terminal leave pending retirement, separation, or release from active duty under honorable conditions), a member may not be employed in another capacity by the government and receive pay, other than the pay and allowances that accrue by reason of the military status. A member may be employed, however, on a voluntary basis during off-duty hours in connection with non-appropriated fund activities.

   b. Under agreements such as that between the Department of Defense and the Agency for International Development (AID) of the Department of State, military members may be detailed to agencies such as AID for certain types of service for specified periods. As provided in pertinent agreements, members so detailed are entitled to the pay and allowances of employees of the agency (AID Foreign Service personnel, in the case of that agency) holding comparable positions. Such members are paid by the agency in which service is performed, not by the Military Service involved.

2. Acceptance or Holding Civil Office

   a. An officer of an Armed Force on active duty may not be employed on civil functions if the civil duties separate the member from the parent organization or interfere with the performance of military duties. This applies to employment on civil works or internal improvements, by an incorporated company, or as acting paymaster or disbursing agent of the Bureau of Indian Affairs.

   b. Unless otherwise provided by law, an officer of a Regular Component of the Army, Navy, Air Force, or Marine Corps may not hold a civil office by election or appointment under the United States, a territory, possession, or state. Acceptance of such position terminates the officer’s appointment and any further entitlement to receive pay and allowances whether or not the officer continues to fulfill the duties as an officer subsequent to accepting the office.
3. **Medical Officers.** Medical officers on active duty who receive any compensation or stipend payments for services they perform as interns or resident physicians in private or public institutions (state, county, municipal, or privately owned hospitals) receive such payments for the benefit of the United States. Collect these payments from medical officers for deposit to the U.S. Treasury.

C. **Formal Acceptance of Appointment by Officers**

1. Pay and allowances generally accrue from the date of acceptance of appointment as an officer. The normal method of acceptance is taking the oath of office. Commencement of travel in compliance with an order is considered acceptance for pay purposes, but payment will not be made until formal signing of the oath of office. See Table 1-3 for specifics and for graduates of the academies.

2. An officer need not take the oath of office upon promotion if the service has been continuous since the last oath.

Note: See Table 1-4 for other situations regarding effective dates for promotions or restoration of grade.

D. **Restriction Against Dual Payments**

1. A Reserve member who is called to active duty for more than 30 days in time of war or national emergency is entitled while on that active duty to the pay and allowances prescribed for active duty. Exception is authorized if the member is entitled to a pension, retired pay, or disability compensation for earlier military service, in an amount greater than that prescribed for active duty.

2. Except as prescribed in subparagraph 010301.D.1, a Reserve member who is entitled to payments for earlier military service, and is called to active duty and is entitled to pay, may elect to receive either:

   a. The payments for the earlier military service, or

   b. If member specifically waives those payments, the pay and allowances authorized for the active duty.

E. **Posthumous Promotions.** Members may be promoted posthumously. The amount of bonus, gratuity, pay, or allowances is not changed by these promotions. This payment restriction does not apply to promotions of members while in a missing status where a determination by the Secretary of the Military Department concerned is subsequently made that the member died before the date of the promotion.
010302. Computing Monthly Pay

A. Monthly Pay

1. Service of 30 Days or More. Compute monthly compensation as if each month had 30 days. When service begins on an intermediate day of the month, pay for the actual number of days served during that calendar month, but only through the 30th day of that month. If active military service begins on the 31st day of any month, compensation does not accrue for that day. Any person who enters active service during February and serves until the end of the month is entitled to pay for 1 month (30 days), less the prorated amount for the number of days expired before entry on duty. If the service ends before the last day of February, pay the member only for the actual number of days served.

2. Service of Less Than 30 Days. Members of the Uniformed Services entitled to receive compensation for continuous periods of less than 1 month are entitled to pay and allowances for each day of the period at the rate of 1/30 of the monthly amount of such pay and allowances. Include the 31st day of a calendar month in the computation. Members who are obligated to serve on active duty for 30 days or more, but who were released before performing such active duty for at least 30 days, are entitled to receive pay and allowances on a day-to-day basis.

B. Absence Without Pay

1. Deduct 1/30 of 1 month’s pay for each day’s absence in a nonpay status.

2. No pay is lost for unauthorized absence on the 31st day of a month, except when it is the first day of absence or when the member is paid for the day under subparagraph 010302.A.2.

3. Absence in a nonpay status on the 28th of February in a non-leap year results in loss of pay for 3 days. If the member is absent only on the 28th day of February in a leap year, deduct the pay for 1 day for the 28th. If the absence occurs on the 29th of February, deduct pay for 2 days. When payment is made under subparagraph 010302.A.2, on the basis of each day served, deduct only for the actual period of unauthorized absence.

C. Annual Salary. Annual salary is divided into 12 equal installments. One installment represents the pay for each calendar month. The daily rate is 1/30 of the monthly rate. The instructions in subparagraph 010302.B, for monthly pay also apply to annual salary.

D. Basic Pay Rates. Tables 1-7 through 1-10 contain monthly rates of basic pay.
010303.  Saved Pay and Allowances

A.  **Enlisted.**  An enlisted member who accepts an appointment as an officer will, following appointment, be paid the greater of:

1.  The pay and allowances to which such member would be entitled if the member had remained in the last enlisted grade held before appointment as an officer and continued to receive increases in pay and allowances authorized for that grade, or

2.  The pay and allowances to which the member thereafter becomes entitled as an officer.

B.  **Warrant Officers.**  A warrant officer who accepts an appointment as a commissioned officer will, following appointment, be paid the greater of:

1.  The pay and allowances to which the member thereafter becomes entitled as a commissioned officer, or

2.  The pay and allowances to which such member would be entitled if the member had remained in the last warrant officer grade held before appointment as a commissioned officer and continued to receive increases in pay and allowances authorized for that grade, or

3.  In the case of an officer who was formerly an enlisted member, the pay and allowances to which entitled, under subparagraph 010303.D.3, before appointment as an officer.

C.  **Prior Service Medical Students.**  Members selected to participate as a DOM student at the USUHS or in the Health Professions Scholarship and Financial Assistance Program who have prior active service, including members who have had a break in service, in a pay grade with years of service greater than the rate of second lieutenant or ensign, will be authorized saved pay for the basic pay rate of the former grade.  The former basic pay rate will be increased on January 1 of each year by the average percentage increase authorized for that year.  The member will continue to receive the former pay rate until the date, occurring before or after graduation or participation in the program, that the member’s actual grade and years of service basic pay rate exceeds the former grade rate.  This saved pay provision applies only to basic pay.  The member’s other pay entitlements will be paid at the member’s actual grade and years of service.

D.  **Restrictions**

1.  Except for prior service medical students discussed in subparagraph 010303.C, a member entitled to saved pay is not authorized the pay for one grade and an allowance for another grade.
2. The saved pay amount may be reduced when the member loses entitlement to specific items; however, these specific items will be included in saved pay if the member again qualifies for such items. (See subparagraph 010303.D.7.)

3. In the case of a Navy or Marine Corps promotion under the authority of 10 U.S.C. § 5596, a member in a temporary appointment is not entitled to saved pay because of a permanent promotion.

4. BAH may be continued as an item of saved pay and will be paid whenever it is not forfeited because the member is assigned to government quarters.

5. For enlisted members, BAS is the alternative for subsistence in kind. Since officers are not authorized subsistence in kind, a member eligible for saved pay is entitled to the appropriate BAS rate (including the “when permitted to mess separately rate” even when subsistence in kind otherwise would be provided or made available) under the conditions prevailing for enlisted members at their permanent station. Credit BAS at the “when permitted to mess separately rate” at all times, except when the member would otherwise be entitled to a different rate. (See Chapter 25, subparagraph 250202.C.)

6. For appointments accepted before January 6, 2006, special duty assignment pay, incentive pay for hazardous duty, special pay for diving duty, special pay for sea duty, and hardship duty pay may be retained as an item of saved pay only for as long as the member continues to perform the duty and would be eligible to receive payment had the member remained in the former status.

7. For appointments accepted on or after January 6, 2006, in determining the amount of pay and allowances of a grade formerly held by an officer who was an enlisted member and accepted an appointment as an officer, the following special and incentive pays may be considered only so long as the officer continues to perform the duty that creates the entitlement to, or eligibility for, that pay and would otherwise be eligible to receive that pay in the former grade:

   a. Incentive pay for hazardous duty;
   b. Submarine duty pay;
   c. Special pay for diving duty;
   d. Hardship duty pay;
   e. Career sea pay;
   f. Special pay for service as a member of a Weapons of Mass Destruction Civil Support Team;
   g. Assignment incentive pay;
h. Special pay for duty subject to hostile fire or imminent danger;

i. Special pay or bonus for an extension of duty at a designated overseas location;

j. Foreign language proficiency pay; and

k. Critical skill retention bonus.

8. The enlisted cash clothing allowances prescribed in Chapter 29 may not be included in the saved pay computation if the officer is entitled to the initial uniform allowance prescribed in Chapter 30, section 3002.

9. Family Separation for Housing (FSH) may be continued as an item of saved pay under the same conditions as BAH (See subparagraph 010303.D.4). If the member was entitled to FSH due to an enforced separation from the member’s family at the time of appointment, the allowance may be included in the computation of saved pay until the entitlement ends. FSH may be reinstated for future periods if the member again qualifies for FSH due to an enforced separation from the family. Similarly, other items of overseas station allowance and/or special or incentive pay may be reinstated if a member again qualifies for them.

10. Effective January 6, 2006, the following special and incentive pays are dependent on a member being in an enlisted status and may not be considered in determining the amount of pay and allowances of a grade formerly held by an officer:

a. Special duty assignment pay;

b. Reenlistment bonus;

c. Enlistment bonus; and

d. Career enlisted flyer incentive pay.

E. Breaks in Service. A break in service (e.g., released from active duty, discharged) does not disqualify an officer for the saved pay and allowances entitlements of this section.

010304. Increased Basic Pay During a Period of Service Essential to the Public Interest

A. Entitlement to Increased Basic Pay. This section applies only to enlisted members of the Regular Navy or Marine Corps, or Naval or Marine Corps Reserve, whose enlistments expire while serving on a naval vessel in foreign waters.
1. **Retention in Service.** Such members may be retained on active duty until the naval vessel returns to the Continental United States (CONUS) if the period of retention is determined “service essential to the public interests.” The senior officer present afloat makes this determination.

2. **Pay and Allowances.** During the period of retention, except in time of war, members are entitled to regular pay and allowances, plus a 25-percent increase in the basic pay, to which they were entitled on the day before the period of retention began.

**B. Members Not Eligible for Increase**

1. Enlisted members are not entitled to the increased basic pay if retained on active duty after the expiration of enlistment:
   a. At shore stations;
   b. On ships on duty in waters in or around possessions and territories of the United States;
   c. On ships on duty in ports or waters within the sovereign jurisdiction of the United States;
   d. Due to lack of transportation; or
   e. Merely because it is desirable to continue their services or some benefit may be derived there from.

2. A member of the Naval Reserve or Marine Corps Reserve is not entitled to the 25-percent increase while retained beyond the period of obligated service as distinguished from normal date of expiration of enlistment.

**C. Restrictions in Use.** Do not use the 25-percent increase in computing:

1. Cash settlement for unused leave on discharge;
2. Physical disability or temporary disability retired pay;
3. Disability severance pay; or
4. Reenlistment bonus.

**D. Termination of Increase in Basic Pay.** The 25-percent increase in basic pay continues through date of:

1. Discharge, if the member is discharged within 30 days after arrival in CONUS; or
2. Transfer to a hospital for treatment. (See Table 1-5, rule 19 for the date of termination of normal pay and allowances.)

010305. Allowable Travel Time for Reserve Members Called To or Released From Active Duty

A. Pay and Allowances Entitlement for Allowable Travel Time

1. Reserve members called to active duty are entitled to active duty pay and allowances for the time allowed for necessary travel from:

   a. Home to a first duty station; or

   b. Last duty station to home (except when released from active duty for retirement or dismissal, when discharged, or upon resignation).

2. Pay and allowances for allowable travel time is an earned entitlement. The payment for the return home may be made upon the member’s release from such duty without regard to actual performance of the travel. If the member dies after payment but before payment would otherwise be due, no part of the payment will be recovered by the United States.

B. Terms and Special Conditions

1. Allowable travel time is considered active duty for all purposes normally ascribed to active duty. The computation of allowable travel time, whether actual or constructive will:

   a. For periods of active duty of 30 days or less, be based upon the rules contained in Table 1-6; or

   b. For periods of active duty of more than 30 days, be based upon the rules and provisions in Chapter 57.

2. A member of a Reserve Component is entitled to active duty pay and allowances for allowable travel time, if any, when:

   a. Ordered to perform ADT;

   b. Performing authorized IDT immediately before or after ADT at or near the same site; or

   c. Receiving orders that direct performance of necessary travel to and from the ADT site immediately before and after combined ADT/IDT. The travel date will be specified in the active duty orders. Full retirement point credit is earned for the period of IDT performed.
0104 ABSENCE FROM DUTY, EFFECT ON PAY, AND ALLOWANCES

010401. Authorized Leave

A. Authority. All Military Service members on active duty for 30 consecutive days or more are entitled to accrue leave under applicable Military Service leave regulations. While on authorized leave, they are entitled to full pay and allowances except as otherwise provided in Table 1-11.

B. Applicable Service Leave Regulations. Applicable Military Service leave regulations are:

1. Army. AR 600-8-10;
2. Navy. MILPERSMAN 1050 series;
3. Air Force. AFI 36-3003; and
4. Marine Corps. MCO 1050.3J.

C. Pay and Allowances During Leave

1. Entitlement. See Table 1-11.

2. Full Pay and Allowances Defined. This term means (includes) the following:

   a. Basic pay;
   b. Special pays;
   c. Incentive pay for hazardous duty;
   d. BAS (enlisted leave rations);
   e. BAH;
   f. Personal money allowances;
   g. Clothing maintenance allowances;
   h. Family separation allowances; and
   i. Station allowances (CONUS Cost of Living Allowance, and Temporary Lodging Allowance). (See JTR, Chapter 9.)
D. Advance Leave Carryover or Change to Excess Leave (Effective November 14, 1986)

1. When Carryover Allowed. Members may elect to carry all or part of an advance leave balance over to a new term of service when discharged for the purpose of:

   a. Reenlisting within 24 hours of discharge or extending an enlistment, or

   b. Accepting an appointment as a warrant or commissioned officer of the Armed Forces. Carryover will not exceed the number of days or fraction of days the member will accrue in the new enlistment or term of service or 30 days, whichever is less.

Example 1: A member’s current term of service ends April 30, 2007. The member reenlists for 6 years on March 1, 2007 and has a 5.0-day advance leave balance. The 5.0-day advance leave balance can be carried into the new term of service.

Example 2: A member’s current term of service ends September 30, 2007. On May 1, 2007, the member agrees to serve a 12-month extension and has a 12.5-day advance leave balance that will be offset by leave accrual through September 30, 2007. Between May 1, 2007 and September 30, 2007, the member was charged for 30 days of leave. When the extension became operative (October 1, 2007), the member could elect to carry the 30.0-day advance leave balance into the new term of service (12-month extension).

2. Excess Leave. Advance leave becomes excess leave and requires collection of pay and allowances under the following conditions:

   a. Discharge for the purpose of reenlisting, extending an enlistment, or accepting a warrant or commission, and advance leave exceeds 30 days;

   b. Advance leave balance exceeds that which will accrue in the new enlistment or term of service (for example, enlistment or extension(s)), including when an agreement to extend is cancelled by the Military Service. If an agreement to extend is canceled by the member for the purpose of immediate reenlistment, collect the advance under subparagraph 010401.D.2.a, if applicable;

   c. Relief from active duty;

   d. Appointment as a cadet or midshipman at a Service academy;

   e. Death; or
f. Return from a period of leave that was in excess of the number of days of leave and fractions thereof that the member will accrue before the normal expiration of current enlistment or term of active service. The term of an extension(s) will be considered when determining the normal expiration of current enlistment or term of active service. Extension(s) will be considered from the date the member agrees to the extension(s). Excess leave properly charged before the date a member extends a term of service (reenlistment, appointment or agrees to extend voluntarily or is involuntarily extended) will not be affected and under no circumstances will pay and allowances previously collected be refunded. (See subparagraph 010401.E. when it is known at the time leave is granted that the member will be in excess leave status.)

Example 3: A member’s current term of service ended on March 31, 1988. The member reenlisted for 6 years on January 1, 1987 and had a 35.5-day advance leave balance. The member carried 30.0 days of advance leave into the new term of service. The remaining 5.5-day advance leave balance changes to excess leave and requires immediate collection of pay and allowances. Subparagraph 010401.E. applies.

Example 4: Same as example 2, except that the member took 34 days of leave between May 1, 1987 and September 30, 1987. Since a maximum of 30.0 days of advance leave could be carried into the new term of service (12-month extension), immediate collection of pay and allowances for the remaining 4.0 days was required when the leave was used. Subparagraph 010401.E applies.

3. **Amount to be Collected.** Compute collection under subparagraph 010401.D.2 on the basis of pay and allowances received by the member during the period of leave involved.

E. **Pay and Allowances During Excess Leave.** Members on excess leave are not entitled to pay and allowances. Apply as follows:

1. When the complete period of leave is granted as excess leave, pay and allowance accrual will be stopped beginning with the first day of leave.

2. When a portion of the leave is granted as advance leave and a portion granted as excess leave, pay and allowance accrual will be stopped beginning with the first day of excess leave. Members in an excess leave status are considered to have a rate of pay.

F. **Leave Pending Review of Certain Court-Martial Convictions.** Under regulations prescribed by the Secretary of the Military Department concerned, members sentenced to unsuspended dismissal or unsuspended dishonorable or bad conduct discharge by court-martial may be required to take leave pending review of their conviction as provided by Article 76a, Uniform Code of Military Justice (UCMJ).
1. Such leave will be charged against any accrued leave to the member’s credit on the day before the day such leave begins unless the member elects to be paid for accrued leave under Chapter 35, subparagraph 350201.B.

   a. If the member does not elect to be paid for accrued leave or does not have sufficient accrued leave to cover the total period of leave required to be taken, the leave not covered by accrued leave will be charged as excess leave.

   b. If the member elects to be paid for accrued leave, the entire period of leave will be charged as excess leave and pay and allowances will not accrue for such period except under the provisions of subparagraph 010401.F.2.

2. A member required to take leave under Article 76a, UCMJ, whose sentence by court-martial to dismissal or dishonorable or bad-conduct discharge is set aside or disapproved on appellate review, will accrue pay and allowances for the period of leave charged as excess leave (except for any day of accrued leave for which the member has been paid under subparagraph 010401.F.1.b), unless a rehearing or new trial is ordered and dismissal or dishonorable or bad-conduct discharge results from the rehearing or new trial and such dismissal or discharge is later executed.

   a. Computation of Payment. The amount of gross pay and allowances accrued under this subparagraph will be reduced by the total gross income from wages, salaries, tips, other personal service income, unemployment compensation, and public assistance benefits from any government agency during the period the member is deemed to have accrued gross pay and allowances. The total gross income, however, cannot reduce the amount of gross pay and allowances to the extent that the member becomes indebted to the government.

      (1) Approved Sentence Does Not Include Reduction. Pay and allowances under this section will be paid in the pay grade held by the member on the day before the day on which the court-martial sentence was approved by the convening authority.

      (2) Approved Sentence Includes Reductions. If the pay grade of the member was reduced to a lower grade as a result of the court-martial sentence and the reduction has not been set aside, disapproved, or otherwise vacated, pay and allowances accrued under this paragraph will be paid at the lower pay grade.

   b. Time of Payment

      (1) Payment will be made within 60 days from the date of the order setting aside or disapproving the sentence by court-martial to a dismissal or a dishonorable or bad-conduct discharge if no rehearing or new trial has been ordered.

      (2) Payment will be made within 180 days from the date of the order setting aside or disapproving the sentence by court-martial to a dismissal or a dishonorable or bad-conduct discharge if a rehearing or new trial has been ordered, but charges have not been referred to a rehearing or new trial within 120 days from the date of that order.
(3) If a rehearing or new trial has been ordered, and a dismissal or a dishonorable or bad-conduct discharge is not included in the result of the rehearing or new trial, payment will be made within 60 days of the date of the announcement of the result of such rehearing or new trial.

(4) If a rehearing or new trial has been ordered, and a dismissal for a dishonorable or bad-conduct discharge is included as the result of such rehearing or new trial, but such dismissal or discharge is not later executed, payment will be made within 60 days of the date of the order which set aside, disapproved, or otherwise vacated such dismissal or discharge.

(5) If a member who is entitled to be paid under this section fails to provide sufficient information in a timely manner regarding his/her income when such information is requested under subparagraph 010401.F.3, the periods of time prescribed in this paragraph will be extended until 30 days after the date on which the member provides the requested information.

3. In all cases where payment must be made under subparagraph 010401.F.2, the member solely is responsible for providing the information as to sources and amounts of income received by the member during periods of required appellate leave. Pay will be computed only on the basis of a written record. Information as to sources and amounts of income should include, at a minimum, copies of all pertinent income tax returns, employer statements of income earned from wages, salaries, tips, and documentation of other personal service income. In cases where the member has been unemployed, the required information will include affidavits or written evidence of lack of employment and documentation to verify the duration of unemployment compensation and public assistance benefits received from any government agency.

010402. Unauthorized Absence and Other Lost Time

A. Effect on Pay and Allowances. The types of unauthorized absences and other lost time and their effect on pay and allowances are shown in Table 1-12. (Compute for forfeitures of pay and allowances as instructed in subparagraph 010302.B.)

B. Unauthorized Absence and Desertion

1. Determination by Court-Martial. A member found guilty of unauthorized absence by a court-martial forfeits pay and allowances for the period of absence. An acquittal (or disapproval by the reviewing authority, in case of conviction) affects only the disciplinary aspects of the absence. It does not prevent an administrative determination that the member was absent without leave.

2. Administrative Determination of Unauthorized Absence. When a member is in an unauthorized absence status, an administrative determination must be made as to whether the absence was unavoidable. Table 1-13 contains rules for determining whether the
absence was unavoidable. If it is not excused as unavoidable, the member (including one mentally incompetent) forfeits pay and allowances for the period of absence. This applies even though a court-martial finds the member not guilty of a charge of unauthorized absence, or when a finding of guilty has been disapproved by the reviewing authority.

3. **Discharge for Desertion.** A discharge for desertion is conclusive evidence of desertion for the purpose of forfeiture of pay, even in the absence of trial by court-martial.

4. **Dropped From Rolls.** A commissioned officer of the Army or Air Force who is dropped from the rolls by the President for absence without authority for 3 months forfeits all pay due or to become due. Pay and allowances due at the time the officer is dropped from the rolls, however, will be used to satisfy debts due the United States and its instrumentalities.

5. **Disposition of Forfeitures as a Result of Desertion.** When an enlisted member, warrant officer, or limited duty officer forfeits pay as a result of desertion, deposit the gross amount of such forfeited pay to the Armed Forces Retirement Home Trust Fund. Do not, however, deposit this pay beyond the expiration of term of enlistment for enlisted members.

C. **Computing Periods of Unauthorized Absence.** Unauthorized absence of 24 consecutive hours or less does not affect pay or allowances. This applies even though the absence involves parts of 2 days. When the period of unauthorized absence exceeds 24 consecutive hours, use Table 1-14 to determine the first and last day of the period of absence.

D. **Absence in the Hands of Civil Authorities**

1. **General.** Pay the member all pay and allowances earned through the day before the first day of unauthorized absence. If the member is delivered to civil authorities by military authorities, he or she is entitled to all pay and allowances earned through the day prior to the date of such delivery. For entitlement to pay and allowances during confinement, see Table 1-12, rules 4, 5, and 6.

2. **Finding of Insanity.** An administrative determination under the rules contained in Table 1-13 must be made as to whether the absence was unavoidable when a member is found not guilty by reason of insanity by a civil court and transferred to a mental institution for an indefinite period of time. Table 1-12 contains rules for determining the effect of absences on pay and allowances.

3. **Work Release Program.** In some states and local jurisdictions, a person convicted and sentenced to a term of civil confinement may be released from the confinement facility to the cognizance of an employer during the normal workday. Work release, job rehabilitation, or employment retention programs of this type generally are conducted for the purpose of providing prisoners a means to continue support of their dependents and to demonstrate that they are capable of self-rehabilitation. When members are paroled to military authorities under a “work release” or similar program, they are entitled to pay and allowances for each day of full duty performed commensurate with their grade and military specialty.
E. Absence Due to Disease

1. When Pay Is Forfeited. See Table 1-12, rule 3.

2. When Pay Is Not Forfeited. Pay is not forfeited for absence from duty caused by:
   a. An injury;
   b. A disease, except under Table 1-12, rule 3;
   c. Simple drunkenness, if not coupled with chronic alcoholism or intemperate use of habit-forming drugs; or
   d. Venereal disease, whether or not due to misconduct.

3. Personal Expense Money. A member whose pay is forfeited under Table 1-12, rule 3 for more than 1 month is entitled to $5 for personal expenses for each full month that he or she forfeits pay. This payment will be made even though the member is indebted to the United States. The term “full month” is the period from a date in 1 month through the preceding date in the following month. For example, July 3 through August 2 is 1 month.

F. Military Confinement. Pay and allowances accrue to a member in military confinement except when:

1. Confined by military authorities, for civil authorities. See Table 1-12, rules 6 and 8l;

2. Pay and allowances are forfeited by court-martial sentence. See Chapter 48 and Table 1-12, rule 10; and

3. The term of enlistment expires. See subparagraph 010402.G.

G. Term of Enlistment Expires

1. General. Pay and allowances accrue to a member upon return to a full-duty status. Full duty is attained when a member, not in confinement, is assigned useful and productive duties (as opposed to duties prescribed by regulations for confinement facilities) on a full-time basis which are not inconsistent with the grade, length of service, and military occupational specialty (MOS). While placement in the same MOS is not essential, the decision to place a member in that MOS or to assign the member available duties consistent with the grade and service rests with the appropriate military commander.

2. Absentee Returned to Military Control. An absentee who surrenders or is apprehended after a term of enlistment has expired is not entitled to pay and allowances until restored to a full-duty status for the purpose of making good the lost time. While held in retention,
a member may be assigned duties as prescribed by regulations governing detained prisoners without being returned to full-duty status.

3. **Enlistment Expires Before Trial.** An enlisted member retained in the Military Service for the purpose of trial by court-martial is not entitled to pay for any period after the expiration of the enlistment unless acquitted or the charges are dismissed, or the member is retained in or restored to a full-duty status.

4. **Confined Awaiting Trial by Court-Martial.** If a member is confined awaiting court-martial trial when the enlistment expires, pay and allowances end on the date the enlistment expires. If the member is acquitted when tried, pay and allowances accrue until discharge.

5. **Confined Serving Court-Martial Sentence.** If a member is confined serving a court-martial sentence when the enlistment expires, pay and allowances end on the date the enlistment expires unless the sentence is completely overturned or set aside as specified in Chapter 48, section 4808. Pay and allowances will not accrue again until the date the member is restored to a full-duty status.

6. **Confined While in a Status of Being Held in the Service to Make Up Lost Time.** If confined while in a status of being held in the Military Service to make up lost time, an enlisted member continues in a pay status, except to the extent that pay may be forfeited by court-martial, the same as during the regular enlistment period. This pay status terminates if the member is in confinement on the date the normal term of service as extended to make up lost time would have expired, even if restored to duty at a later date.

7. **Confinement Deferred or Prisoner Restored to Duty.** A prisoner in a nonpay status is entitled to pay and allowances when service of sentence to confinement is deferred or the member is restored to a full-duty status. The date restored to duty is the date the member reported present for duty.

8. **Absentee Confined Upon Return to Military Control.** An enlisted member whose term of enlistment has expired while in a status of absence without leave or desertion is not entitled to pay and allowances upon return to military control while confined awaiting trial and disposition of the case if the conviction becomes final and the member has not been returned to a full-duty status. A member, however, who is returned to military control and restored to full duty for the purpose of making good the lost time before being confined to await trial, continues in a pay status except to the extent that pay may be forfeited by court-martial, the same as during the regular enlistment period. This pay status terminates if the member is in confinement on the date the normal term of service is extended to make up lost time would have expired, even if he or she is restored to duty at a later date.

9. **Confined Under Sentence of Death.** The pay and allowances of a member, serving in confinement under sentence of death and pending completion of the appellate review of the record of trial, do not accrue after the expiration of the enlistment.
10. **Appellate Review of Court-Martial Sentence.** A confined member who is pending appellate review of his or her court-martial sentence is not entitled to pay and allowances after the expiration of term of enlistment, unless the conviction is completely overturned or set aside.

H. **Reserve Officer Absent From Duty.** A Reserve officer whose term of active service expires while confined as a result of court-martial action continues to be entitled to pay and allowances, except when forfeited under an approved sentence of a court-martial or a period of service is terminated by proper orders.

### 0105 PAYMENT IN CASES OF VOID, VOIDABLE, OR REJECTED ENLISTMENTS OR INDUCTIONS

010501. **Voidability of Contract**

A fraudulent contract of enlistment or induction is not void but is voidable at the option of the government. When the government becomes aware of the fraud, it may void the contract or waive the objection and allow the contract to stand. (See Table 1-15.)

010502. **Fraudulent Enlistments – Pay and Allowances**

Members under investigation or determined to be serving in fraudulent enlistments are due pay and allowances for periods shown in Table 1-15.

010503. **Travel Payments**

See JTR, Part X, Paragraph 7645.

010504. **Disbursing Officer Entitled to Credit**

A disbursing officer is entitled to credit for proper payments to a member who fraudulently enlisted if payments were made without the knowledge of the fraud and before the government rescinded the contract.

010505. **Failure to Discover Physical Condition of Enlistee or Inductee**

Failure to discover that the physical condition of an enlistee or inductee was such as would warrant rejection for military service does not deprive member of right to pay and allowances or of the status of being entitled to basic pay. (See Table 1-15.)

Table 1-1. Service as Cadet or Midshipman - Officers

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
</table>

1-34
When a member currently serving as an officer has had service as a cadet or midshipman in to which appointed and member then the period involved is

<table>
<thead>
<tr>
<th>Rule</th>
<th>Condition</th>
<th>Held No Concurrent Enlisted and/or Reserve Status</th>
<th>Not Creditable.</th>
<th>Creditable.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>any of the military academies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>after June 25, 1956</td>
<td>had an enlistment contract or period of obligated service that was not terminated</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>concurrently retained a commission or warrant in the Army or Air Force Reserve</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>on or after January 1, 1953</td>
<td>concurrently retained a commission or warrant in the Naval Reserve</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 1-2. Absence From Duty in Enlisted Status

<table>
<thead>
<tr>
<th>RULE</th>
<th>When the absence is</th>
<th>and</th>
<th>then the period of absence is</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>authorized leave or authorized excess leave</td>
<td></td>
<td>creditable.</td>
</tr>
<tr>
<td>2</td>
<td>unauthorized absence of more than 1 day (24 consecutive hours) (including detention of Army or Air Force members by or for civil authorities)</td>
<td>is administratively excused as unavoidable</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>is not administratively excused as unavoidable</td>
<td>not creditable (note 1).</td>
</tr>
<tr>
<td>4</td>
<td>civil detention of a Navy or Marine Corps member</td>
<td>occurred before July 24, 1956, and the member was not acquitted or released without trial, and without making restitution</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
<td>occurred on or after July 24, 1956, and the member was absent under sentence or awaiting (and during) trial which resulted in conviction (note 2)</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>inability to perform duty for more than 1 day (24 consecutive hours) because of intemperate use of alcohol or drugs, or disease or injury resulting from misconduct</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Desertion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>because of confinement for more than 1 day (24 consecutive hours) while awaiting trial (if the trial results in conviction) or confinement as the result of a court-martial sentence (note 3)</td>
<td>the member was a member of the Army or Air Force</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>absence of a Navy or Marine Corps member because of confinement of more than 1 day (24 consecutive hours) while awaiting trial (if the trial results in conviction) or confinement as the result of a court-martial sentence</td>
<td>the confinement occurred on or after July 24, 1956 (note 3)</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td></td>
<td>the confinement occurred before July 24, 1956</td>
<td>(note 4).</td>
</tr>
</tbody>
</table>
Table 1-2. Absence From Duty in Enlisted Status (Continued)

NOTES:

1. Prior to February 11, 1996, absence during which a member was serving on active duty as an enlisted member and was also a Reserve officer is creditable. After February 10, 1996, a commissioned or warrant officer may not count the periods of absence for any purpose other than for computing length of service for basic pay. Also, see subparagraph 010202.B.

2. If the member is released without trial or acquitted, or if conviction is set aside on legal grounds (as distinguished from clemency), the period of absence is creditable. If the member is released upon agreement to make restitution or is later convicted by court-martial on the same facts, the period of absence is not creditable.

3. Period spent in confinement is creditable when the member is acquitted or the sentence is set aside or disapproved.

4. The period of absence is not creditable only if the confinement was under general court-martial sentence and/or while waiting (and during) trial which resulted in a sentence by a general court-martial to confinement and total loss of pay and allowances.
Table 1-3. When Active Duty Pay Begins

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>When a person is originally appointed as a permanent officer</td>
<td>in the Regular Army, Navy, Marine Corps, or Air Force (note 1)</td>
<td>and</td>
<td>then active duty pay and allowances begin on: date of formal acceptance of appointment (see subparagraph 010301.C.).</td>
<td>are authorized for:</td>
</tr>
<tr>
<td>2</td>
<td>an enlisted member temporarily appointed to a warrant or commissioned officer grade</td>
<td>Navy or Marine Corps</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>an enlisted member or warrant officer on active duty appointed to a commissioned officer grade under 10 U.S.C. § 12201 Reserve</td>
<td>continues on active duty in that commissioned officer grade</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>an enlisted, reenlisted, or inducted</td>
<td>Regular Army, Navy, Marine Corps, or Air Force</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>a service academy graduate commissioned as a second lieutenant or ensign</td>
<td>Regular Army or Air Force</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>a reserve or retired member called or recalled to active duty</td>
<td>Army, Navy, Marine Corps, or Air Force</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note 1: 
Note 2: 
Note 3: 

1-38
Table 1-3. When Active Duty Pay Begins (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>When a person is in the and then active duty pay and allowances begin on:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>are authorized for:</td>
</tr>
<tr>
<td>8</td>
<td>a temporary officer (without component) called to active duty</td>
<td>Army or Air Force</td>
<td></td>
<td>date member necessarily complies with active duty orders (note 3).</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>a reserve or retired member ordered to active duty to take a physical examination incident to being ordered to active duty for more than 30 days</td>
<td>Navy, Marine Corps, Army, or Air Force</td>
<td></td>
<td>period of the examination, and allowable travel time in connection therewith (notes 3, 4, 5, and 6).</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>an Army National Guard or Air National Guard member called into Federal service</td>
<td>Army or Air Force</td>
<td>the period of Federal service is 30 days or less</td>
<td>the date on which the member, in person or by authorized telephonic or electronic means, contacts the member's unit.</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td></td>
<td></td>
<td>the period of Federal service is more than 30 days or an indefinite period</td>
<td>date member necessarily complies with active duty orders (notes 3 and 7).</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>a separated Service academy cadet required to serve a period of enlisted active duty</td>
<td>Regular Army, Navy, Marine Corps, or Air Force</td>
<td></td>
<td>date following date of approval of cadet’s separation from the academy.</td>
<td></td>
</tr>
</tbody>
</table>
Table 1-3. When Active Duty Pay Begins (Continued)

NOTES:

1. Original appointments include officers appointed from warrant officer, enlisted member, or civilian status.
2. Pay accrues from date of graduation, even though appointment is issued and accepted at later date.
3. See paragraph 010305 and Table 1-6 for allowable travel time to include in computation. Pay and allowances do not accrue if the member begins travel or reports earlier than the travel time necessary to comply with the active duty orders.
4. If member passes the physical examination, pay and allowances accrue for travel time to first duty station when later ordered to active duty for more than 30 days.
5. If the member fails the physical examination, pay and allowances accrue for period required for the examination and travel time to and from the examination.
6. If the member is ordered to active duty solely to take a physical examination, not incident to being ordered to active duty, active duty pay and allowances do not accrue.
7. Pay status does not begin if the ARNG or ANG member is unable to respond to the call to active duty because of illness or other reason.
Table 1-4. Increases in Pay on Promotion or Restoration of Grade

<table>
<thead>
<tr>
<th>R U L E</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>officer</td>
<td>designation of special assignment under 10 U.S.C. § 601(a)</td>
<td>Army, Air Force, or Marine Corps as General or Lt General; or Navy as Admiral or Vice Admiral</td>
<td>date officer assumes the designated duty (note 1).</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Reserve officer not on the active duty list</td>
<td>promotion to grade above O-2</td>
<td>Navy or Marine Corps</td>
<td>date officer becomes eligible for promotion to the higher grade.</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>officer</td>
<td>promotion to grade O-2</td>
<td>Uniformed Services</td>
<td>date of rank.</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>officer</td>
<td>promotion to grade above O-1</td>
<td>Army or Air Force</td>
<td>effective date of the promotion.</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Reserve officer on active duty (other than for training) (but not on the active duty list)</td>
<td>permanent promotion to a higher Reserve grade</td>
<td>officer is ordered to serve on active duty in the higher permanent Reserve grade</td>
<td>effective date of orders to serve on active duty in the higher permanent Reserve grade (note 2).</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
<td>temporary promotion to a higher Reserve grade</td>
<td>officer is serving on active duty and assigned to a position requiring a grade equal to or higher than the grade to which promoted</td>
<td>effective date of orders or letter announcing promotion (note 3).</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>enlisted member</td>
<td>advancement in rank or rating</td>
<td>Navy</td>
<td>effective date of orders announcing promotion; or date shown in special orders confirming verbal orders.</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>enlisted member</td>
<td>advancement in rank or rating</td>
<td>Navy</td>
<td>effective date as stated, or date of the letter, whichever is later (note 4).</td>
<td></td>
</tr>
</tbody>
</table>
Table 1-4. Increases in Pay on Promotion or Restoration of Grade (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>enlisted member</td>
<td>advancement in rank or rating</td>
<td>Navy</td>
<td>effective date is not stated in letter</td>
<td>date advance was actually affected, but not before date member’s commander receives the authority (note 4).</td>
</tr>
<tr>
<td>10</td>
<td></td>
<td></td>
<td>Marine Corps</td>
<td>effective date is specified in the directive authorizing the advance</td>
<td>effective date as stated in the directive or date of the directive, whichever is later (note 4).</td>
</tr>
<tr>
<td>11</td>
<td></td>
<td></td>
<td></td>
<td>promotion is not effected by directive</td>
<td>date certificate of appointment is signed by issuing authority (note 4).</td>
</tr>
<tr>
<td>12</td>
<td>appointment or promotion to a higher grade</td>
<td>Army or Air Force</td>
<td></td>
<td></td>
<td>1. date cited in orders, or date of orders, whichever is later (note 5); or 2. date of oral appointment or promotion, if later confirmed in writing (note 4).</td>
</tr>
<tr>
<td>13</td>
<td>restoration of former grade</td>
<td></td>
<td></td>
<td>reason for reduction was non-judicial punishment</td>
<td>may be retroactive to date of reduction.</td>
</tr>
<tr>
<td>14</td>
<td></td>
<td></td>
<td></td>
<td>reason for reduction was inefficiency</td>
<td>date of restoration orders.</td>
</tr>
</tbody>
</table>
Table 1-4. Increases in Pay on Promotion or Restoration of Grade (Continued)

NOTES:
1. If the officer’s assignment is terminated because of:
   a. Assignment to another position also designated a special assignment: the officer will continue to draw the pay rate of the terminated assignment through the day before assuming the new position.
   b. Hospitalization: the officer will continue to draw the pay rate of the terminated assignment for the full period of hospitalization, but for not more than 180 days.
   c. Retirement: the officer will continue to draw the pay rate of the terminated position through the day before retirement, but for not more than 90 days.
2. A retroactive amendment of active duty orders is authority to serve in the higher grade from date of the amendment only. Increased pay and allowances are authorized from that date. Such orders do not create entitlement to increased pay and allowances for the retroactive period.
3. A retroactive promotion date is to be used only for consideration of seniority and time in grade for future promotions. Such orders do not create entitlement to increased pay and allowances for the period between the eligibility date for promotion and the effective date of the promotion order or letter. The effective date of promotion for purposes of entitlement to increased pay and allowances must not be earlier than the date the officer is assigned to a position requiring a grade equal to or higher than the grade to which promoted.
4. An appointment, promotion, or advancement to a higher grade with an effective date beyond the expiration date of the current enlistment and which is contingent upon the member’s extension of enlistment or reenlistment, entitles the member to increased pay and allowances from the effective date of extension or reenlistment, whichever is later. Payment for the higher rank or rating is not authorized for a period prior to date of current enlistment.
5. This restriction does not prevent payment to enlisted members for retroactive promotions or advancements that are made pursuant to 10 U.S.C. §1552(a)(2) (retroactive promotion or advancement without decision of the Board for Correction of Military Records), effective October 23, 1992.
Table 1-5. Termination or Reduction of Active Duty Pay and Allowances

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regular Army, Navy, Marine Corps, or Air Force</td>
<td>officer holding permanent appointment</td>
<td>resignation, discharge, or dismissal</td>
<td>and reason for retention is</td>
<td>then pay and allowances are authorized through date</td>
</tr>
<tr>
<td>2</td>
<td>officer holding temporary appointment or promotion</td>
<td>discharge or dismissal from permanent status</td>
<td></td>
<td>of termination of appointment.</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>resignation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>transfer to Fleet Reserve, or Fleet Marine Corps Reserve (note 2)</td>
<td></td>
<td>before date placed on the retired list.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>involuntary retirement under Officer Personnel Act of 1947</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>retirement on last day of month after month member completed 30 years of active service</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>retirement, other than as shown in rules 5 and 6; includes physical disability retirement</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>permanent appointment as an officer</td>
<td></td>
<td></td>
<td>before date of acceptance of permanent appointment.</td>
<td></td>
</tr>
</tbody>
</table>
Table 1-5. Termination or Reduction of Active Duty Pay and Allowances (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>Regular Army, Navy, Marine Corps, or Air Force officer holding temporary appointment or promotion</td>
<td>termination of appointment for any other reason</td>
<td>then pay and allowances are authorized through date of termination of appointment.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Army, Navy, Marine Corps, or Air Force Reserve officer or enlisted member</td>
<td>release from active duty</td>
<td>of allowable travel time after release (see Table 1-6).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td></td>
<td></td>
<td>release from active duty for retirement</td>
<td>before date placed on retired list.</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td></td>
<td></td>
<td>discharge, dismissal, or a resignation</td>
<td>shown in official separation notice, or date member receives official notice of separation.</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Army, Navy, Marine Corps, or Air Force enlisted member</td>
<td>retirement (including physical disability retirement)</td>
<td>before date placed on retired list.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td></td>
<td>transfer to Fleet Reserve or Fleet Marine Corps Reserve</td>
<td>of transfer.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td></td>
<td>discharge</td>
<td>of discharge (note 3).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td></td>
<td>retention in service after expiration of term of service (note 4)</td>
<td>convenience of the government of the period of retention.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td></td>
<td></td>
<td>to make good lost time</td>
<td>of the period of retention, if retained in full duty status or if authorized to perform duty.</td>
<td></td>
</tr>
</tbody>
</table>
Table 1-5. Termination or Reduction of Active Duty Pay and Allowances (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
<td>Army, Navy, Marine Corps, or Air Force</td>
<td>enlisted member</td>
<td>probation after confinement</td>
<td>of the probational period, if duty is performed during such period.</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td></td>
<td></td>
<td>medical care or hospitalization (with member’s consent)</td>
<td>of release from medical care or hospitalization (note 5).</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td></td>
<td></td>
<td>service is essential to public interest (see paragraph 010304)</td>
<td>of discharge (note 6).</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td></td>
<td>court-martial action</td>
<td>see subparagraph 010402.G.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22</td>
<td></td>
<td>demotion (administrative)</td>
<td>before date of demotion orders at the higher rate; and at the reduced rate on and after date of demotion orders.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>officer or enlisted member</td>
<td>death</td>
<td>of death.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>24</td>
<td></td>
<td>revoking a promotion (erroneous promotion through administrative error)</td>
<td>before date of discovery at the higher rate; at the reduced rate on or after date of discovery (note 7).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>retirement</td>
<td>late delivery of retirement orders</td>
<td>retirement orders are delivered or member is notified that retirement orders were issued.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 1-5. Termination or Reduction of Active Duty Pay and Allowances (Continued)

NOTES:
1. Discharge orders do not of themselves relieve the government of its obligation to an officer. The officer must have received actual or constructive notice by the effective date, unless the officer willfully avoids notice of separation. If kept in Military Service without fault, in ignorance of an order of dismissal, the officer is entitled to all salaries and benefits of the office. If held in Military Service under orders after the date shown in separation orders, the officer is entitled to pay if there is nothing in the records showing non-entitlement.
2. A member who reverts from a temporary officer appointment to a permanent enlisted or warrant officer grade is entitled, if otherwise proper, to the active duty pay and allowances of the temporary officer grade through and including the date of reversion.
3. Includes discharge for underage enlistment. Does not include discharge for fraudulent contract of enlistment. (See section 0105.)
4. A member whose enlistment is extended involuntarily by law comes under rule 15, not rules 16-21.
5. If medical care or hospitalization was due to member’s misconduct, pay and allowances terminate on date of expiration of term of Military Service.
6. See subparagraph 010304.D for date of termination of the 25 percent increase in basic pay.
7. An erroneous promotion is later voided by revoking promotion orders (certificates of appointment or other documents used by the Military Service concerned to administratively effect promotions) from the original effective date. Payment of the pay and allowances of the higher grade through the date prior to the date of discovery is contingent, in each case, upon an administrative determination of the commander, that service performed while serving in the higher grade may be regarded as service performed in a “de facto” status, that is, the member was promoted by competent authority and performed duties of the higher grade. (See procedural regulations of the Military Service concerned.)
Table 1-6. Allowable Travel Time – Travel Between Places Within the United States

<table>
<thead>
<tr>
<th>RULE</th>
<th>If order to active duty is for</th>
<th>and travel by (note 1)</th>
<th>then travel time allowed is</th>
<th>using (notes 3 and 4).</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>30 days or less</td>
<td>all transportation is reasonably available</td>
<td>computed on the basis of air transportation (not more than 1 day for travel between places within the CONUS) (note 2)</td>
<td>actual commercial air schedules, and including the actual or estimated time to travel to and from air terminal(s) (but not more than 2 hours for each trip).</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>air transportation is not reasonably available for entire travel</td>
<td>computed as if actually performed by public surface transportation</td>
<td>actual schedules of fastest available mode.</td>
</tr>
</tbody>
</table>

NOTES:
1. When the air terminal is within 50 miles of the active duty station and direct or connecting flights are obtainable within 50 miles of the place from which ordered to active duty.
2. Additional time may be allowed when there is an actual delay in air travel. The delay must have been due to reasons beyond the control of the member, such as mechanical failure, adverse weather conditions, excess passenger load, cancelled flights, illness of other passengers, or other circumstances.
3. Travel is not expected to start or end between midnight and 0600.
4. Travel days will not exceed the computed travel time. In the computation of travel time, use existing commercial schedules to determine the latest departure time that would permit arrival at the duty station on the reporting date and hour. On release from active duty, use earliest schedule after release which would permit arrival home by fastest available means, without regard to actual performance of travel. A member of a Reserve Component who:
   a. is ordered to perform ADT;
   b. performs authorized IDT immediately before or after ADT at or near the same site; and
   c. receives orders which direct performance of necessary travel to and from the ADT site immediately before and after combined ADT/IDT is entitled to active duty pay and allowances for allowable travel time per subparagraph 010305.B. The travel date will be specified in the active duty orders. Full retirement point credit is earned for the period of IDT performed.
**MONTHLY RATES OF BASIC PAY (Note 1)**

<table>
<thead>
<tr>
<th>Pay Grade (Note 2)</th>
<th>Cumulative Years of Service</th>
<th>2 or less</th>
<th>Over 2</th>
<th>Over 3</th>
<th>Over 4</th>
<th>Over 6</th>
<th>Over 8</th>
</tr>
</thead>
<tbody>
<tr>
<td>O-10 (Note 3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>O-9 (Note 3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>O-8 (Note 3)</td>
<td></td>
<td>10,155.00</td>
<td>10,487.70</td>
<td>10,708.50</td>
<td>10,770.00</td>
<td>11,045.70</td>
<td>11,505.90</td>
</tr>
<tr>
<td>O-7 (Note 3)</td>
<td></td>
<td>8,438.10</td>
<td>8,829.90</td>
<td>9,011.40</td>
<td>9,155.70</td>
<td>9,416.70</td>
<td>9,674.70</td>
</tr>
<tr>
<td>O-6 (Note 4)</td>
<td></td>
<td>6,398.70</td>
<td>7,029.90</td>
<td>7,491.30</td>
<td>7,491.30</td>
<td>7,519.80</td>
<td>7,842.30</td>
</tr>
<tr>
<td>O-5</td>
<td></td>
<td>5,334.30</td>
<td>6,009.30</td>
<td>6,424.80</td>
<td>6,503.40</td>
<td>6,763.20</td>
<td>6,918.30</td>
</tr>
<tr>
<td>O-4</td>
<td></td>
<td>4,602.60</td>
<td>5,327.70</td>
<td>5,683.50</td>
<td>5,762.40</td>
<td>6,092.40</td>
<td>6,446.40</td>
</tr>
<tr>
<td>O-3 (Note 5)</td>
<td></td>
<td>4,046.70</td>
<td>4,587.00</td>
<td>4,950.90</td>
<td>5,398.20</td>
<td>5,657.10</td>
<td>5,940.90</td>
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<tr>
<td>O-2 (Note 5)</td>
<td></td>
<td>3,496.50</td>
<td>3,982.20</td>
<td>4,586.10</td>
<td>4,741.20</td>
<td>4,839.00</td>
<td>4,839.00</td>
</tr>
<tr>
<td>O-1 (Notes 5 &amp; 6)</td>
<td></td>
<td>3,034.80</td>
<td>3,159.00</td>
<td>3,818.70</td>
<td>3,818.70</td>
<td>3,818.70</td>
<td>3,818.70</td>
</tr>
</tbody>
</table>

**MONTHLY RATES OF BASIC PAY (Note 1)**

<table>
<thead>
<tr>
<th>Pay Grade (Note 2)</th>
<th>Cumulative Years of Service</th>
<th>Over 10</th>
<th>Over 12</th>
<th>Over 14</th>
<th>Over 16</th>
<th>Over 18</th>
<th>Over 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>O-10 (Note 3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>15,583.20</td>
</tr>
<tr>
<td>O-9 (Note 3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>14,352.00</td>
</tr>
<tr>
<td>O-8 (Note 3)</td>
<td></td>
<td>11,612.70</td>
<td>12,049.80</td>
<td>12,175.20</td>
<td>12,551.70</td>
<td>13,096.50</td>
<td>13,598.70</td>
</tr>
<tr>
<td>O-7 (Note 3)</td>
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<td>9,972.90</td>
<td>10,270.20</td>
<td>10,568.70</td>
<td>11,505.90</td>
<td>12,296.70</td>
<td>12,296.70</td>
</tr>
<tr>
<td>O-6 (Note 4)</td>
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<td>7,884.60</td>
<td>7,884.60</td>
<td>8,332.50</td>
<td>9,124.80</td>
<td>9,589.80</td>
<td>10,054.50</td>
</tr>
<tr>
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<td></td>
<td>7,259.70</td>
<td>7,510.50</td>
<td>7,834.20</td>
<td>8,329.80</td>
<td>8,565.00</td>
<td>8,798.10</td>
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<tr>
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<td></td>
<td>6,887.40</td>
<td>7,230.30</td>
<td>7,468.50</td>
<td>7,605.60</td>
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<td>7,684.80</td>
</tr>
<tr>
<td>O-3 (Note 5)</td>
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<td>6,124.20</td>
<td>6,426.00</td>
<td>6,583.50</td>
<td>6,583.50</td>
<td>6,583.50</td>
<td>6,583.50</td>
</tr>
<tr>
<td>O-2 (Note 5)</td>
<td></td>
<td>4,839.00</td>
<td>4,839.00</td>
<td>4,839.00</td>
<td>4,839.00</td>
<td>4,839.00</td>
<td>4,839.00</td>
</tr>
<tr>
<td>O-1 (Notes 5 &amp; 6)</td>
<td></td>
<td>3,818.70</td>
<td>3,818.70</td>
<td>3,818.70</td>
<td>3,818.70</td>
<td>3,818.70</td>
<td>3,818.70</td>
</tr>
</tbody>
</table>
Table 1-7. Monthly Rates of Basic Pay – Commissioned Officers, Academy Cadets and Midshipmen and ROTC Members - Effective January 1, 2017 (Continued)

MONTHLY RATES OF BASIC PAY – Continued (Note 1)

<table>
<thead>
<tr>
<th>Cumulative Years of Service</th>
<th>Pay Grade (Note 2)</th>
<th>Over 22</th>
<th>Over 24</th>
<th>Over 26</th>
<th>Over 28</th>
<th>Over 30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>O-10 (Note 3)</td>
<td>15,583.20</td>
<td>15,583.20</td>
<td>15,583.20</td>
<td>15,583.20</td>
<td>15,583.20</td>
</tr>
<tr>
<td></td>
<td>O-9 (Note 3)</td>
<td>14,559.30</td>
<td>14,857.80</td>
<td>15,378.60</td>
<td>15,378.60</td>
<td>15,583.20</td>
</tr>
<tr>
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<td>O-8 (Note 3)</td>
<td>13,933.80</td>
<td>13,933.80</td>
<td>13,933.80</td>
<td>14,282.70</td>
<td>14,282.70</td>
</tr>
<tr>
<td></td>
<td>O-7 (Note 3)</td>
<td>12,296.70</td>
<td>12,296.70</td>
<td>12,359.70</td>
<td>12,359.70</td>
<td>12,606.90</td>
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<tr>
<td></td>
<td>O-6 (Note 4)</td>
<td>10,318.80</td>
<td>10,587.00</td>
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<td>11,106.00</td>
<td>11,328.00</td>
</tr>
<tr>
<td></td>
<td>O-5</td>
<td>9,062.70</td>
<td>9,062.70</td>
<td>9,062.70</td>
<td>9,062.70</td>
<td>9,062.70</td>
</tr>
<tr>
<td></td>
<td>O-4</td>
<td>7,684.80</td>
<td>7,684.80</td>
<td>7,684.80</td>
<td>7,684.80</td>
<td>7,684.80</td>
</tr>
<tr>
<td></td>
<td>O-3 (Note 5)</td>
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<td>6,583.50</td>
<td>6,583.50</td>
<td>6,583.50</td>
<td>6,583.50</td>
</tr>
<tr>
<td></td>
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<td>4,839.00</td>
<td>4,839.00</td>
<td>4,839.00</td>
<td>4,839.00</td>
</tr>
<tr>
<td></td>
<td>O-1 (Notes 5 &amp; 6)</td>
<td>3,818.70</td>
<td>3,818.70</td>
<td>3,818.70</td>
<td>3,818.70</td>
<td>3,818.70</td>
</tr>
</tbody>
</table>

MONTHLY RATES OF BASIC PAY – Continued (Note 1)

<table>
<thead>
<tr>
<th>Cumulative Years of Service</th>
<th>Pay Grade (Note 2)</th>
<th>Over 32</th>
<th>Over 34</th>
<th>Over 36</th>
<th>Over 38</th>
<th>Over 40</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>O-10 (Note 3)</td>
<td>15,583.20</td>
<td>15,583.20</td>
<td>15,583.20</td>
<td>15,583.20</td>
<td>15,583.20</td>
</tr>
<tr>
<td></td>
<td>O-9 (Note 3)</td>
<td>15,583.20</td>
<td>15,583.20</td>
<td>15,583.20</td>
<td>15,583.20</td>
<td>15,583.20</td>
</tr>
<tr>
<td></td>
<td>O-8 (Note 3)</td>
<td>14,282.70</td>
<td>14,639.70</td>
<td>14,639.70</td>
<td>14,639.70</td>
<td>14,639.70</td>
</tr>
<tr>
<td></td>
<td>O-7 (Note 3)</td>
<td>12,606.90</td>
<td>12,606.90</td>
<td>12,606.90</td>
<td>12,606.90</td>
<td>12,606.90</td>
</tr>
<tr>
<td></td>
<td>O-6 (Note 4)</td>
<td>11,328.00</td>
<td>11,328.00</td>
<td>11,328.00</td>
<td>11,328.00</td>
<td>11,328.00</td>
</tr>
<tr>
<td></td>
<td>O-5</td>
<td>9,062.70</td>
<td>9,062.70</td>
<td>9,062.70</td>
<td>9,062.70</td>
<td>9,062.70</td>
</tr>
<tr>
<td></td>
<td>O-4</td>
<td>7,684.80</td>
<td>7,684.80</td>
<td>7,684.80</td>
<td>7,684.80</td>
<td>7,684.80</td>
</tr>
<tr>
<td></td>
<td>O-3 (Note 5)</td>
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<td>6,583.50</td>
<td>6,583.50</td>
<td>6,583.50</td>
<td>6,583.50</td>
</tr>
<tr>
<td></td>
<td>O-2 (Note 5)</td>
<td>4,839.00</td>
<td>4,839.00</td>
<td>4,839.00</td>
<td>4,839.00</td>
<td>4,839.00</td>
</tr>
<tr>
<td></td>
<td>O-1 (Notes 5 &amp; 6)</td>
<td>3,818.70</td>
<td>3,818.70</td>
<td>3,818.70</td>
<td>3,818.70</td>
<td>3,818.70</td>
</tr>
</tbody>
</table>
Table 1-7. Monthly Rates of Basic Pay – Commissioned Officers, Academy Cadets and Midshipmen and ROTC Members - Effective January 1, 2017 (Continued)

NOTES:
1. Basic pay rate for Academy Cadets/Midshipmen and ROTC members/applicants is $1,062.30.
2. For rank titles, see Volume 7A Comparable Grades.
3. Basic pay is limited to the rate of basic pay for level II of the Executive Schedule in effect during calendar year 2017, which is $15,583.20 per month for officers at pay grades O-7 through O-10. This includes officers serving as:
   a. Chairman or Vice Chairman of the Joint Chiefs of Staff;
   b. Chief of Staff of the Army;
   c. Chief of Naval Operations;
   d. Chief of Staff of the Air Force;
   e. Commandant of the Marine Corps;
   f. Commandant of the Coast Guard;
   g. Chief of the National Guard Bureau; or
   h. Commander of a unified or specified combatant command (as defined in 10 U.S.C. 161(c)).
4. Basic pay for pay grades O-6 and below is limited to the rate of basic pay for Level V of the Executive Schedule, which is $12,641.70.
5. O-1, O-2, and O-3 rates do not apply to commissioned officers who have been credited with over 4 years (i.e., at least 4 years and 1 day) of active duty service as an enlisted member or as a warrant officer or as both an enlisted member and a warrant officer.
6. These rates or, when applicable, the O-1E rates in Table 1-8 apply during periods of active service while as a DOM student of the USUHS. Also see subparagraph 010202.A.8.
Table 1-8. Monthly Rates of Basic Pay – Commissioned Officers Credited With Over 4 Years of Active Duty Enlisted and/or Warrant Officer Service - Effective January 1, 2017

### MONTHLY RATES OF BASIC PAY (Note 1)

<table>
<thead>
<tr>
<th>Pay Grade (Note 2)</th>
<th>Cumulative Years of Service</th>
</tr>
</thead>
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### MONTHLY RATES OF BASIC PAY (Note 1) – Continued (Note 1)

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### MONTHLY RATES OF BASIC PAY – Continued (Note 1)

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<td>O-3E (Note 3 &amp; 4)</td>
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<tr>
<td>O-2E (Note 3 &amp; 4)</td>
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</tr>
<tr>
<td>O-1E (Note 3&amp; 4)</td>
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### MONTHLY RATES OF BASIC PAY – Continued (Note 1)

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<td>Over 32</td>
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<td>O-3E (Note 3 &amp; 4)</td>
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</tr>
<tr>
<td>O-2E (Note 3 &amp; 4)</td>
<td>5,603.70</td>
</tr>
<tr>
<td>O-1E (Note 3&amp; 4)</td>
<td>4,741.20</td>
</tr>
</tbody>
</table>
Table 1-8. Monthly Rates of Basic Pay – Commissioned Officers Credited With Over 4 Years of Active Duty Enlisted and/or Warrant Officer Service - Effective January 1, 2017 (Continued)

NOTES:

1. Basic pay rate for Academy Cadets/Midshipmen and ROTC members/applicants is $1,062.30.
2. For rank titles, see Volume 7A Comparable Grades.
3. Creditable service to be taken into account for purposes of this table is active service as an enlisted member or as a warrant officer or as both an enlisted member and a warrant officer, in the case of a commissioned officer on active duty who is paid from funds appropriated for active-duty personnel; or a commissioned officer on active Guard and Reserve duty. Effective November 24, 2003, creditable service to be taken into account for purposes of this table in the case of a commissioned officer is service as an enlisted member or as a warrant officer, or as both an enlisted member and a warrant officer, for which more than 1,460 points have been credited to the officer for the purposes of title 10, U.S.C. § 12732(a)(2).
4. These rates do not apply to DOM students of the USUHS who do not have over 4 years (i.e., at least 4 years and 1 day) of active duty service as an enlisted member or as a warrant officer or as both an enlisted member and a warrant officer. See Table 1-7 for applicable rates. DOM USUHS students with over 4 years of prior enlisted and/or warrant officer service are entitled to the O-1E rate of basic pay in this table during such active duty periods. Also see subparagraphs 010202.A.8.
MONTHLY RATES OF BASIC PAY (Note 1)

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<th>Over 4</th>
<th>Over 6</th>
<th>Over 8</th>
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<tr>
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MONTHLY RATES OF BASIC PAY (Note 1)

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MONTHLY RATES OF BASIC PAY – Continued (Note 1)

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<th>Cumulative Years of Service</th>
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<th>Over 24</th>
<th>Over 26</th>
<th>Over 28</th>
<th>Over 30</th>
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MONTHLY RATES OF BASIC PAY – Continued (Note 1)

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<th>Cumulative Years of Service</th>
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<th>Over 36</th>
<th>Over 38</th>
<th>Over 40</th>
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<td>7,789.80</td>
<td>7,789.80</td>
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<td>5,640.60</td>
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<td>5,125.80</td>
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</table>
Table 1-9. Monthly Rates of Basic Pay – Warrant Officers - Effective January 1, 2017 (Continued)

NOTES:

1. Basic pay rate for Academy Cadets/Midshipmen and ROTC members/applicants is $1,062.30.
2. For rank titles, see Volume 7A Comparable Grades.
### Table 1-10: Monthly Rates of Basic Pay – Enlisted Members - Effective January 1, 2017

#### MONTHLY RATES OF BASIC PAY (Note 1)

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<tr>
<th>Pay Grade (Note 2)</th>
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<th>Over 3</th>
<th>Over 4</th>
<th>Over 6</th>
<th>Over 8</th>
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<tbody>
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<td>E-9 (Notes 3 &amp; 4)</td>
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<td></td>
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<td>2,856.60</td>
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<td>E-4</td>
<td>2,088.90</td>
<td>2,195.70</td>
<td>2,314.80</td>
<td>2,432.10</td>
<td>2,535.60</td>
<td>2,535.60</td>
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<td>E-3</td>
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<td>1,793.40</td>
<td>1,793.40</td>
<td>1,793.40</td>
</tr>
<tr>
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<td>1,599.90</td>
<td>1,599.90</td>
<td>1,599.90</td>
<td>1,599.90</td>
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#### MONTHLY RATES OF BASIC PAY – Continued (Note 1)

<table>
<thead>
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<th>Pay Grade (Note 2)</th>
<th>Over 10</th>
<th>Over 12</th>
<th>Over 14</th>
<th>Over 16</th>
<th>Over 18</th>
<th>Over 20</th>
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<td>5,166.90</td>
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<td>2,535.60</td>
<td>2,535.60</td>
<td>2,535.60</td>
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<td>2,125.80</td>
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<td>1,793.40</td>
<td>1,793.40</td>
<td>1,793.40</td>
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<td>E-1 (Note 5)</td>
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Table 1-10. Monthly Rates of Basic Pay – Enlisted Members - Effective January 1, 2017 (Continued)

MONTHLY RATES OF BASIC PAY – Continued (Note 1)  
*Cumulative Years of Service*

<table>
<thead>
<tr>
<th>Pay Grade (Note 2)</th>
<th>Over 22</th>
<th>Over 24</th>
<th>Over 26</th>
<th>Over 28</th>
<th>Over 30</th>
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</thead>
<tbody>
<tr>
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<td>2,125.80</td>
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MONTHLY RATES OF BASIC PAY – Continued (Note 1)  
*Cumulative Years of Service*

<table>
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<th>Over 36</th>
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<td>3,851.70</td>
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<td>3,232.80</td>
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Table 1-10. Monthly Rates of Basic Pay – Enlisted Members - Effective January 1, 2017 (Continued)

NOTES:

1. Basic pay rate for Academy Cadets/Midshipmen and ROTC members/applicants is $1,062.30.
2. For rank titles, see Volume 7A Comparable Grades.
3. Basic pay for senior enlisted member (grade E-9) is $8,165.10 regardless of years of service while serving as:
   a. Senior Enlisted Advisor of the Chairman, Joint Chiefs of Staff;
   b. Sergeant Major of the Army;
   c. Master Chief Petty Officer of the Navy;
   d. Chief Master Sergeant of the Air Force;
   e. Sergeant Major of the Marine Corps;
   f. Master Chief Petty Officer of the Coast Guard; or
   g. Senior Enlisted Advisor to the Chief of the National Guard Bureau.
4. If a member is placed on terminal leave pending retirement immediately following the completion of service as the senior enlisted member of a Military Department, the member is entitled to the higher senior enlisted pay $8,165.10 up to a maximum of 60 days. If a member is hospitalized, and during or immediately before such hospitalization, completed service as the senior enlisted member of that Military Department’s Armed Force, the member will continue to be entitled, for not more than 180 days while so hospitalized, to the rate of basic pay authorized for a senior enlisted member.
5. Applicable to E-1 with 4 months or more of active duty. Basic pay for an E-1 with less than 4 months of active duty is $1,479.30.
Table 1-11. Authorized Absence - Effect on Pay and Allowances

<table>
<thead>
<tr>
<th>Rule</th>
<th>When member is absent from duty</th>
<th>and</th>
<th>then the member is</th>
<th>and the period of absence is</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>on authorized leave</td>
<td></td>
<td>entitled to otherwise proper credit of full pay and allowances during the period of absence</td>
<td>charged as leave.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>such leave is:</td>
<td>a. ordinary accrued leave</td>
<td>charged against leave as it accrues (note 1).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>b. emergency leave</td>
<td></td>
<td>not chargeable against leave.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>c. reenlistment leave</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>d. delay en route</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>in advance of that accrued</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>such leave is:</td>
<td></td>
<td>entitled to pay and allowances as follows:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. graduation leave</td>
<td></td>
<td>a. basic pay</td>
<td>chargeable to leave to the extent possible (note 4).</td>
</tr>
<tr>
<td></td>
<td>b. sick or convalescent leave</td>
<td></td>
<td>b. special pay (if a health professional officer)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c. pass or liberty</td>
<td></td>
<td>c. BAS for officers and enlisted (as applicable) (note 2)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>d. proceed time</td>
<td></td>
<td>d. BAH (note 3)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>e. clothing maintenance allowance</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>at home on Permanent Change of Station (PCS) orders awaiting final action on physical evaluation board proceedings</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>on excess leave</td>
<td></td>
<td>not entitled to pay and allowances (note 5)</td>
<td>not chargeable to accrued leave (note 6).</td>
</tr>
</tbody>
</table>
Table 1-11. Authorized Absence - Effect on Pay and Allowances (Continued)

<table>
<thead>
<tr>
<th>Rule</th>
<th>When member is absent from duty</th>
<th>and</th>
<th>then the member is</th>
<th>and the period of absence is</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>on authorized educational leave of absence not to exceed 2 years, or 3 years if pursuing a program of education in the health care profession</td>
<td>and</td>
<td>entitled to basic pay (member is not entitled to BAH, BAS, or any other pay and allowance to which member might otherwise be entitled for period of leave of absence)</td>
<td>not chargeable to accrued leave.</td>
</tr>
<tr>
<td>7</td>
<td>on authorized rest and recuperative absence for not more than 30 days for extending duty under Chapter 14, sections 1402 and 1403</td>
<td>and</td>
<td>entitled to otherwise proper credit of full pay and allowances during the period of absence (note 7)</td>
<td>not chargeable to accrued leave.</td>
</tr>
</tbody>
</table>

NOTES:
1. See subparagraph 010401.D for collection requirements when advance leave is changed to excess leave.
2. Enlisted members are entitled to BAS at the rate shown in Chapter 25, subparagraph 250202.B.1 except for days of leave specifically authorized by the PCS orders. Pay BAS at the rate shown in Chapter 25, subparagraph 250202.C for the PCS order-authorized leave period.
3. Members without dependents are entitled to BAH as prescribed in Table 1-5, rules 20 and 21.
4. A negative leave balance which existed prior to the member being ordered home continues until separation or retirement and will be collected as excess leave.
5. A member separating effective Mar 1, whose separation leave period through February 28 (or through February 29 during leap year) results in excess leave, is not entitled to pay and allowances for February 29 and 30 (or for February 30 during leap year). These days are not considered days of excess leave; however, the member is considered to be in a nonpay status through February 30. See subparagraph 010302.B.
Table 1-11. Authorized Absence - Effect on Pay and Allowances (Continued)

NOTES (continued):

6. Under Department of Defense Instruction (DoDI) 1327.06, “Leave and Liberty Policy and Procedures”, a member does not accrue leave during periods of excess leave (here referred to as “nonaccrual”). Computation of the number of days involved in an excess leave balance which accounts for this nonaccrual may result in a total which includes a fraction. Effective with leave taken on or after Feb 1, 1987, the total is not rounded to eliminate the fraction when pay and allowances are collected for excess leave. The fractional one-half day is considered to occur on the first day of the excess leave involved. Collect pay and allowances for the number of days, to include fractional days, according to subparagraph 010401.D or 010401.E.

7. Member is not entitled to special pay under Chapter 14, section 1402.
Table 1-12. Unauthorized Absence and Other Lost Time - Effect on Pay and Allowances

<table>
<thead>
<tr>
<th>Rule</th>
<th>When member is absent from duty</th>
<th>then the member</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>without authority, (AWOL) or excess leave, delays en route, pass or liberty</td>
<td>the absence is excused as unavoidable</td>
</tr>
<tr>
<td>2</td>
<td>for more than 24 consecutive hours as a result of a disease</td>
<td>the absence is not excused as unavoidable</td>
</tr>
<tr>
<td>3</td>
<td>in confinement by military authorities for a foreign civil offense</td>
<td>is not considered “constructively absent” from duty (note 5)</td>
</tr>
<tr>
<td>4</td>
<td>in confinement by military authorities</td>
<td>is being detained as a witness before a civil court</td>
</tr>
<tr>
<td>5</td>
<td>in military confinement (other than for civil authorities)</td>
<td>is serving a court-martial sentence which includes a forfeiture of pay</td>
</tr>
<tr>
<td>6</td>
<td>in military confinement (other than for civil authorities)</td>
<td>is serving a court-martial sentence which did not include a forfeiture of pay</td>
</tr>
<tr>
<td>7</td>
<td>in military confinement (other than for civil authorities)</td>
<td>is serving a court-martial sentence which did not include a forfeiture of pay</td>
</tr>
<tr>
<td>8</td>
<td>in military confinement (other than for civil authorities)</td>
<td>is serving a court-martial sentence which included a forfeiture of pay</td>
</tr>
<tr>
<td>9</td>
<td>in military confinement (other than for civil authorities)</td>
<td>is serving a court-martial sentence which included a forfeiture of pay</td>
</tr>
<tr>
<td>10</td>
<td>in military confinement (other than for civil authorities)</td>
<td>is serving a court-martial sentence which included a forfeiture of pay</td>
</tr>
</tbody>
</table>
Table 1-12. Unauthorized Absence and Other Lost Time – Effect on Pay and Allowances (Continued)

<table>
<thead>
<tr>
<th>R</th>
<th>U</th>
<th>E</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td></td>
<td></td>
<td>When member is absent from duty</td>
<td>and</td>
<td>then the member</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>as a deserter</td>
<td>is found guilty of deserting by court-martial or is administratively discharged for desertion or dies prior to return to military control or while awaiting trial by court-martial for the charge of desertion</td>
<td>forfeits all pay and allowances including that due on the first day of desertion (note 7).</td>
</tr>
<tr>
<td>12</td>
<td></td>
<td></td>
<td>without authority for 3 months while serving as an Army or Air Force officer</td>
<td>is dropped from the rolls by the President</td>
<td>forfeits all pay and allowances due or to become due (note 7).</td>
</tr>
</tbody>
</table>

NOTES:

1. Enlisted members are entitled to BAS at the rate prescribed when permission to ration separately is granted unless they were subsisted at government expense.
2. See JTR, Chapter 10, for entitlement to BAH in a non-pay status. See Chapter 10 for entitlement to Hostile Fire Pay which is payable in full for each month in which qualification is made.
3. A member is not entitled to pay or allowances for period of hospitalization after expiration of enlistment.
4. A member is not entitled to pay and allowances if granted a pass or liberty to serve civil confinement.
5. In any case where the commander of the military installation retains the discretionary authority to decide to incarcerate a member (or to merely restrict to the duty station and assign to perform useful and productive duties on a full-time basis), such member will not be considered as being “constructively absent” for the purposes of entitlement to pay and allowances.
6. Under existing DoD policy and Status of Forces Agreements, the U.S. Commander always retains discretionary authority to incarcerate or restrict a Military Service member to the installation when such a member is pending civil charges, even in cases where incarceration or restriction is requested by foreign authorities. Such member is not considered as being “constructively absent” for the purpose of entitlement to pay and allowances.
7. Pay and allowances due on date of desertion and on date an officer was dropped from the rolls will be used to satisfy debts due the United States and its instrumentalities.
Table 1-13. Rules for Determining Whether Absence Is Unavoidable

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>When member is absent from duty</td>
<td>is tried and acquitted</td>
<td>and</td>
<td>it is clear that arrest and detention were not due to member's misconduct</td>
<td>be excused as unavoidable.</td>
</tr>
<tr>
<td>1</td>
<td>in confinement by civil authorities or by military authorities for civil authorities</td>
<td>is tried and acquitted</td>
<td>and</td>
<td>it is clear that arrest and detention were not due to member's misconduct</td>
</tr>
<tr>
<td>2</td>
<td>is released without trial upon agreement to make restitution or reparation for the alleged offense</td>
<td>the commander determines that absence was not due to member's misconduct</td>
<td>and</td>
<td>it is apparent that the case will not be prosecuted</td>
</tr>
<tr>
<td>3</td>
<td>is admitted to bail and trial is postponed indefinitely</td>
<td>it is apparent that the case will not be prosecuted</td>
<td>and</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>was released because the case was discontinued by the prosecutor or plaintiff or because the jury failed to agree</td>
<td>it is apparent that the case will not be prosecuted</td>
<td>and</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>is tried and convicted</td>
<td>the appeal does not result in acquittal</td>
<td>and</td>
<td>not be excused as unavoidable.</td>
</tr>
<tr>
<td>6</td>
<td>is released under bond (not in a full-duty status) pending appeal of the case to a higher court</td>
<td>the appeal does not result in acquittal</td>
<td>and</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>is discharged because of imprisonment or conviction by a civil court</td>
<td>the appeal does not result in acquittal</td>
<td>and</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>confinement is due to failure to obey a decree of a civil court</td>
<td>the appeal does not result in acquittal</td>
<td>and</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>in confinement by civil authorities</td>
<td>is tried and found not guilty by reason of insanity</td>
<td>and</td>
<td>be excused as unavoidable.</td>
</tr>
<tr>
<td>10</td>
<td>the absence could not have been avoided by the member or by military authorities</td>
<td>the absence was not due to member’s misconduct</td>
<td>and</td>
<td>be excused as unavoidable.</td>
</tr>
<tr>
<td>11</td>
<td>without authority, (AWOL) or excess leave</td>
<td>the absence could not have been avoided by the member or by military authorities</td>
<td>and</td>
<td>be excused as unavoidable.</td>
</tr>
<tr>
<td>12</td>
<td>over pass or liberty</td>
<td>the absence could not have been avoided by the member or by military authorities</td>
<td>and</td>
<td>be excused as unavoidable.</td>
</tr>
<tr>
<td>13</td>
<td>the absence could have been prevented by member or by military authorities</td>
<td>the absence could not have been avoided by the member or by military authorities</td>
<td>and</td>
<td>not be excused as unavoidable.</td>
</tr>
</tbody>
</table>
Table 1-14. Computing Periods of Unauthorized Absence

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>When a member leaves the post of duty, place of service, or organization without authority and he/she is in the Army, Air Force, Navy or Marine Corps and the hour of expiration of leave, pass, or liberty, or authorized travel remains absent more than 24 consecutive hours then the day of departure will be counted as the first day of unauthorized absence.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>fails to report to the organization or post of duty on the last day of authorized leave, pass, or liberty, or authorized travel time Navy, or Marine Corps is before 2400 hours as specified in leave orders does not report on or before the specified hour of the following day then the last day of leave, pass, or liberty, or authorized travel time is the first day of unauthorized absence.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>is 2400 hours as specified in leave orders the day following the last day of leave, pass, or liberty, or authorized travel time is the first day of unauthorized absence.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>fails to report to the organization or post of duty on the last day of authorized leave, pass, or liberty Army or Air Force is not specified in leave orders does not report before normal duty hours of the following day (note) the day following the last day of leave, pass, or liberty is the first day of unauthorized absence.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>fails to report to the organization or post of duty by 2400 hours on the last day of authorized travel time Army, Air Force, Navy, or Marine Corps is not specified in orders the day following the last day of authorized travel time is the first day of unauthorized absence.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 1-14. Computing Periods of Unauthorized Absence (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td></td>
<td></td>
<td>and the hour of expiration of leave, pass, or liberty, or authorized travel</td>
<td>and the member returns to the place of duty, or organization, or otherwise to the jurisdiction of the Armed Forces</td>
<td>the day before the member’s return is the last day of unauthorized absence.</td>
</tr>
<tr>
<td>7</td>
<td></td>
<td></td>
<td>and the member is AWOL</td>
<td>Army, Air Force, Navy, or Marine Corps</td>
<td></td>
</tr>
</tbody>
</table>

NOTE:

The unauthorized absence begins at the normal duty hour. No unauthorized absence exists unless the member remains absent for more than 24 hours after the beginning of the normal duty hour.
Table 1-15. Void, Voidable, or Rejected Enlistments or Inductions – Pay and Allowances

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>When an individual is under investigation for a fraudulent enlistment or induction and then pay and allowances</td>
<td>will continue to be paid until a determination of fraud is made.</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>is determined to be serving under a fraudulent enlistment or induction; or enlists in the Army or Air Force before 17, and the government discovers the defect after the member reaches minimum age; or enlists in the Army or Air Force while 17 without parent’s or guardian’s consent and the government neither voids the enlistment or induction nor waives the fraud (or defect)</td>
<td>are suspended (including unpaid pay and allowances) from the date the disbursing officer is notified of the determination of fraud until the government either voids the enlistment or induction, or allows it to stand.</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>the government voids the enlistment or induction</td>
<td>will not be paid (note 1).</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>the government waives the fraud (or defect)</td>
<td>continue and the service is as valid as that of any other member.</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>enlists in the Army or Air Force before 17, and the government discovers the defect before the member reaches minimum age</td>
<td>do not accrue between date of notification to disbursing officer and date of discharge (note 1).</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>enlists in the Army or Air Force while 17, without parent’s or guardian’s consent</td>
<td>is discharged upon application of parent or guardian</td>
<td>accrue to include the date of discharge or release.</td>
</tr>
<tr>
<td>7</td>
<td>enlists in the Navy or Marine Corps while under the minimum statutory age (17)</td>
<td>is released from military control for such reason</td>
<td>do not accrue for any part of the period involved (note 2).</td>
</tr>
<tr>
<td>8</td>
<td>was judicially declared to have been mentally incompetent before entry on active duty</td>
<td>is released from military control for such reason</td>
<td>do not accrue for any part of the period involved (note 2).</td>
</tr>
</tbody>
</table>
### Table 1-15. Void, Voidable, or Rejected Enlistments or Inductions – Pay and Allowances (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>When an individual was not judicially declared to be mentally</td>
<td>is released from military control for such reason</td>
<td>accrue from the time of entry on active duty until release from</td>
</tr>
<tr>
<td></td>
<td>incompetent before entry on active duty but is later found to</td>
<td></td>
<td>military control.</td>
</tr>
<tr>
<td></td>
<td>have been mentally incompetent at the time of entry on active</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>duty</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>enlisted or inducted into the Military Service is discovered by</td>
<td></td>
<td>accrue from the time of entry on active duty through the date of</td>
</tr>
<tr>
<td></td>
<td>Military Service medical authorities to have been medically unfit</td>
<td></td>
<td>release from military control.</td>
</tr>
<tr>
<td></td>
<td>for induction at the time of entrance into the Military Service</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTES:**

1. Individual retains amounts received before disbursing officer is notified, if otherwise proper.
2. Individual retains amounts received while performing active duty before release from military control.
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37 Comp Gen 455

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38 Comp Gen 824
37 Comp Gen 455

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37 U.S.C. § 205(e)

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      62 Comp Gen 266
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010401.E 50 U.S.C. App 2205
  Public Law 93-64, July 9, 1973
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010401.F.2 Comp Gen B-213883, May 30, 1984
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010402.B.1 50 U.S.C. App 2205
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VOLUME 7A, CHAPTER 2: “REPAYMENT OF UNEARNED PORTION OF BONUSES AND OTHER BENEFITS”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated July 2016 is archived.

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<td>All</td>
<td>Updated formatting and hyperlinks to comply with current administrative instructions.</td>
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<td>020202</td>
<td>Added paragraph 020202 “Use of Separation Program Designator Codes (SPD) in Effecting the Repayment of Unearned Portion of Bonuses and Other Benefits” and renumbered subsequent paragraphs.</td>
<td>Addition</td>
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<td>020304.B</td>
<td>Updated subparagraph 020304.B for clarity.</td>
<td>Revision</td>
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<td>Bibliography</td>
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CHAPTER 2

REPAYMENT OF UNEARNED PORTION OF BONUSES AND OTHER BENEFITS

0201 GENERAL

020101. Purpose

This chapter establishes policy pertaining to the repayment of unearned portions of bonuses and other benefits. A member, who enters into a written agreement with specified service conditions for receipt of a bonus, special or incentive pay, educational benefits, stipend, or similar payment (hereinafter referred to as “pay or benefit”) is entitled to the full amount of the pay or benefit if the member fulfills the required conditions. Failure to fulfill the conditions specified in the written agreement may result in termination of the agreement and the member may be required to repay the unearned portion of the pay or benefit. Such repayment will be pursued unless the member’s failure to fulfill the specified conditions is due to circumstances determined reasonably beyond the member’s control. Conditions under which repayment will not be sought are set forth in section 0203.

020102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

0202 POLICY

020201. Payment Disposition

The Secretary of the Military Department concerned may establish, by regulation, procedures for determining the amount of the repayment required. Service regulations will apply the rules in Table 2-1 for disposition of unearned portions of the pay or benefit.

*020202. Use of Separation Designator Codes (SPD) in Effecting the Repayment of Unearned Portion of Bonuses and Other Benefits

SPD codes are used to track and analyze the reasons that Service members separate from military service and to assist in the review, development, and monitoring of separation policies and programs. Additionally, SPD codes are used to ensure standardized pay actions are consistent with separation policies. While automated processes are critical, it is also important to recognize and allow Secretaries of the Military Departments to exercise their delegated authority to change pay actions on a case-by-case basis. Therefore, when the Secretary of a Military Department concerned wishes to exercise delegated authority to change a pay action for the designated SPD code assigned to the member’s Department of Defense (DD) Form 214, the Secretary concerned submits the requested exception to policy (ETP) to the Director of Military Compensation in the Office of the Assistant Secretary of Defense (OASD) for Manpower and Reserve Affairs (M&RA) for approval. The approved ETP is submitted to the Defense Finance and Accounting Service (DFAS) for processing. It is important for the Military Departments to treat Service members
similarly at separation, so this authority to change the designated pay action should be used sparingly.

020203. Definition

The term “service,” as used in this chapter, refers to an obligation willingly undertaken by a member of the uniformed services in exchange for a pay or benefit offered by the Secretary of Defense or the Secretary of the Military Department concerned to do one or more of the following:

A. Remain on active duty;
B. Remain in an active status in a Reserve Component;
C. Perform duty in a specified skill, with or without a specified qualification or credential;
D. Perform duty at a specified location; or
E. Perform duty for a specified period of time.

020204. Bankruptcy

An obligation to repay a pay or benefit to the United States is, for all purposes, a debt owed to the United States. A discharge in bankruptcy does not discharge a person from such debt if the discharge order is entered less than 5 years after:

A. The date of the termination of the agreement or contract on which the debt is based; or
B. The date of the termination of service on which the debt is based, in the absence of such agreement or contract.

0203 REPAYMENT AND NON-REPAYMENT CONDITIONS

020301. Conditions Under Which Repayment Will Be Sought

A. When the conditions of a written agreement are not fulfilled and repayment is determined appropriate, the member will be required to repay the United States the unearned portion of a pay or benefit. In cases other than death of a member, the Secretary of the Military Department concerned will advise DFAS of the disposition of any unearned portion of a pay or benefit.

B. Repayment will be sought, and any unpaid balances may not be paid to members who incur a disability because of their misconduct.
020302. Delegation of Authority

The Secretary of the Military Department concerned may, through regulation, delegate the authority to make repayment determinations consistent with the criteria set forth in section 0203, but not below the O-6 or equivalent level. If delegated, then the Military Departments will specify the level and the scope of the authorized delegation in implementing regulations.

020303. Conditions Under Which Repayment Will Not Be Sought

As a general rule, repayment action may not be pursued in situations in which the member’s inability to fulfill specified service conditions related to a pay or benefit is due to circumstances determined reasonably beyond the member’s control. Payment of any unpaid portion of pay or benefit will be subject to the rules in Table 2-1, which in appropriate circumstances provide discretion to the Secretary of the Military Department concerned to pay unearned portions based on case-by-case determinations.

A. Repayment will not be sought, and any remaining unpaid portion of a pay or benefit due to a member under a written agreement that existed at the time of the member’s death, which was not the result of the member’s misconduct, is payable as a lump sum in the settlement of the decedent’s final military pay entitlements.

B. Repayment will not be sought, and any remaining unpaid portion of a pay or benefit due to a member under a written agreement will be paid at the time of separation or retirement for a disability incurred in the line of duty in a combat zone designated by the President of the United States or the Secretary of Defense, or in a combat-related operation designated by the Secretary of Defense, and/or for a combat-related disability. In such case, any remaining unpaid portion of a pay or benefit due to a member will be paid to the member upon separation from service.

C. Subject to the enlistment authorities, and the relevant regulations of the Secretary of the Military Department concerned, a member who was paid a bonus or special pay for a period of enlistment in a Military Department, who is discharged for immediate reenlistment or appointment in a Military Department for which no bonus or special pay is paid, may be considered to have completed the full term of service specified in the former enlistment contract, provided the term of the latter reenlistment or appointment includes the remaining period of service from the former enlistment. The member’s enlistment bonus or special pay entitlements will be addressed prior to discharge from a Military Department.

D. Repayment will not be sought, and the Secretary of the Military Department concerned will not pay any remaining unpaid portion of a pay or benefit under the following circumstances, unless otherwise authorized by the Secretary of the Military Department concerned under subparagraph 020304.B:

1. The member’s employment in another military specialty or assignment rotation is directed;
2. The member’s military specialty or assignment is phased out or eliminated;

3. The member’s military specialty or assignment is otherwise affected by force structure or other mission essential requirements; or

4. The member is separated from service under a hardship separation or sole survivor discharge.

E. Pursuant to Title 10, United States Code (U.S.C.), section 1171, enlisted members who are discharged within 12 months before the expiration of an enlistment, reenlistment, or extension of enlistment are considered to have completed the terms of the enlistment, reenlistment, or extension of enlistment for which the bonus was paid. Thus, recoupment is not required for the unearned portion of the pay or benefit arising from the early discharge. The Military Departments are responsible for determining whether a member’s early discharge is made pursuant to 10 U.S.C. § 1171 and advising DFAS of the determination.

020304. Conditions Under Review by the Secretary of the Military Department

A. In instances involving a member’s separation for medical reasons, which were not the result of the member’s misconduct, the Secretary of the Military Department concerned has the discretion to determine whether to require repayment of the unearned portion of pay or benefit, or to pay an unpaid balance of a pay or benefit.

* B. Under circumstances not specifically mentioned in this chapter, the Secretary of the Military Department concerned has the discretion to, at some point in the process, render a case-by-case determination that the member’s repayment of, or the Military Department’s full payment of an unpaid portion of, a pay or benefit is appropriate based on the following:

1. Contrary to a personnel policy or management objective;

2. Against equity and good conscience; or

3. Contrary to the best interest of the United States.
Table 2-1. Disposition of Unearned Portions of Bonuses, Special Pay, Educational Benefits, or Stipends

<table>
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<td>any unpaid portion of the bonus, special pay, or student loan repayment under 10 U.S.C. or 37 U.S.C.</td>
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<td>E</td>
<td>Dies, through no misconduct of the member</td>
<td>will not be sought</td>
<td>will be paid in the member’s final pay.</td>
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<td>Incurs an injury or illness, through no misconduct of the member,</td>
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<td>that precludes the member from fulfilling the service conditions</td>
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<td>specified in the written agreement</td>
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<td>the member is separated, other than as described in Rule 2, for</td>
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<td>medical reasons as a result of an injury or illness</td>
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<td>If a member under a written agreement for a pay or benefit and then repayment of the unearned portion of the pay or benefit and any unpaid portion of the bonus, special pay, or student loan repayment under 10 U.S.C. or 37 U.S.C.</td>
<td>the term of the latter reenlistment or appointment includes the remaining period of service from the former enlistment will not be sought if the Secretary of the Military Department concerned determines that to recoup the unearned portion would be contrary to a personnel policy or management objective, against equity or good conscience, or contrary to the best interest of the United States will not be paid unless the Secretary of the Military Department concerned makes a determination consistent with Rule 9, Column E. <em>(In this case, the member may be considered to have completed the full term of service on the former enlistment contract.)</em></td>
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<td>Is directed by the Service concerned to transfer into another military specialty or assignment rotation and any unpaid portion of the bonus, special pay, or student loan repayment under 10 U.S.C. or 37 U.S.C.</td>
<td>the term of the latter reenlistment or appointment includes the remaining period of service from the former enlistment will not be sought will not be paid unless the Secretary of the Military Department concerned makes a determination consistent with Rule 9, Column E.</td>
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<td>Is in a military occupational specialty or assignment that is phased out or eliminated, or otherwise affected by a force structure or other mission essential requirement and any unpaid portion of the bonus, special pay, or student loan repayment under 10 U.S.C. or 37 U.S.C.</td>
<td>the term of the latter reenlistment or appointment includes the remaining period of service from the former enlistment will not be sought will not be paid unless the Secretary of the Military Department concerned makes a determination consistent with Rule 9, Column E.</td>
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<tr>
<td>8</td>
<td>Is separated from service under a hardship separation or a sole survivor discharge and any unpaid portion of the bonus, special pay, or student loan repayment under 10 U.S.C. or 37 U.S.C.</td>
<td>the term of the latter reenlistment or appointment includes the remaining period of service from the former enlistment will not be sought will not be paid unless the Secretary of the Military Department concerned makes a determination consistent with Rule 9, Column E.</td>
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Table 2-1. Disposition of Unearned Portions of Bonuses, Special Pay, Educational Benefits, or Stipends (Continued)

<table>
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<tr>
<th>R</th>
<th>U</th>
<th>L</th>
<th>E</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
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</thead>
<tbody>
<tr>
<td>9</td>
<td>Does not fulfill the service conditions for the pay or benefit under any other circumstances</td>
<td>will be sought, unless the Secretary of the Military Department concerned, at some point in the process makes a case-by-case determination that to require repayment of an unearned portion of the pay or benefit would be contrary to a personnel policy or management objective, against equity or good conscience, or contrary to the best interest of the United States</td>
<td>and</td>
<td>any unpaid portion of the bonus, special pay, or student loan repayment under 10 U.S.C. or 37 U.S.C.</td>
<td>will not be paid unless the Secretary of the Military Department concerned, at some point in the process, makes a case-by-case determination that to refrain from paying an unpaid portion of the pay, benefit, or student loan would be contrary to a personnel policy or management objective, against equity or good conscience, or contrary to the best interest of the United States</td>
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</table>
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CHAPTER 2 – REPAYMENT OF UNEARNED PORTION OF BONUSES AND OTHER BENEFITS

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Under Secretary of Defense (USD) (P&R) Memo, February 6, 2009

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*020202

Department of Defense Instruction 1336.01, August 20, 2009, Incorporating Change 1, Effective December 29, 2014
OASD Memo, January 13, 2017

020203

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0203 – REPAYMENT AND NON-REPAYMENT CONDITIONS

OUSD (P&R) Memo, May 21, 2008
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020301.B

10 U.S.C. § 1207

020303.B

10 U.S.C., Chapter 61
10 U.S.C. § 1413a(e)

020303.E

10 U.S.C. § 1171

020304.A

10 U.S.C., Chapter 61

Table 2-1

OUSD (P&R) Memo, May 21, 2008
USD (P&R) Memo, February 6, 2009

Rule 2

10 U.S.C., Chapter 61
10 U.S.C. § 1413a(e)
### VOLUME 7A, CHAPTER 03: “SPECIAL PAY – OFFICERS ONLY”

#### SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated October 2015 is archived.

<table>
<thead>
<tr>
<th>PARAGRAPH</th>
<th>EXPLANATION OF CHANGE/REVISION</th>
<th>PURPOSE</th>
</tr>
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<tbody>
<tr>
<td>All</td>
<td>Updated hyperlinks and formatting to comply with current administrative instructions.</td>
<td>Revision</td>
</tr>
<tr>
<td>030101</td>
<td>Changed “Overview” to “Purpose” to comply with current instructions.</td>
<td>Revision</td>
</tr>
<tr>
<td>030201.B</td>
<td>Changed payment amount not to exceed $50,000 to comply with Public Law 114-92, November 25, 2015.</td>
<td>Revision</td>
</tr>
<tr>
<td>030201.D</td>
<td>Extended the “Duration of Authority” for the Nuclear Power Accession Bonus to December 31, 2016.</td>
<td>Revision</td>
</tr>
<tr>
<td>030202.E</td>
<td>Extended the “Duration of Authority” for the Nuclear-Qualified Officer Extending Period of Active Service Continuation Pay (COPAY) to December 31, 2016.</td>
<td>Revision</td>
</tr>
<tr>
<td>030203.B.2</td>
<td>Extended the “Duration of Authority” for Nuclear Career Annual Incentive Bonus (AIB) to December 31, 2016.</td>
<td>Revision</td>
</tr>
<tr>
<td>030203.C</td>
<td>Changed payment amount from $22,000 to $25,000 to comply with Public Law 114-92, November 25, 2015.</td>
<td>Revision</td>
</tr>
<tr>
<td>030406, 030504, 030705, 030805</td>
<td>Revised content in the subparagraphs for clarity.</td>
<td>Revision</td>
</tr>
<tr>
<td>030706</td>
<td>Extended the “Duration of Authority” for Accession Bonus for Officer Candidates to December 31, 2016.</td>
<td>Revision</td>
</tr>
<tr>
<td>030806</td>
<td>Extended the “Duration of Authority” for Accession Bonus for New Officers in Critical Skills to December 31, 2016.</td>
<td>Revision</td>
</tr>
<tr>
<td>030906</td>
<td>Extended the “Duration of Authority” for Retention Incentive for Critical Military Skills to December 31, 2016.</td>
<td>Revision</td>
</tr>
<tr>
<td>031007</td>
<td>Extended the “Duration of Authority” for Incentive Bonus Transfer Between Armed Forces to December 31, 2016.</td>
<td>Revision</td>
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CHAPTER 3

SPECIAL PAY – OFFICERS ONLY

0301 GENERAL

*030101. Purpose

The Secretaries of the Military Departments may pay a bonus or special pay to persons or officers, as appropriate, to support accession and retention efforts for a designated military specialty, career field, unit, grade, or to meet some other condition or conditions of service imposed by the Secretary of the Military Department concerned. This chapter establishes policy pertaining to the payments of bonuses or special pay in support of accession and retention efforts.

030102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

0302 SPECIAL PAYS FOR NUCLEAR-QUALIFIED OFFICERS

*030201. Nuclear Power Accession Bonus Program

A. Eligibility

1. Nuclear Officer Accession Bonus. An accession bonus is payable to officers or prospective officers who are selected for officer naval nuclear propulsion training and execute a written agreement to participate in a program of training for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants.

2. Nuclear Career Accession Bonus. Officers who are on active duty and who successfully complete the nuclear propulsion training program, leading to qualification for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants, are entitled to payment of an accession bonus upon successful completion of the nuclear propulsion training program.

* B. Payment. Under Title 37, United States Code (U.S.C.), section 333(d)(1), Nuclear Officer Bonuses may not exceed $50,000 for each 12-month period. Bonus rates for this program are contained in Chief of Naval Operations Instruction (OPNAVINST 7220.11E), dated December 29, 2014.

C. Repayment. An officer, who receives an accession bonus and does not satisfactorily commence or complete the nuclear power training, will be subject to the repayment provisions of Chapter 2.
D. **Duration of Authority.** Unless otherwise authorized by the Congress, the provisions of section 0302 will be effective only in the case of officers who, on or before December 31, 2016, have been accepted for training for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants.

*030202. Nuclear-Qualified Officer Extending Period of Active Service Continuation Pay (COPAY)*

A. **Entitlement.** The Secretary of the Navy may pay Nuclear Officer COPAY to nuclear-qualified officers who agree to remain on active duty for an additional 3, 4, 5, 6, or 7 years beyond their existing service obligation.

B. **Eligibility.** Officers who meet the criteria defined in OPNAVINST 7220.11E, dated December 29, 2014, are eligible to receive COPAY upon acceptance of their written agreement to remain on active duty in connection with supervision, operation, and maintenance of naval nuclear propulsion plants.

C. **Payment.** The amount payable may not exceed $30,000 for each year of the active service agreement. The rates and effective dates are contained in the governing regulation, OPNAVINST 7220.11E, dated December 29, 2014.

D. **Repayment.** An officer, who does not complete the period of active duty he or she agreed to serve in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants, will be subject to the repayment provisions of Chapter 2.

*030203. Nuclear Career Annual Incentive Bonus (AIB)*

A. **Entitlement.** The Secretary of the Navy may pay Nuclear Career AIB to nuclear-trained and nuclear-qualified officers who are on active duty and who complete their initial service requirement, and to nuclear-trained and nuclear-qualified limited duty and warrant officers who serve in an assignment with duties in connection with direct supervision, operation, or maintenance of naval nuclear propulsion plants.

B. **Eligibility**

1. **Warrant Officers** in pay grades W-2 through W-5 and **Officers in pay grades** O-1 through O-6 are eligible for AIB. Officers serving in a period of obligated service associated with paragraph 030202 are not eligible for AIB during that period of their obligated service.

2. In order to be eligible for an annual bonus for any nuclear service year, a qualified officer must have been on active duty on the last day of that nuclear service
year. For the purpose of this section, a “nuclear service year” is any fiscal year beginning before December 31, 2016.

* * *

C. Payment. Under 37 U.S.C. § 333(d)(1)(B), Nuclear Career Annual AIB may not exceed $25,000 for each 12-month period of qualifying service. The current rates and payment procedures are contained in the governing regulation, OPNAVINST 7220.11E, dated December 29, 2014.

NOTE: An officer of the United States Navy who is not on active duty on the last day of a nuclear service year may be paid a bonus on a pro rata basis if otherwise qualified, unless termination of active duty or loss of qualifications was voluntary or was the result of his own misconduct.

0303 SPECIAL PAY FOR OFFICERS SERVING IN POSITIONS OF UNUSUAL RESPONSIBILITY AND OF A CRITICAL NATURE

030301. Entitlement

The Secretary concerned may designate positions of unusual responsibility that are of a critical nature to an Armed Force under his or her jurisdiction and authorize special pay to officers performing the duties of such a position. Officers billeted in a designated position, and entitled to the basic pay for active duty or compensation for inactive duty in grade 0-6 and below, are entitled to this special pay. This special pay will be referred to as responsibility pay.

030302. Rates Payable

The monthly rates of responsibility pay are:

<table>
<thead>
<tr>
<th>Pay Grade</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-6</td>
<td>$150</td>
</tr>
<tr>
<td>0-5</td>
<td>$100</td>
</tr>
<tr>
<td>0-4 and below</td>
<td>$50</td>
</tr>
</tbody>
</table>

030303. Authorized Payees

Subject to other entitlement conditions and restrictions, officers are entitled to responsibility pay while serving as a commanding officer or commander of a unit listed in directives issued under the authority of the Secretary concerned. Responsibility pay will continue to accrue while on temporary duty, leave, or similar temporary absences from duty where there is no permanent relief. Responsibility pay accrues from the date the assignment begins through the date the assignment ends.
030304. Restrictions

Responsibility pay is not authorized for:

A. Officers temporarily in command;

B. Officers assigned in designated “Officer in Charge” billets, unless specifically designated in directives issued under the authority of the Secretary concerned; and

C. More than one officer per designated billet, except for the dates of assumption of and relief from command.

0304 SPECIAL PAY: WARFARE OFFICERS EXTENDING PERIOD OF ACTIVE DUTY

030401. Defined

The term “special warfare officer” means an officer of a uniformed service who is:

A. Qualified for a military occupational specialty or designator identified by the Secretary of the Military Department concerned, as a special warfare military occupational specialty or designator; and

B. Serving in a position for which that specialty or designator is authorized.

030402. Retention Bonus Authorized

In addition to any other pay and allowances, a special warfare officer who meets the eligibility requirements specified in paragraph 030403, and who executes a written agreement to remain on active duty in special warfare service for at least 1 year, may, upon the acceptance of the agreement by the Secretary of the Military Department concerned, be paid a retention bonus as provided in section 0304.

030403. Eligibility Requirements

A special warfare officer may apply to enter into an agreement if the officer:

A. Is in pay grade O–3, or is in pay grade O–4 and is not on a list of officers recommended for promotion at the time the officer applies to enter into the agreement;

B. Has completed at least 6, but not more than 14, years of active commissioned service; and

C. Has completed any service commitment incurred to be commissioned as an officer.
030404. Amount

The amount of a retention bonus paid under section 0304 may not be more than $15,000 for each year covered by the agreement.

030405. Payment Methods

Upon acceptance of an agreement by the Secretary of the Military Department concerned, the total amount payable pursuant to the agreement becomes fixed. The amount of the retention bonus may be paid as follows:

A. The Secretary of the Military Department concerned may make a lump-sum payment equal to half the total amount payable under the agreement. The balance of the bonus amount will be paid in equal annual installments on the anniversary of the acceptance of the agreement.

B. The Secretary of the Military Department concerned may make graduated annual payments. The first payment is payable at the time the agreement is accepted by the Secretary and subsequent payments are payable on the anniversary of the acceptance of the agreement.

*030406. Repayment

An officer who, has received a bonus, fails to complete the period of obligated service or other condition of service specified in the written agreement for which the bonus is paid will be subject to the repayment of any unearned portion of the bonus, according to the provisions in Chapter 2.

0305 SURFACE WARFARE OFFICER COPAY

030501. Defined

In this section, the term “eligible surface warfare officer” means an officer of the Regular Navy or Navy Reserve on active duty who:

A. Is qualified and billeted as a surface warfare officer;

B. Has been selected for assignment as a department head on a surface vessel; and

C. Has completed any service commitment incurred through the officer’s original commissioning program or is within 1 year of completing such commitment.
030502. Special Pay Authorized

In addition to any other pay and allowances, an eligible surface warfare officer who executes a written agreement to remain on active duty, and completes one or more tours of duty for which the officer may be ordered as a department head on a surface vessel, may, upon the acceptance of the agreement by the Secretary of the Navy, be paid an amount not to exceed $50,000.

030503. Payment Methods

Upon acceptance of the written agreement by the Secretary of the Navy, the total amount payable pursuant to the agreement becomes fixed. The Secretary will prepare an implementation plan, specifying the amount of each installment payment under the agreement and the number of installment payments.

*030504. Repayment

An officer who, has received a bonus, fails to complete the period of obligated service or other condition of service specified in the written agreement for which the bonus is paid will be subject to the repayment of any unearned portion of the bonus, according to the provisions in Chapter 2.

0306 JUDGE ADVOCATE COPAY

030601. Defined

The term “eligible judge advocate” means an officer of the Armed Forces on full-time active duty who:

A. Is qualified and serving as a judge advocate as defined in 10 U.S.C. § 801; and

B. Has completed the active duty service obligation incurred through the officer’s original commissioning program; or

C. In the case of an officer detailed as a student at law school, the active duty service obligation incurred as part of that detail.

030602. Special Pay Authorized

In addition to any other pay and allowances, an eligible judge advocate who executes a written agreement to remain on active duty for a period of obligated service specified in the agreement may, upon the acceptance of the agreement by the Secretary of the Military Department concerned, be paid COPAY under section 0306. The total amount paid to an officer under one or more agreements under section 0306, may not exceed $60,000.
030603. Payment Methods

Upon acceptance of an agreement by the Secretary of the Military Department concerned, the total amount payable pursuant to the agreement becomes fixed. The Secretary of the Military Department concerned will prepare an implementation plan, specifying the amount of each installment payment under the agreement and the number of installment payments.

030604. Repayment

An officer who, has entered into a written agreement and has received all or part of the amount payable under the agreement, does not complete the total period of active duty specified in the agreement will be subject to the repayment provisions of Chapter 2.

0307 ACCESSION BONUS FOR OFFICER CANDIDATES

030701. Authorization

Under regulations prescribed by the Secretary of the Military Department concerned, a person who executes a written agreement may be paid an accession bonus under section 0307, upon acceptance of the agreement by the Secretary of the Military Department concerned.

030702. Amount

The amount of an accession bonus may not exceed $8,000.

030703. Eligibility

A written agreement referred to in paragraph 030701 is a written agreement by a person to:

A. Complete officer candidate school;

B. Accept a commission or appointment as an officer of the Armed Forces; and

C. Serve on active duty as a commissioned officer for a period specified in the agreement.

030704. Payment Method

Upon acceptance of a written agreement by the Secretary of the Military Department concerned, the total amount of the accession bonus payable under the agreement becomes fixed. The agreement will specify whether the accession bonus will be paid as a lump-sum or in installments.
*030705. Repayment

An officer candidate who, has received a bonus, fails to complete the period of obligated service or other condition of service specified in the written agreement for which the bonus is paid will be subject to the repayment of any unearned portion of the bonus, according to the provisions in Chapter 2.

*030706. Duration of Authority

Unless authorized by the Congress, no agreement under section 0307 may be entered into after December 31, 2016.

0308 ACCESSION BONUS FOR NEW OFFICER IN CRITICAL SKILLS

030801. Authorization

A person, who executes a written agreement to accept a commission or an appointment as an officer of the Armed Forces and serve on active duty in a designated critical officer skill for the period specified in the agreement, may be paid an accession bonus in an amount determined by the Secretary of the Military Department concerned.

030802. Eligibility

The Secretary of the Military Department concerned will designate the critical officer skills. A skill may be designated as a critical officer skill for an Armed Force under section 0308 if:

A. In order to meet requirements of the Armed Force, it is critical for the Armed Force to have a sufficient number of officers who are qualified in that skill; and

B. In order to mitigate a current or projected significant shortage of personnel in the Armed Force who are qualified in that skill, it is critical to access into that Armed Force in sufficient numbers, persons who are qualified in that skill or are to be trained in that skill.

030803. Amount

The amount of an accession bonus may not exceed $60,000.

030804. Payment Method

Upon acceptance of a written agreement by the Secretary of the Military Department concerned, the total amount of the accession bonus payable under the agreement becomes fixed. The agreement will specify whether the accession bonus will be paid by the Secretary of the Military Department concerned as a lump-sum or in installments.
*030805. Repayment

An officer who, has received a bonus, fails to complete the period of obligated service or other condition of service specified in the written agreement for which the bonus is paid will be subject to the repayment of any unearned portion of the bonus, according to the provisions in Chapter 2.

*030806. Duration of Authority

Unless authorized by the Congress, no agreement under section 0308 may be entered into after December 31, 2016.

0309 RETENTION INCENTIVE FOR CRITICAL MILITARY SKILLS

030901. Authorization

In addition to any other pay and allowances, an officer serving on active duty in a Regular Component, or in an active status in a Reserve Component (RC), who is qualified in a critical military skill designated, or accepts an assignment to a high-priority unit, may be paid a retention bonus if the officer executes a written agreement to remain on active duty for at least 1 year.

030902. Eligibility

The Secretary of Defense, and the Secretary of Homeland Security with respect to the Coast Guard when it is not operating as a part of the Navy, may designate a critical military skill or designate a unit as a high-priority unit for which a retention bonus will be provided to a member of the Armed Forces who agrees to accept an assignment to the unit.

030903. Payment Methods

A bonus under section 0309 may be paid in a single lump-sum or in periodic installments.

030904. Amount

An officer may enter into an agreement more than once to receive a bonus under section 0309. However, an officer may not receive a total of more than $200,000 (or $100,000 in the case of a RC officer) in payments under section 0309. The limitation on the total bonus payments does not apply with respect to an officer who is assigned duties as a health care professional.

030905. Repayment

An officer who, having received all or part of the bonus under a written agreement, fails to remain qualified in the critical military skill or satisfy the other eligibility criteria for which the bonus was paid, will be subject to repayment, according to the provisions of Chapter 2.
*030906. Duration of Authority

Unless authorized by the Congress, no agreement under section 0309 may be entered into after December 31, 2016.

0310 INCENTIVE BONUS: TRANSFER BETWEEN ARMED FORCES

031001. Authorization

A bonus may be paid to an eligible officer of a Regular Component or RC of an Armed Force who executes a written agreement to:

A. Transfer from such Regular Component or RC to a Regular Component or RC of another Armed Force; and

B. Serve pursuant to such agreement for a period of not less than 3 years in the Component to which transferred.

031002. Eligibility

In addition to any other pay and allowances, an officer is eligible to enter into an agreement to transfer if, as of the date of the agreement, the officer is eligible to continue in service in a Regular or RC of the Armed Forces and has fulfilled the requirements for transfer to the Component of the Armed Forces that is established by the Secretary of the Military Department having jurisdiction over such Armed Force.

031003. Limitation

An officer may enter into an agreement to transfer to a Regular Component or RC of another Armed Force only if the Secretary, having jurisdiction over such Armed Force, determines that there is a shortage of trained and qualified personnel in such Component.

031004. Amount and Payment of Bonus

The bonus amount may not exceed $10,000. The bonus will be paid by the Secretary of the Military Department concerned having jurisdiction of the Armed Force to which the member to be paid the bonus is transferring. The Secretary of the Military Department concerned paying the bonus will:

A. Disburse the bonus to the officer in one lump-sum when the transfer for which the bonus is paid is approved by the chief personnel officer of the Armed Force to which the member is transferring; or

B. Make annual installments in such amounts as may be determined by the Secretary of the Military Department concerned paying the bonus.
031005. Repayment

An officer, who having received all or part of the bonus under a written agreement and who, voluntarily or because of misconduct, fails to serve for the period covered under the agreement, will be subject to the repayment provisions of Chapter 2.

031006. Regulations

The Secretaries of the Military Departments concerned will prescribe regulations to carry out section 0310. Regulations prescribed by the Secretary of the Military Department concerned, under section 0310, will be subject to the approval of the Secretary of Defense.

*031007. Duration of Authority

Unless authorized by the Congress, no agreement under section 0310 may be entered into after December 31, 2016.
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0302 – SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS

030201 – Nuclear Power Accession Bonus Program

37 U.S.C. § 333

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* OPNAVINST 7220.11E, December 29, 2014

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* OPNAVINST 7220.11E, December 29, 2014

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* PL 114-92, section 614 (3), November 25, 2015

* OPNAVINST 7220.11E, December 29, 2014

0303 – SPECIAL PAY FOR OFFICERS SERVING IN POSITIONS OF UNUSUAL RESPONSIBILITY AND OF A CRITICAL NATURE

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0304 – SPECIAL PAY: WARFARE OFFICERS EXTENDING PERIOD OF ACTIVE DUTY

37 U.S.C. § 318

0305 – SURFACE WARFARE OFFICER COPAY

37 U.S.C. § 319

0306 – JUDGE ADVOCATE COPAY

37 U.S.C. § 321

030601.A 10 U.S.C. § 801

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37 U.S.C. § 324
* PL 114-92, section 615 (6), November 25, 2015

0309 – RETENTION INCENTIVE FOR CRITICAL MILITARY SKILLS
37 U.S.C. § 355
* PL 114-92, section 614 (10), November 25, 2015

0310 – INCENTIVE BONUS: TRANSFER BETWEEN ARMED FORCES
37 U.S.C. § 327
* PL 114-92, section 615 (8), November 25, 2015
VOLUME 7A, CHAPTER 5: “HEALTH PROFESSIONS OFFICER (HPO) SPECIAL AND INCENTIVE PAY”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated August 2016 is archived.

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<th>PURPOSE</th>
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<td>Title</td>
<td>Updated to reflect chapter contents.</td>
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</tr>
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<td>Updated to meet the requirements in the Department of Defense Instruction 6000.13 and the Assistant Secretary of Defense, Health Affairs Memo, dated September 27, 2016. Chapters 6, 7, and 21 are archived and consolidated into this chapter.</td>
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</tr>
<tr>
<td>Bibliography</td>
<td>Updated references.</td>
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0501 GENERAL

050101. Purpose

The purpose of this chapter is to establish policy pertaining to Health Professions Special & Incentive (HPS&I) Pay.

050102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

0502 PROVISIONS

Each HPS&I pay is in addition to any other pay or allowance to which an HPO is eligible except as specified in sections 0503 through 0508.

050201. Legacy Special Pays

A. HPOs who entered into a written agreement for receipt of a special pay (Multiyear Special Pay; Incentive Special Pay; Additional Special Pay) on or before January 27, 2018 will, if otherwise qualified, continue to receive payments until completion of the written agreement. Effective January 28, 2018, all new agreements for special pays will be administered in accordance with 050202. The criteria for legacy pays can be found in the archived Chapters 5, 6, 7 and 21.

B. Subject to acceptance by the Secretary concerned, an HPO who entered into a written agreement in accordance with the legacy special pay authorities may request termination of that agreement to enter into a new agreement with an equal or longer obligation at the annual rate in effect at the time of execution of the new agreement. The new obligated period will not retroactively cover any portion or period that was executed under the old agreement.

050202. Consolidated Special Pays (CSP)

HPOs may be paid special pay at the rate for the specialty for which they are fully qualified. The specialty or subspecialty must be the same for all pays received. The HPO may only receive Incentive Pay (IP) and a Retention Bonus (RB) for one specialty, even if the HPO holds qualifications in two or more specialties. The IP and RB must be effective on the same date. The eligibility for each HPS&I pay is described in sections 0504 through 0508.
050203. Restrictions

A. The amount of HPS&I pay is not included in computing the amount of any increase in pay or in computing retired, separation, severance, or readjustment pays.

B. An HPO may not receive Special pays pursuant to paragraphs 050201 and 050202 simultaneously. Once an HPO receives a Special pay pursuant to paragraph 050202, the HPO cannot revert back to Special pays in paragraph 050201.

050204. Eligibility

To be eligible to participate in the CSP, an HPO must:

A. Not have reached the mandatory retirement or removal date due to age or years of service and will complete any additional service obligation incurred before the individual’s mandatory retirement or removal date, unless granted a waiver;

B. Have a current, valid, and unrestricted license or approved waiver;

C. Maintain all licensing, credentialing, and specialty qualifications;

D. Meet privileging requirements; and

E. Sign a service agreement indicating:

1. The amount of bonus or pay;

2. The method of payment of the bonus or pay;

3. The period of obligated service for the bonus or pay;

4. Whether the service will be performed on Active Duty (AD) or in active status in a Reserve Component (RC);

5. The type or conditions of the service; and

6. The circumstances that may result in termination of the agreement and repayment of any unearned portion of the bonus or pay if the officer fails to fulfill the conditions of the bonus or pay, to include an unfulfilled service obligation or eligibility requirement.

0503 ACCESSION BONUS (AB)

050301. Eligibility

To be eligible for an AB, an individual must:
A. Meet the eligibility criteria itemized in paragraph 050204;

B. Be a graduate of an accredited school in a health profession;

C. Be qualified for an appointment as a commissioned officer in a regular or RC of a Unified Service (an individual must accept an appointment as an HPO before the bonus will be paid);

D. Execute a written agreement to accept an appointment as an HPO of the Army, Navy or Air Force to serve on AD in a regular component or in an active status in an RC in a health profession for a specified period;

E. When appointed, have completed the service obligation for receipt of financial assistance from the Department of Defense (DoD or DD) to pursue a course of study in a health profession. This includes, but is not limited to, participants and former participants of the:

1. Reserve Officers’ Training Corps;

2. Armed Forces Health Professions Scholarship Program;

3. Financial Assistance Program;

4. Uniformed Services University of the Health Sciences; and

5. Other commissioning programs;

F. Have been honorably discharged or released from any prior service;

G. Be qualified in the specialty to which appointed; and

H. Have been discharged from any Unified Service at least 24 months before execution of the written agreement to receive an AB, and no longer hold an appointment, if a former HPO.

050302. Amounts

AB amounts are listed in Table 5-1.

0504 CRITICAL WARTIME SKILLS ACCESSION BONUS (CWSAB)

050401. Eligibility

To be eligible for CWSAB, an individual must:

A. Meet the eligibility criteria itemized in subparagraphs 050301.A through F;
B. Be fully qualified in the critically short wartime specialty to which appointed; and

C. Have been discharged from any Uniformed Service at least 24 months before execution of the written agreement to receive a CWSAB, and no longer hold an appointment, if a former HPO.

050402. Amounts

CWSAB amounts are listed in Table 5-2.

0505 BOARD CERTIFICATION PAY (BCP)

050501. Eligibility

A. HPOs must:

1. Meet the eligibility criteria itemized in paragraph 050204;

2. Be serving in an Active Component (AC) or an RC of a Military Service and entitled to basic pay under Title 37, United States Code (U.S.C.), section 204 or compensation pursuant to 37 U.S.C. § 206;

3. Be serving on AD or in an active Reserve status in a designated health professional clinical specialty;

4. Have a post-baccalaureate degree in a clinical specialty (a post Master's certificate acceptable to the Secretary concerned can satisfy this requirement); and

5. Be certified by a professional board in a designated health profession clinical specialty.

B. All Officers, to include General/Flag officers at the rank of O-7 and above, are eligible for the BCP.

050502. Amount

The annual amount payable is $6,000, to be prorated monthly.

0506 IP

050601. General Provisions

A. IP When Not Participating in an RB Agreement. Subject to acceptance by the Secretary concerned, an HPO who is eligible for and not in an existing RB agreement, and who is no longer obligated pursuant to a previous IP agreement, may enter into a new 1-year IP
agreement at the rate in the HPS&I pay plan. IP agreements must be for at least 1 year and cannot be prorated. If, during the IP agreement, the HPO becomes eligible for a higher IP, the HPO may terminate and renegotiate at that higher rate, obligating for at least a year from the date of renegotiation.

B. IP When Participating in an RB Agreement. An HPO who enters into an RB contract may also be eligible for IP for the same specialty at the amount in the HPS&I pay plan. An HPO who elects this option will continue IP eligibility, at the rate in effect at the time the RB agreement is effective, for each active year of the RB contract. Any renegotiation of either the RB or IP will require signing a new RB contract at the annual rate in effect at the time of signature, with an obligation that ends after the obligation of the original agreement.

C. Effective Date. The effective date of the IP agreement will be calculated from the date the member completes the qualifying training plus 3 months.

050602. Eligibility

A. To be eligible for IP, an HPO must be:

1. Serving in an AC or RC of a Military Service and entitled to basic pay under 37 U.S.C. § 204 or compensation pursuant to 37 U.S.C. § 206;

2. Serving on AD or in an active Reserve status in a designated health professional specialty; and

3. Eligible as prescribed in paragraph 050204;

B. Medical Corps and Dental Corps Officers at the rank of O-7 and above are eligible for the HPO IP at the General Medical Officer (GMO) or General Dental Officer rate, respectively. All other General/Flag officers are authorized the HPO IP rate for their credentialed specialty.

050603. Amounts

Annual payment amounts for IP contracts are listed in Tables 5-3 through 5-6 and paid in equal monthly payments. General/Flag officers at the rank of O-7 and above are eligible for the General Medical Officer IP rate shown on Table 5-4.

0507 RB

050701. General Provisions

A. Subject to acceptance by the Secretary concerned, an HPO with an existing multiyear special pay pursuant to 37 U.S.C. Chapter 5, Subchapter I, or with an RB contract pursuant to 37 U.S.C. Chapter 5, Subchapter II, may request termination of that contract to enter into a new RB contract with an equal or longer obligation at the RB annual rate in effect at the
time of execution of the new contract. The new obligation period will not retroactively cover any portion or period that was executed in accordance with the prior contract.

B. The Secretary concerned may pay an RB to HPOs based on their clinical specialty or subspecialty regardless of their ability to spend appropriate time in a clinical setting.

050702. Eligibility

To be eligible for an RB, an HPO must:

A. Meet the eligibility criteria itemized in paragraph 050204;

B. Have completed qualifications for the specialty or subspecialty for which the RB is being paid before the beginning of the fiscal year during which a written agreement is executed;

C. Enter into a written agreement, accepted by the Secretary concerned, to remain on AD or in an active status in an RC as an HPO for 2, 3, or 4 years;

D. Be below the grade of O-7; and

E. Meet one of the following requirements:

1. Have completed any AD or reserve duty service commitment incurred for any and all pre-commissioning education and training; or

2. Have completed the service obligation for an AB (an individual eligible for an AB may decline the AB and accept the RB).

050703. Amounts

Annual payment amounts for AC RB contracts are listed in Tables 5-5 through 5-8.

0508 RC

050801. AB

A. To be eligible for an AB, an RC participant must:

1. Execute a written agreement to remain a satisfactory participant in the Selected Reserves (SELRES) in accordance with DoD Instruction (DoDI) 1215.13;

2. Be qualified in a critical skill identified on the RC HPS&I Pay Plan; and

3. Meet the provisions outlined in paragraphs 050204 and 050301.
NOTE: An HPO in the SELRES who transfers to the Individual Ready Reserve or Standby Ready Reserve is not eligible for payments and will have the special pay suspended during this period.

B. Payment amounts for RC AB contracts are listed in Table 5-9.

050802. Affiliation Bonus for RC (AFBRC)

A. Eligibility

To be eligible for an AFBRC, an HPO must:

1. Meet the eligibility criteria itemized in paragraph 050204;
2. Be serving on AD or have served on AD and have a DD Form 214, “Certificate of Release or Discharge from Active Duty,” that verifies an honorable discharge or release;
3. Provide the original DD 214 (copy 1 or copy 4) or a reproduction with a certified true-copy stamp and the appropriate Federal Government authenticating seal imprinted for each period of service;
4. Be qualified to hold an appointment as an HPO;
5. Be qualified in the specialty in which they agree to serve;
6. Execute a written agreement to serve 3 years in the SELRES; and
7. Not have previously received an AB in the SELRES, unless granted a waiver.

B. Amount

The Secretary concerned may pay an AFBRC up to $10,000 to eligible officers.

050803. BCP

A. Eligibility

An HPO must meet the provisions outlined in paragraph 050501.

B. Payment

If eligible, an RC member will be paid at the daily rate of one-thirtieth of the BCP monthly rate as defined in paragraph 050502 for any period in which the member is entitled to basic pay under 37 U.S.C. § 204 or compensation pursuant to 37 U.S.C. § 206.
050804. IP

A. Eligibility

An HPO must meet the provisions outlined in paragraph 050602.

B. Payment

If eligible, an RC member will be paid at the daily rate of one-thirtieth of the IP monthly rate for any period in which the member is entitled to basic pay under 37 U.S.C. § 204 or compensation pursuant to 37 U.S.C. § 206. See paragraph 050603.

050805. RB

A. Eligibility

To be eligible for an RB, an HPO must meet the provisions outlined in paragraph 050702.

B. Payment

Payment amounts for RC RB contracts are listed in Table 5-9.

0509 TERMINATION

050901. Reasons

The Secretary concerned may terminate at any time an HPO special pay agreement. The Secretary concerned will establish regulations that specify the conditions and procedures for termination, and they will be included in the written service agreement for the specific special pay. Reasons for termination may include, but are not necessarily limited to:

A. Loss of privileges;

B. Court-martial conviction;

C. Failure to maintain a current, valid, and unrestricted license or approved waiver; or

D. Reasons that are in the best interest of the Military Department.

050902. Proration

If an agreement for one or more special pays is terminated, the HPO will be paid on a pro-rata basis for the portion served until the official date of termination.
050903. Repayment

An HPO who fails to maintain the eligibility requirements for a special pay, does not complete the obligation period for the pay, or whose pay is terminated by the secretary concerned, as described in paragraph 050801, will be subject to the repayment provisions of 37 U.S.C. § 373 and Chapter 2. These repayment authorities will be stipulated in the written service agreement.

050904. Reinstatement

If an HPO’s special pay is terminated due to failure to maintain a valid license, the member can become eligible for special pays again. Once the HPO’s license is reinstated and eligibility is re-established, the HPO may negotiate new contractual special pay agreements. Regardless of whether the HPO receives special pays, the HPO will be held responsible for the original contracted special pay service obligation until completed or until involuntary separation from military service occurs.
Table 5-1. AB

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<th>SPECIALTY</th>
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<tr>
<td>Veterinary Officer</td>
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Table 5-2. CWSAB

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Table 5-3. Dental Corps IP

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<td>Oral: Diagnosis; Medicine; Pathology</td>
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Table 5-4. Medical Corps IP

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<td>POST RESIDENT OR FELLOW GRADUATE</td>
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</tr>
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Table 5-4. Medical Corps IP (Continued)

NOTES:

1. Requires primary specialty in General Surgery or as listed:
   a. Cardio Thoracic Surgery;
   b. Colon Rectal Surgery;
   c. Fellowship trained Orthopedic Surgeons;
   d. Oncology Surgery;
   e. Organ Transplant;
   f. Pediatric Surgery;
   g. Plastic Surgery;
   h. Trauma/Critical Care Surgery; or
   i. Vascular Surgery.
2. Nuclear Medicine Internists only.
3. Internal Medicine/Pediatric Fellowship subspecialties in:
   a. Allergy/Immunology;
   b. Hematology/Oncology;
   c. Neonatology; or
   d. Nephrology.
4. All internal medicine and pediatric subspecialties not listed in subspecialty category 1 and 3
   listed separately:
   a. Clinical Pharmacology;
   b. Developmental Pediatrics;
   c. Endocrinology;
   d. Geriatrics Fellowship training;
   e. Infectious Disease; or
   f. Rheumatology.
5. Physicians who Fellowship trained in:
   a. OB/GYN;
   b. Ophthalmology;
   c. Otolaryngology; or
   d. Urology.
Table 5-5. Nurse Corps IP and RB

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<td>2-Year Rate</td>
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<td>2-Year Rate</td>
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<td>Pediatrics</td>
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Table 5-8. Medical Corps RB (Continued)

NOTES:

1. Requires primary specialty in General Surgery or as listed:
   a. Cardio Thoracic Surgery;
   b. Colon Rectal Surgery;
   c. Fellowship trained Orthopedic Surgeons;
   d. Oncology Surgery;
   e. Organ Transplant;
   f. Pediatric Surgery;
   g. Plastic Surgery;
   h. Trauma/Critical Care Surgery; or
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   b. Hematology/Oncology;
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   d. Nephrology.
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   a. Clinical Pharmacology;
   b. Developmental Pediatrics;
   c. Endocrinology;
   d. Geriatrics Fellowship training;
   e. Infectious Disease; or
   f. Rheumatology.
5. Physicians who Fellowship trained in:
   a. OB/GYN;
   b. Ophthalmology;
   c. Otolaryngology; or
   d. Urology.
Table 5-9. RC AB and RB Paid Annually
(See Note)

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<tr>
<td>Oral &amp; Maxillofacial Surgeon</td>
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Table 5-9. RC AB and RB Paid Annually (Continued)
(See Note)

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NOTE:

Authorized for an HPO holding a critical skill including those filling a command or immaterial position who would have otherwise been eligible. Amounts only apply to Services with a critical shortage specialty.
BIBLIOGRAPHY

CHAPTER 5: HEALTH PROFESSIONS OFFICER (HPO) SPECIAL AND INCENTIVE PAY

*0502 – PROVISIONS
DoDI 6000.13, December 30, 2015, Incorporating Change 1, Effective May 3, 2016

*0503 – AB
DoDI 6000.13, December 30, 2015, Incorporating Change 1, Effective May 3, 2016

*0505 – BCP
DoDI 6000.13, December 30, 2015, Incorporating Change 1, Effective May 3, 2016
050502
ASD HA Memo, September 27, 2016

*0506 – IP
DoDI 6000.13, December 30, 2015, Incorporating Change 1, Effective May 3, 2016

*0507 – RB
DoDI 6000.13, December 30, 2015, Incorporating Change 1, Effective May 3, 2016

*0508 – RC
DoDI 6000.13, December 30, 2015, Incorporating Change 1, Effective May 3, 2016

*0509 – TERMINATION
DoDI 6000.13, December 30, 2015, Incorporating Change 1, Effective May 3, 2016

*Table 5-1
ASD HA Memo, September 27, 2016

*Table 5-2
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VOLUME 7A, CHAPTER 8: “SPECIAL PAY - SPECIAL DUTY ASSIGNMENT PAY - ENLISTED MEMBERS”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue and underlined font.

The previous version dated August 2015 is archived.

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<th>EXPLANATION OF CHANGE/REVISION</th>
<th>PURPOSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>Updated hyperlinks and formatting to comply with current administrative instructions.</td>
<td>Revision</td>
</tr>
<tr>
<td>080101</td>
<td>Changed the paragraph name to “Purpose” to comply with current administrative instructions.</td>
<td>Revision</td>
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<td>080303</td>
<td>Revised content in accordance with Department of Defense Instruction 1304.27, April 10, 2009, Incorporating Change 1, Effective April 22, 2015.</td>
<td>Revision</td>
</tr>
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<td>Bibliography</td>
<td>Updated statutes and references.</td>
<td>Revision</td>
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CHAPTER 8

SPECIAL PAY - SPECIAL DUTY ASSIGNMENT PAY - ENLISTED MEMBERS

0801 GENERAL

*080101. Purpose

An enlisted member entitled to basic pay may qualify for Special Duty Assignment Pay (SDAP) when the member performs duties designated by the Secretary of the Military Department concerned as extremely difficult or involving an unusual degree of responsibility. A member entitled to SDAP may receive such pay in addition to any other pay or allowances to which the member is entitled. SDAP is awarded according to the applicable regulations of the Military Service concerned.

080102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

0802 SDAP DEFINITIONS

080201. Military Specialty

A. A military specialty is an element of the enlisted classification structure (Military Occupational Specialty (MOS), Air Force Specialty Code (AFSC), Navy Enlisted Classification (NEC), career field subdivision, career management field, and occupational field, as appropriate to the Military Service concerned) that identifies an individual position, or group of closely related positions, on the basis of the similarity of the duties involved. It is also the primary identifier of individuals, who possess the ability, knowledge, and other occupational qualifications required for effective performance in such positions.

B. A military specialty: (1) provides occupational standards for procurement, training, classification, and career development; (2) identifies military skills so closely related that a degree of interchangeability exists between members assigned to the military specialty; and (3) provides a normal career progression pattern for members within that military specialty.

080202. Production Recruiter

A production recruiter is an individual assigned to recruiting duties under regulations issued by the Military Services.

080203. Special Duty Assignment

Special Duty Assignment is a duty assignment that is characterized by extremely demanding duties or duties demanding an unusual degree of responsibility. SDAP is a monthly
payment made, in addition to any other pay and allowances to which an enlisted member is entitled, to compensate for assignment to duties designated as extremely difficult or involving an unusual degree of military skill.

0803 ENTITLEMENT RATES

080301. Rates

SDAP is payable at the following rates:

<table>
<thead>
<tr>
<th>Special Duty Assignment</th>
<th>Monthly Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>SD-1</td>
<td>$75</td>
</tr>
<tr>
<td>SD-2</td>
<td>$150</td>
</tr>
<tr>
<td>SD-3</td>
<td>$225</td>
</tr>
<tr>
<td>SD-4</td>
<td>$300</td>
</tr>
<tr>
<td>SD-5</td>
<td>$375</td>
</tr>
<tr>
<td>SD-6</td>
<td>$450</td>
</tr>
</tbody>
</table>

080302. Service Designations

Designations of military specialties and assignments for SDAP are in the applicable regulations of the Military Service concerned. The criteria for designation of military specialties and assignments eligible for SDAP is in Department of Defense (DoD) 1312.1-I, “Occupational Conversion Index,” March 2001, and implemented in DoD Instruction 1304.27, “Award and Administration of Special Duty Assignment Pay.”

*080303. Department of Defense Designations

The SDAP levels for the following duty assignments established by the Principal Deputy Under Secretary of Defense (PDUSD) for Personnel and Readiness (P&R) may not exceed the maximum allowed under Title 37, United States Code (U.S.C), section 307:

A. Production Recruiter: SD-6;

B. White House Communications Agency: SD-2 through SD-5, depending on position;

C. Defense Threat Reduction Agency: SD-2;

D. Defense Courier Operations: specified positions, SD-1;

E. Senior Enlisted Advisor (SEA) to the Joint Chiefs of Staff: based on the parent service’s SDAP rate for individuals serving as SEA to the Service Chief, not to exceed SD-6; and
F. Personnel assigned to the Personal Security Detail for the Secretary of Defense (SecDef): The authorized levels are: SD-1 for E-5s, SD-2 for E-6s, and SD-3 for E-7s.

080304. Special Operations Forces (SOF)

Effective March 1, 2013, SOF operators who serve in an authorized Major Force Program - 11 documented positions shall receive SDAP at a minimum SD-5 level. The only exception is for Navy Special Warfare Combatant Crewman operators who shall receive SDAP at a minimum SD-4 level. SOF operators are individuals with the following critical specialties:

A. Army: Special Operations (SpecOps) Weapons Sergeant (MOS 18B); SpecOps Engineer Sergeant (MOS 18C); SpecOps Medical Sergeant (MOS 18D); SpecOps Communication Sergeant (MOS 18E); Special Forces Assistant Operations and Intelligence Sergeant (MOS 18F); and Special Forces Senior Sergeant (MOS 18Z);

B. Navy: Enlisted Sea Air and Land Operations (NEC 5326) and Special Warfare Combatant Crewman (NEC 5352);

C. Air Force: Combat Control (AFSC 1C2XX), Pararescue (AFSC 1T2XX), Tactical Air Control Party (AFSC 1C4X1) and SpecOps Weather (AFSC 1W0X2); and


0804 CONDITIONS OF ENTITLEMENT

080401. Eligibility Requirements

A member who meets the requirements in Table 8-1 may be awarded a special duty assignment rating as prescribed in regulations of the Military Service concerned.

080402. Conditions Affecting Entitlement

Conditions affecting entitlement to SDAP are shown in Table 8-2.

080403. Certification

Appropriate authorities annually review eligibility and payment authority for each member receiving SDAP. Payment stops automatically on the annual anniversary date if positive certification is not made that a member is still eligible for SDAP.

080404. Date to Stop SDAP

Table 8-2 shows how to determine the last day on which SDAP accrues to a member. Stop SDAP on the date shown in this table, unless an earlier date is specified in the order terminating such pay status.
080405. Effect of SDAP on Other Computations

SDAP is not used in the computation for an enlistment bonus, severance pay, separation pay, or cash settlement of accrued leave.

080406. Collection of Erroneous Payments

Collect from a member when a purported special duty assignment is revoked because assignment was made without original basis of authority.

080407. Removal from Rating Status without Original Basis of Authority

Military Service administrative regulations allow certain authorities to revoke orders that removed a member from a special duty assignment if the removal was without original basis of authority. When orders are so revoked, the member is entitled to SDAP for the entire period involved if otherwise entitled to the pay.

080408. Tax

SDAP is subject to withholding of income tax, but not subject to withholding of Federal Insurance Contributions Act taxes.
Table 8-1. Eligibility Requirements for SDAP

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>When an enlisted member</td>
<td>and</td>
<td>then</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>is an Active Component member in a pay status; is serving in pay grade E-3 or higher; is qualified for and serving in the designated special duty assignment</td>
<td>meets other conditions of eligibility as prescribed by the Secretary of the Military Department concerned</td>
<td>the member may be awarded the prescribed monthly rate of SDAP.</td>
</tr>
<tr>
<td>2</td>
<td>is a Reserve Component (RC) member called or ordered to active duty (including active duty for training) in a pay status; is serving in pay grade E-3 or higher; is qualified for and serving in the designated special duty assignment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>is an RC member on Inactive Duty for Training (IDT) in a pay status; is serving in pay grade E-3 or higher; is qualified for and serving in the designated special duty assignment</td>
<td></td>
<td>the member may be awarded SDAP at 1/30th of the prescribed monthly SDAP rate for the performance of each authorized period of IDT with pay.</td>
</tr>
<tr>
<td>4</td>
<td>attains eligibility under rules 1 to 3, before the date of termination of award in any special duty assignment designated for termination of award</td>
<td></td>
<td>the member may be awarded SDAP.</td>
</tr>
</tbody>
</table>
Table 8-2. Conditions Affecting Entitlement to SDAP

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>has the SDAP rating withdrawn for any reason</td>
<td>and</td>
<td>then special duty assignment status</td>
<td>and entitlement to SDAP</td>
</tr>
<tr>
<td>2</td>
<td>fails to maintain the minimum level of qualification required for satisfactory performance in the military skill</td>
<td></td>
<td>is withdrawn</td>
<td>continues through the date stated in the order withdrawing the SDAP rating.</td>
</tr>
<tr>
<td>3</td>
<td>is discharged or relieved from active duty</td>
<td>does not reenlist within 24 hours</td>
<td>is withdrawn on the date of discharge</td>
<td>continues through the date of discharge (note 1).</td>
</tr>
<tr>
<td>4</td>
<td>is confined</td>
<td>confinement is the result of a court-martial sentence or non-judicial punishment</td>
<td>will be withdrawn on the date of confinement resulting from a court-martial sentence or non-judicial punishment</td>
<td>continues through the day prior to the date of confinement resulting from a court-martial sentence or non-judicial punishment.</td>
</tr>
<tr>
<td>5</td>
<td>is Absent Without Leave (AWOL)</td>
<td></td>
<td>continues</td>
<td>stops during the entire period of AWOL status.</td>
</tr>
<tr>
<td>6</td>
<td>is reported in a missing status</td>
<td></td>
<td>continues (note 2)</td>
<td>continues.</td>
</tr>
<tr>
<td>7</td>
<td>is in a patient status, including convalescence leave</td>
<td>patient status is due to disease resulting from intemperate use of alcohol or habit-forming drugs</td>
<td>continues</td>
<td>stops while the member is in a patient status or convalescent leave status.</td>
</tr>
<tr>
<td>8</td>
<td></td>
<td></td>
<td>patient status is not due to disease resulting from intemperate use of alcohol or habit-forming drugs, but exists for more than 12 months</td>
<td>will be withdrawn on the first day of the 13th month when a patient status continues to exist (note 2)</td>
</tr>
</tbody>
</table>
Table 8-2. Conditions Affecting Entitlement to SDAP (Continued)

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>When a member receiving SDAP and receiving allowances under the Pay and Allowance Continuation Program (PAC) in Chapter 13</td>
<td>may continue for 1 year from the date the member was first hospitalized (unless stopped earlier by the PAC termination criteria in Chapter 13)</td>
<td>continues through the last day of the 12th month (note 3).</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>is demoted the grade to which reduced is below that for which either pay is authorized</td>
<td>will be withdrawn on the date of demotion</td>
<td>continues through the day prior to the date of demotion.</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>is on temporary duty (TDY) or temporary additional duty (TAD) is not performing duties requiring use of skills on which pay is based</td>
<td>continues for not more than 90 days</td>
<td>continues through the 90th day of TDY or TAD.</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>is performing duties requiring use of the skills on which pay is based</td>
<td>continues during entire period of TDY or TAD</td>
<td>continues through entire period of TDY or TAD.</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>is reassigned to a permanent change of station (PCS) or permanent change of assignment (without PCS) or detailed to duty not requiring use of skills on which SDAP is based the commanding officer determines the reassignment or detail is permanent (over 90 days)</td>
<td>is withdrawn</td>
<td>continues through the day prior to the date of departure from special duty assignment.</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>the commanding officer determines the reassignment or detail is less than 90 days but it exceeds 90 days</td>
<td>is terminated on the 91st day of the reassignment or detail</td>
<td>continues through the 90th day of the detail or reassignment.</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>enters retraining status the military skill into which member is retraining is not designated for SDAP</td>
<td>is withdrawn</td>
<td>continues through the day prior to the date member enters retraining status.</td>
<td></td>
</tr>
</tbody>
</table>
Table 8-2.  Conditions Affecting Entitlement to SDAP (Continued)

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>16</td>
<td>When a member receiving SDAP and the military skill to which reclassified is not designated for an award of SDAP</td>
<td>is withdrawn on the date of reclassification</td>
<td>continues through the day prior to the date of reclassification.</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>is attending a course of instruction the course of instruction is necessary for member’s continued qualification in the special duty assignment</td>
<td>continues</td>
<td>continues.</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>the course of instruction is not necessary to qualify the member for special assignment in the military skill, but the member will be reassigned to the military skill on which the pay is based upon completion of the training</td>
<td>continues for no more than 90 days</td>
<td>continues through the 90th day.</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>the course of instruction is not necessary to qualify the member for a special assignment in the military skill and the member will not be reassigned to the military skill on which the pay is based upon completion of training</td>
<td>is withdrawn on the date of departure for training</td>
<td>continues through the date of departure for training.</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>the course of instruction leads to commission or warrant officer status</td>
<td>is withdrawn</td>
<td>stops on the date of departure for entry into training.</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>is on authorized leave</td>
<td>continues</td>
<td>continues.</td>
<td></td>
</tr>
</tbody>
</table>
Table 8-2. Conditions Affecting Entitlement to SDAP (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>22</td>
<td>When a member receiving SDAP and then special duty assignment status</td>
<td>continues at one-half of the rate for the 1 year period following the effective date of the termination (note 4).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>is serving in a military specialty designated for reduction of award</td>
<td>continues at the rate for the reduced award on the effective date of the reduction.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>is reassigned PCS requiring use of the skills on which pay is based</td>
<td>the member continues to be qualified and performs the special duties</td>
<td>continues during leave en route, for periods of allowable travel time between assignments and for duty at the new permanent duty station.</td>
<td></td>
</tr>
</tbody>
</table>

NOTES:
1. If a Navy member fails to reenlist on board, then SDAP continues through the date of discharge or release from active duty.
2. SDAP may be awarded, withdrawn, increased, or decreased while member, otherwise eligible, is in a patient or missing status.
3. The PDUSD (P&R) may extend the 1 year termination date, for members who are hospitalized for the treatment of a wound, injury or illness, in 6 month increments under extraordinary circumstances.
4. The PDUSD (P&R) may waive the SDAP termination limits and prescribe other rates and time limits for specific situations.
*BIBLIOGRAPHY

CHAPTER 8 - SPECIAL PAY, SPECIAL DUTY ASSIGNMENT PAY - ENLISTED MEMBERS

0801 - GENERAL

37 U.S.C. § 307
Department of Defense Instruction (DoDI) 1304.27, April 10, 2009, Incorporating Change 1, Effective April 22, 2015

0802 - SDAP DEFINITIONS

080202 DoDI 1304.27, April 10, 2009, Incorporating Change 1, Effective April 22, 2015

0803 - ENTITLEMENT RATES

080303 DoDI 1304.27, April 10, 2009, Incorporating Change 1, Effective April 22, 2015
SecDef Memo, February 12, 2015

*080304 Office of the Under Secretary of Defense Memo, December 31, 2012

Table 8-1
Rule 1-3 DoDI 1304.27, April 10, 2009, Incorporating Change 1, Effective April 22, 2015

Table 8-2
Rule 9 DoDI 1304.27, April 10, 2009, Incorporating Change 1, Effective April 22, 2015

Note 3 DoDI 1304.27, April 10, 2009, Incorporating Change 1, Effective April 22, 2015

Note 4 DoDI 1304.27, April 10, 2009, Incorporating Change 1, Effective April 22, 2015
VOLUME 7A, CHAPTER 9: “ACTIVE DUTY ENLISTED MEMBERS ENLISTMENT, REENLISTMENT, AND RETENTION BONUSES”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated April 2016 is archived.

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<td>Updated eligibility in accordance with the Department of Defense Instruction 1304.31.</td>
<td>Revision</td>
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<td>090301.D.5</td>
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<td>090701.B.5</td>
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<td>090801.B.5</td>
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<tr>
<td>090301</td>
<td>Inserted Bonus conditions that can be set by the Secretary of the Military Department and must be approved by the Under Secretary of Defense Personnel &amp; Readiness.</td>
<td>Addition</td>
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<tr>
<td>090206</td>
<td>Updated the “Duration of Authority” to December 31, 2017 in accordance with Public Law 114-328.</td>
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CHAPTER 9

ACTIVE DUTY ENLISTED MEMBERS ENLISTMENT, REENLISTMENT AND RETENTION BONUSES

0901 GENERAL

090101. Purpose

This chapter establishes policy guidance pertaining to active duty enlistment, reenlistment, and retention bonuses.

090102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

0902 ENLISTMENT BONUS

The Enlistment Bonus criteria contained in this section reflect the transition to Title 37, United States Code (U.S.C.), Chapter 5, Subchapter II, effective October 1, 2013. Any contracts executed on or before September 30, 2013 should be paid under 37 U.S.C., Chapter 5, Subchapter I until the expiration of those respective contracts. Entitlement criteria for 37 U.S.C., Chapter 5, Subchapter I are outlined in the August 2012 version of Chapter 9.

*090201. Eligibility

An enlistment bonus is authorized for individuals who enlist in a Military Service for a specific period and, if applicable, for service in a military skill that is experiencing critical personnel shortages as designated by the Secretary of the Military Department concerned. The individual must meet the qualifications listed in subparagraphs 090201.A-H:

A. Possess a high school diploma, a completion or attendance certificate in lieu of a high school diploma, or a General Educational Development program certificate;

B. The individual must be an initial enlistee, a prior Military Service enlistee, or a reservist not on active duty who enlists in a Regular Component of the Military Service as defined in subparagraphs 090201.B.1 and 2.

1. Initial/Non-prior Service Enlistee. An Initial or Non-prior Service Enlistee is a person who has either never served or has served, and was released from such service before completing the basic training requirements of the Service of which the person was a member and the service was characterized as either honorable or uncharacterized.

2. Prior Military Service Enlistee. A Prior Military Service Enlistee is a person who has prior military experience but has not previously received an enlistment or
reenlistment bonus or who currently is not entitled to a SelectiveRetention Bonus (SRB) under section 0903, or a CriticalSkill Retention Bonus (CSRB) under section 0904, or a Prior ServiceEnlistment Bonus under section 0905;

C. Enlist for at least 2 years or extend an initial period of obligated service to a total of at least 2 years in a Regular Component of a Military Service and serve for a specified period of obligated service in at least one of the following categories:

1. A designated military skill,
2. Career field,
3. Unit,
4. Grade, or

*5. Other condition or conditions imposed by the Secretary of the Military Department concerned;

D. Execute a written agreement with the Secretary of the Military Department concerned that specifies the:

1. Amount of the bonus;
2. Method of bonus payment - lump sum amount or periodic installments;
3. Period of obligated service; and
4. Designated military skill or specialty, career field, unit, grade, or such other condition or conditions of service imposed by the Secretary of the Military Department concerned;

E. Not have previously received an enlistment or reenlistment bonus, a retention bonus, an affiliation bonus, or a transfer bonus for the same period of service;

F. Not have previously received and not be eligible to receive an SRB under section 0903 or a CSRB under section 0904;

G. Successfully complete training and become technically qualified in a designated skill if completion of such training and technical qualification forms the basis under which the bonus is paid; and

H. Meet any additional military service specific eligibility criteria and quality standards established by the Secretary of the Military Department.
090202. Amount

The Secretary of the Military Department concerned will determine the amount of the enlistment bonus awarded for a designated military skill. The bonus payment for a designated military skill or cumulative amount of enlistment bonuses to any individual is not to exceed $40,000.

090203. Computation

The Secretaries of the Military Departments are required to establish rules of computation for enlistment bonuses.

090204. Method of Payment

A. The bonus may be paid either in periodic installments or a single lump sum. The timing of the initial payment is at the discretion of the Secretary of the Military Department concerned, except that it must not be paid before the member completes basic recruit training. For individuals enlisted for specialties requiring formal training, the Service concerned may withhold the initial payment until the individual completes the training and qualifies in the military skill, so that the bonus serves as an incentive to complete the training needed to qualify in the skill.

B. Members with prior military service who do not require formal training to be technically qualified in the skill for which the bonus is being paid must be paid the first installment no earlier than 30 days after arrival at the first permanent duty station following re-entry to active duty.

C. If paid in installments, after the initial payment, the remainder of the bonus must be paid in equal periodic installments.

090205. Repayment

A. A member who does not complete the term of enlistment or extension of enlistment or who is not technically qualified in the skill for which the bonus was paid will be subject to the repayment provisions of Chapter 2.

B. A member who is discharged 12 months or less before the expiration of enlistment or extension of enlistment may be considered to have completed the terms of enlistment or extension of enlistment for which the bonus was paid. The Military Departments will determine and advise when repayment is required, since this 12-month rule is not applicable to all early discharges.

*090206. Duration of Authority

Unless authorized by Congress, no agreement under this section may be entered into after December 31, 2017.
0903 SRB

The SRB criteria contained in this section reflect the transition to 37 U.S.C., Chapter 5, Subchapter II, effective October 1, 2013. Any contracts executed on or before September 30, 2013 should be paid under 37 U.S.C., Chapter 5, Subchapter I until the expiration of those respective contracts. Entitlement criteria for 37 U.S.C. Chapter 5, Subchapter I are outlined in the August 2012 version of Chapter 9.

*090301. Eligibility

The Secretary of the Military Department concerned may designate a unit, grade, or impose such other condition or conditions of service with respect to the SRB, as determined necessary to mitigate a significant current or projected personnel shortage or changing force structure requirements. An SRB based on unit, grade, or such other condition or conditions of service are subject to Under Secretary of Defense Personnel & Readiness (USD (P&R)) approval. The member must:

A. Serve in a pay grade E-3 or higher;

B. Reenlist for a period of at least 3 years or voluntarily extend an enlistment for a period of at least 1 year on active duty;

C. Execute a written agreement with the Secretary of the Military Department concerned that specifies the:

1. Amount of the bonus;

2. Method of bonus payment - lump sum amount or periodic installments;

3. Period of obligated service; and

4. Designated military skill, career field, unit, or grade, or such other condition or conditions of service imposed by the Secretary of the Military Department concerned;

D. Agree to serve for a specified period in at least one of the following reenlistment or extension categories:

1. A designated military skill,

2. Career field,

3. Unit,

4. Grade, or
5. Other condition or conditions imposed by the Secretary of the Military Department concerned;

   E. Meet skill qualification prior to payment of the SRB for a member transferring into a designated military skill;

   F. Qualify under any additional eligibility criteria prescribed by the Secretary of the Military Department concerned;

   G. Not be in receipt of an enlistment bonus, a retention bonus, an affiliation bonus, or a transfer bonus for the same period of service; and

   H. Meet any additional military service specific eligibility criteria and quality standards established by the Secretary of the Military Department.

090302. Limitations

A. A re-entry or reenlistment must occur no later than 3 months (or within a lesser period if so prescribed by the Secretary of the Military Department concerned) after the date of discharge or release from active duty.

B. Veterans with more than a 3-month but less than a 4-year break in active duty may qualify for a broken service, or a prior service re-entry, SRB program in accordance with regulations prescribed by the Secretary of the Military Department concerned. The 24-hour period begins on the day following the date of discharge or separation. For reenlistees reentering active duty with a break in active duty greater than 24 hours, only the original Defense Department (DD) Form 214, Certificate of Release or Discharge from Active Duty, (copy 1 or copy 4) or a reproduction of the DD 214, with a certified true-copy stamp and appropriate Federal Government authenticating seal imprinted thereon, is acceptable documentation and identification.

C. Members with prior enlisted service and subsequent service as an officer, who were discharged or released from active duty and who, within 3 months after discharge or release from active duty as an officer, reenlist in the same Regular Component of a Military Service in which they previously served as an enlisted member may be eligible for an SRB. The individual must meet all other requirements established in paragraphs 090301 and 090302.

D. Two or more extensions may not be combined to gain eligibility for SRB. Additionally, eligibility gained through an extension may not be increased by future extensions.

E. Members who reenlist or voluntarily extend an enlistment to obtain sufficient obligated service to participate in a program leading to commissioned or warrant officer status are not eligible for SRB.

F. A member is not eligible for an SRB if the member was discharged or released from active duty or service in an active status based upon a determination of misconduct, substandard duty performance, or moral or professional dereliction.
G. An SRB may not be paid to an enlisted member who has completed more than 20 years of active duty or service in an active status, or who will complete a total of 24 years of service before the end of the period of active duty or active status for which the bonus is offered.

H. Generally, a member may not use any preexisting period of obligated service to satisfy an obligated service requirement under an SRB agreement, unless such service is determined by the Secretary of the Military Department concerned to be consistent with the requirements of 37 U.S.C., section 371 and:

1. Such preexisting period of obligated service is necessary for the member to qualify for continuous submarine duty incentive pay and is service for which no bonus was previously authorized or payable; or

2. Such preexisting period of obligated service includes no more than a 2-year period of an unserved voluntary extension of enlistment for which no bonus was previously authorized or payable, and the member agrees to an additional 2-year period of obligated service in connection with the SRB.

090303. Amount

The SRB may not exceed $25,000 for each year of obligated service in a Regular Component. The maximum amount for an SRB is $100,000.

A. The Secretary of the Military Department concerned must determine the amount of the SRB based on a business case model that targets the retention of adequate levels of enlisted personnel in a reenlistment or extension category.

B. Members may receive more than one SRB for a career, but the total combined SRB payments over a career must not exceed $200,000.

C. SRB amounts may be prorated for extension requests greater than one year and reenlistments greater than 3 years. The additional service time will be calculated on a monthly basis at a rate equal to 1/12th the annual amount. Total bonus amounts are limited to $100,000.

090304. Computation

The Secretaries of the Military Departments are required to establish and publish the rules for computing the SRB.
090305. Method of Payment

The bonus may be paid either in periodic installments or a single lump sum. If the Secretary of the Military Department concerned elects to pay SRBs in installments:

A. The installment amount will be at the discretion of the Secretary of the Military Department concerned, and may be paid at the time of reenlistment, or at the beginning of the member’s service commitment for the voluntary extension of enlistment. All payments must be made before the member completes a total of 24 years of service.

B. An initial installment to a member who reenlists after a break in active duty service greater than 24 hours is to be made no earlier than 30 days after arrival at the first permanent duty station following reenlistment.

C. Where there is lost time, the subsequent installment payments will be delayed by the number of days of lost time.

D. Discharge for the purpose of immediate reenlistment does not affect a member’s entitlement to subsequent SRB installment payments.

090306. Additional Obligated Service

Additional obligated service is defined as any active service commitment beyond an existing contractual service agreement. Existing contractual service agreements include enlistments, extensions of enlistment, and reenlistments.

090307. Reduction and Termination of Awards

A. When a military specialty is designated for reduction or termination of an award, the effective date for reduction or termination of an award must be established and promulgated to the field at least 30 days in advance. Except as provided in subparagraph 090307.B, all awards on and after the effective date of the military specialty designated for reduction of an award will be at a reduced level, and no new awards will be made on or after the effective date in a military specialty designated for termination of award.

B. A member who agrees to train and reenlist for military service in a skill, that at the time of that agreement is designated for an award of an SRB, may be paid a bonus for that skill at the award level in effect at the time of agreement or the award level in effect at the time of reenlistment, whichever is higher, on completion of qualification training and reenlistment in that skill. The bonus would still be payable if the member otherwise qualifies for the bonus, even if that skill is no longer designated for an award of the SRB at the time the member becomes eligible for payment of the bonus.
090308. Repayment

   A. A member who does not complete the term of reenlistment or extension of reenlistment or who is not technically qualified in the skill for which the bonus was paid will be subject to the repayment provisions of Chapter 2.

   B. A member who is discharged 12 months or less before the expiration of reenlistment or extension of reenlistment may be considered to have completed the terms of reenlistment or extension of enlistment for which the bonus was paid. The Military Departments will determine and advise when repayment is required, since this 12-month rule is not applicable to all early discharges.

090309. Duration of Authority

   Unless authorized by Congress, no agreement under this section may be entered into after December 31, 2017.

0904 CSRB

090401. Eligibility

   An enlisted member of the Armed Forces who is serving on active duty in a Regular Component, who is qualified in a critical military skill designated by the Secretary of Defense, may be paid a retention bonus as provided in this section, if the member is not serving on an indefinite enlistment and reenlists or voluntarily extends the enlistment for at least 1 year.

   NOTE: The member will not be paid a retention bonus if the member received a bonus or incentive pay under 37 U.S.C., Chapter 5, Subchapter I and Subchapter II for the same activity, skill, or period of service.

090402. Limitations

   A. A retention bonus may not be given under paragraph 090401 to a member of the Armed Forces who has completed more than 25 years of active duty or who will complete the 25th year before the end of the period of active duty or active status for which the bonus is offered. This limitation does not apply with respect to a member who is qualified in a skill related to special operations forces.

   B. The USD (P&R) or the Principal Deputy, USD (PDUSD) (P&R) may waive the 25-year service limitation on eligibility with respect to a member who, during a period of active duty or service in an active status, in a Reserve Component for which the bonus is being offered, is assigned duties in a skill designated as critical.

   C. CSRB payments may not be made before the start of the active duty service period for which the CSRB is being awarded, unless specifically authorized by the PDUSD (P&R).

090403. Amount
A. A member may enter into an agreement, reenlist, or voluntarily extend enlistment more than once to receive a bonus under this section. However, a member may not receive a total of more than $200,000 in payments under this section.

B. A CSRB amount may not exceed $30,000 unless PDUSD (P&R) has granted an exception.

NOTE: The combined total of CSRB and SRB, in accordance with Department of Defense Directive (DoDD) 1304.21, during an individual’s career shall not exceed $200,000, unless the PDUSD (P&R) authorizes it for the skill concerned as an exception to policy.

090404. Method of Payment

A bonus under this section may be paid in a single lump sum or periodic installments.

090405. Repayment

A. A member who does not complete the terms of the retention bonus or who is not technically qualified in the skill for which the bonus was paid will be subject to the repayment provisions of Chapter 2.

B. A member who is discharged 12 months or less before the expiration of the terms of the retention bonus may be considered to have completed the terms of the retention bonus for which the bonus was paid. The Military Departments will determine and advise when repayment is required, since this 12-month rule is not applicable to all early discharges.

*090406. Duration of Authority

Unless authorized by Congress, no agreement under this section may be entered into after December 31, 2017.

0905 PRIOR SERVICE ENLISTMENT BONUS

*090501. Eligibility

The Secretary of the Military Department concerned may pay an individual with prior military service who reenlists in a Regular Component of a Military Service after a break in active duty. The individual must:

A. Enlist in a Regular Component of a Military Service;

B. Reenlist for a period of at least 3 years or extend the initial period of obligated service to a total of 3 years;

C. Execute a written agreement with the Secretary of the Military Department concerned that specifies the:
1. Amount of the bonus;

2. Method of bonus payment - lump sum amount or periodic installments;

3. Period of obligated service; and

4. Designated military skill or specialty, career field, unit, grade, or such other condition or conditions of service imposed by the Secretary of the Military Department concerned;

D. Agree to serve for a specified period in at least one of the following reenlistment or extension categories:

1. A designated military skill,

2. Career field,

3. Unit,

4. Grade, or

* 5. Other condition or conditions imposed by the Secretary of the Military Department concerned;

E. Successfully complete training or re-training and become technically qualified in a designated military skill, when additional training is required;

F. Not be in receipt of an enlistment bonus, a retention bonus, an affiliation bonus, or a transfer bonus for the same period of service;

G. Provide the original DD 214 (copy 1 or copy 4), “Certificate of Release or Discharge from Active Duty,” or a reproduction of the DD 214 with a certified true-copy stamp and the appropriate Federal Government authenticating seal imprinted thereon for any period of prior military service, or other official documentation verifying member’s satisfactory participation for all periods of prior service in the Regular Component;

H. Qualify under any additional eligibility criteria prescribed by the Secretary of the Military Department concerned; and

I. Meet any additional military service specific eligibility criteria and quality standards established by the Secretary of the Military Department.
090502. Amount

The Prior Service Enlistment Bonus or the cumulative amount of enlistment bonuses will not exceed $40,000.

090503. Method of Payment

A. The Secretary of the Military Department concerned must establish a method of payment for the bonus (lump sum or periodic installments). Payment should be disbursed based on training milestones, amounts, and length of enlistment. The Secretary of the Military Department concerned must not pay a person or member any portion of the bonus prior to completion of basic recruit training.

B. Members with prior military service who do not require formal training to be technically qualified in the skill for which the bonus is being paid will receive their first installment no earlier than 30 days after arrival at the first permanent duty station following entry on active duty.

090504. Repayment

A. A member who does not complete the term of enlistment or who is not technically qualified in the skill for which the bonus was paid will be subject to the repayment provisions of Chapter 2.

B. A member who is discharged 12 months or less before the expiration of enlistment may be considered to have completed the terms of enlistment for which the bonus was paid. The Military Departments will determine and advise when repayment is required, since this 12-month rule is not applicable to all early discharges.

*090505. Duration of Authority

Unless authorized by Congress, no agreement under this section may be entered into after December 31, 2017.

0906 MILITARY OCCUPATIONAL SPECIALTY (MOS) CONVERSION BONUS

090601. Eligibility

The Secretary of the Military Department concerned may pay a conversion bonus to a member of the Armed Forces, who agrees to execute a written agreement to convert to, and serve for a period of not less than three years in, a MOS for which there is a shortage of trained and qualified personnel. The member must:

A. At the time the agreement is executed, be serving in a pay grade E-6, with not more than 10 years of service, or be serving in a pay grade E-5 or below, regardless of years of service;
B. Have completed all service obligations incurred for receipt of an enlistment bonus as prescribed in section 0902, a retention bonus as prescribed in section 0903, or CSR B as prescribed in section 0904;

C. Meet all eligibility requirements prescribed in section 090201;

D. Execute a written agreement with the Secretary of the Military Department concerned that specifies the:

1. Amount of the bonus;

2. Method of bonus payment - lump sum amount or periodic installments;

3. Period of obligated service; and

4. Designated military skill, career field, unit, grade, or such other condition or conditions of service imposed by the Secretary of the Military Department concerned; and

E. Not be in receipt of an enlistment bonus, a retention bonus, an affiliation bonus, or a transfer bonus for the same period of service.

090602. Amount

The bonus payment will not exceed $4,000.

090603. Method of Payment

The bonus will be disbursed in one lump sum when the member’s conversion to the MOS is approved by the chief personnel officer of the member’s Armed Force.

090604. Repayment

A. A member who does not complete the terms of the conversion bonus or who is not technically qualified in the skill for which the bonus was paid will be subject to the repayment provisions of Chapter 2.

B. A member who is discharged 12 months or less before the expiration of the terms of the conversion bonus may be considered to have completed the terms of the conversion bonus for which the bonus was paid. The Military Departments will determine and advise when repayment is required, since this 12-month rule is not applicable to all early discharges.
*090605. Duration of Authority

Unless authorized by Congress, no agreement under this section may be entered into after December 31, 2017.

0907 BONUS FOR TRANSFER BETWEEN MILITARY SERVICES

*090701. Eligibility

The Secretary of the gaining Military Department may pay a bonus to an enlisted member who agrees to transfer and serve in another Military Service, for a specified period in a designated military skill, career field, unit, grade, or to meet some other condition or conditions imposed by the Secretary of the gaining Military Department. The member must:

A. Execute a written agreement with the Secretary of the Military Department concerned that specifies the:

1. Amount of the bonus;

2. Method of bonus payment - lump sum amount or periodic installments;

3. Period of obligated service; and

4. Designated military skill, career field, unit, grade, or such other condition or conditions of service imposed by the Secretary of the Military Department concerned;

B. Agree to serve for a specified period in at least one of the following reenlistment or extension categories:

1. A designated military skill,

2. Career field,

3. Unit,

4. Grade, or

* 5. Other condition or conditions imposed by the Secretary of the Military Department concerned;

C. Not have failed to satisfactorily complete any term of enlistment in a Military Service;

D. Qualify for reenlistment in the Regular Component of the Military Service to which the member is transferring;
E. Prior to the transfer, fulfill the requirements established by the Secretary with jurisdiction over the Military Service to which the member is transferring;

F. Not be in receipt of an enlistment bonus, retention bonus, an affiliation bonus, or a transfer bonus for the same period of service; and

G. Meet any additional military service specific eligibility criteria and quality standards established by the Secretary of the Military Department to which the member is transferring.

090702. Amount and Method of Payment

The Secretary of the gaining Military Department may pay the transfer bonus in one $10,000 lump sum amount upon approval of the transfer by the Secretary of that Military Department. Alternatively, the bonus may be paid in annual installments, the total of which may not exceed $10,000.

090703. Repayment

A. A member who does not complete the terms of the transfer bonus or who is not technically qualified in the skill for which the bonus was paid will be subject to the repayment provisions of Chapter 2.

B. A member who is discharged 12 months or less before the expiration of the terms of the transfer bonus may be considered to have completed the terms of the transfer bonus for which the bonus was paid. The Military Departments will determine and advise when repayment is required, since this 12-month rule is not applicable to all early discharges.

*090704. Duration of Authority

Unless authorized by Congress, no agreement under this section may be entered into after December 31, 2017.

0908 BONUS FOR TRANSFER BETWEEN COMPONENTS OF A MILITARY SERVICE

*090801. Eligibility

The Secretary of the Military Department concerned may pay a bonus to an enlisted member who agrees to transfer from the Regular Component to the Ready Reserve or vice versa of the same service. The member must:

A. Execute a written agreement with the Secretary of the Military Department concerned that specifies the:

1. Amount of the bonus;
2. Method of bonus payment - lump sum amount or periodic installments;

3. Period of obligated service; and

4. Designated military skill, career field, unit, grade, or such other condition or conditions of service imposed by the Secretary of the Military Department concerned;

B. Agree to serve for a specified period in at least one of the following reenlistment or extension categories:

1. A designated military skill,

2. Career field,

3. Unit,

4. Grade, or

5. Other condition or conditions imposed by the Secretary of the Military Department concerned;

C. Not be in receipt of an enlistment bonus, retention bonus, an affiliation bonus, or a transfer bonus for the same period of service;

D. Satisfactorily complete all terms of enlistment within their current component;

E. Qualify for reenlistment in the Regular Component of the Military Service to which the member is transferring; and

F. Meet any additional military service specific eligibility criteria and quality standards established by the Secretary of the Military Department.

090802. Amount and Method of Payment

The Secretary of the Military Department concerned must establish the amount and method of payment for the bonus (lump sum or periodic installments). The bonus for transfer between components of a Military Service may not exceed $10,000 and is payable upon approval of the Secretary concerned.
090803. Repayment

A. A member who does not complete the terms of the transfer bonus or who is not technically qualified in the skill for which the bonus was paid will be subject to the repayment provisions of Chapter 2.

B. A member who is discharged 12 months or less before the expiration of the terms of the transfer bonus may be considered to have completed the terms of the transfer bonus for which the bonus was paid. The Military Departments will determine and advise when repayment is required, since this 12-month rule is not applicable to all early discharges.

*090804. Duration of Authority

Unless authorized by Congress, no agreement under this section may be entered into after December 31, 2017.
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**CHAPTER 9 – ACTIVE DUTY ENLISTED MEMBERS ENLISTMENT, REENLISTMENT, AND RETENTION BONUSES**

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- **090205.B** 10 U.S.C. § 1171
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0908 – BONUS FOR TRANSFER BETWEEN COMPONENTS OF A MILITARY SERVICE

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VOLUME 7A, CHAPTER 10: “SPECIAL PAY - DUTY SUBJECT TO HOSTILE FIRE OR IMMINENT DANGER”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated January 2016 is archived.

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CHAPTER 10

SPECIAL PAY - DUTY SUBJECT TO HOSTILE FIRE OR IMMINENT DANGER

1001 GENERAL

100101. Purpose

This chapter prescribes the policy for payment of Hostile Fire Pay (HFP) and Imminent Danger Pay (IDP) and lists the areas where members are authorized to receive these entitlements.

100102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

1002 ENTITLEMENT PROVISIONS

100201. Policy

A member may be paid special pay for duty subject to hostile fire or imminent danger for any month when the member, while entitled to basic pay for active duty or compensation for inactive duty, also meets the qualifying criteria of this chapter. A member is not authorized to receive concurrent payments for hostile fire and imminent danger duty.

A. HFP. This entitlement is paid at the rate of $225 per month when, as certified by the appropriate commander, a member is:

1. Subjected to hostile fire or explosion of a hostile mine; or
2. On duty in an area in close proximity to a hostile fire incident and the member is in danger of being exposed to the same dangers actually experienced by other members subjected to hostile fire or explosion of hostile mines; or
3. Killed, injured, or wounded by hostile fire, explosion of a hostile mine, or any other hostile action.

B. IDP. This entitlement is paid on a daily prorated basis, not to exceed $225 per month, when a member is on official duty in a designated IDP area (Figure 10-1).

100202. Payment

Effective December 31, 2011, IDP is payable on a prorated daily basis not to exceed a monthly rate of $225. It is payable in addition to all other pays or allowances, except when receiving HFP, as stated in paragraph 100201. The proration does not apply to the 31st of a month for Active and Reserve component members who are on active duty for 30 days or more. HFP will not be prorated. Members will receive the maximum monthly rate of special pay for
the month in which the hostile fire or hostile fire mine explosion event occurred. Payment will be made for the full month, if a member is exposed to hostile fire or a hostile mine explosion on the 31st day of a month, and the member has not already received credit for the full monthly allowance. The following examples for payment on the 31st are provided:

Example 1: A member, on active duty for more than 30 days in an IDP area for the period March 31 through April 29, will receive IDP only for the period April 1 – 29.

Example 2: A member, on active duty for more than 30 days in an IDP area for the period March 31 through April 29, and is exposed to hostile fire or a hostile mine explosion on March 31, will be entitled to HFP for the entire month of March and IDP for the period April 1 – 29.

Example 3: A member, on active duty for less than 30 days in an IDP area for the period March 29 – April 20, will be entitled to IDP for the period March 29 through 31 and April 1 through 20 for a total of 23 days.

Example 4: A member, on active duty for less than 30 days in an IDP area for the period March 29 – April 20, and is exposed to hostile fire or a hostile mine explosion on March 31, will be entitled to the full monthly amount of HFP of $225 for the month of March, and daily IDP for the period April 1 – 20.

1003 DETERMINATIONS OF FACT

100301. Eligibility

The appropriate commander will certify that the member has met the requirements for entitlement to HFP for a given month.

A. Certification of entitlement will be made at the lowest level of command that includes all the vessels, aircraft, or units subjected to the hostile fire or explosion of hostile mine incident. For example, in the case of a single vessel subjected to hostile fire or explosion of hostile mines, the vessel’s commanding officer should certify payment eligibility for all members on board. If two or more vessels are involved, then the commanding officer of the unit that includes all of the vessels should certify eligibility.

B. Certification will include the name and social security number of each member entitled to the hostile fire pay, a short description of the incident, and when and where it occurred. The certification should be forwarded directly to the servicing financial support office, with a copy to the cognizant regional combatant commander.

C. When the airspace is specifically included in an IDP area designation, members who perform official duty while flying over the area are eligible for IDP, even if they do not land in the area. When airspace is not specifically designated, members who perform duty over the area are not entitled to IDP unless they land in the area.
D. A member who performs duty on a vessel performing operational duty while in an area designated for IDP is eligible for IDP payments.

E. A death certificate or injury report may be substituted in place of the certification, if the document establishes the cause of the death or injury was due to hostile fire or an explosion of a hostile mine.

F. A member is not considered to be on official duty in a designated IDP area, and therefore, is not eligible for IDP pay, if the member is in the area:

1. While on leave from a duty station outside the IDP area, even if the outside location is another IDP area; or

2. While merely transiting (as distinguished from performing official duty) by any means (including vessel, aircraft, and land conveyance) the IDP area as a consequence of traveling between two points, both outside the IDP; or


100302. Administration

Any determinations of fact made by commanders in the certification of hostile fire are conclusive. Such determinations are not subject to review by any officer or agency of the government, unless there has been fraud or gross negligence. Such determinations, however, may be changed on the basis of new evidence or for other good cause.

1004 SPECIAL SITUATIONS

100401. Member Captured or Missing

A member entitled to HFP and/or IDP immediately before entering a status of missing, missing-in-action, interned in a foreign country or captured by a hostile force will continue to be credited with HFP and/or IDP for each month while in such a status. See Chapter 34 for additional information.

*100402. Hospitalization

A member entitled to HFP and/or IDP, who is hospitalized for a wound or injury incurred as a result of hostile action, or while in the line of duty, incurs a wound, injury, or illness in a combat operation or combat zone designated by the Secretary of Defense, and is hospitalized outside of the theater of the combat operation or the combat zone for the treatment of the wound, injury, or illness, is entitled to HFP and/or IDP for each month hospitalization continues, up to an additional 3 months after the month in which the wound, injury, or illness occurred. Members may be entitled to HFP and/or IDP for up to 12 months from the date of hospitalization under the Pay and Allowance Continuation (PAC) Program. See Chapter 13 for PAC entitlement eligibility.
100403. Absences

The following examples are provided for absences from the IDP area:

A. A member, who takes leave in the IDP designated area that the member is assigned for duty, remains entitled to the payment of IDP.

B. A member, who takes leave in an IDP area that the member is not assigned for duty, is not eligible for the payment of IDP. See subparagraph 100301.F.1.

C. A member, who takes leave in an area not designated as an IDP area, is not eligible for the payment of IDP for the period of the absence.

D. A member, assigned for duty in an IDP area that performs temporary duty in an area not designated as an IDP area, is not eligible for the payment of IDP for the period of absence.
Figure 10-1. Imminent Danger Pay Areas

<table>
<thead>
<tr>
<th>Area</th>
<th>Includes</th>
<th>Effective Dates</th>
</tr>
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<tbody>
<tr>
<td></td>
<td></td>
<td>From</td>
</tr>
<tr>
<td>Afghanistan</td>
<td>Land area and airspace</td>
<td>Nov 1, 1988</td>
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<td>Algeria</td>
<td>Land area</td>
<td>Mar 7, 1995</td>
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<tr>
<td>Sea areas adjacent to the Arabian Peninsula to include:</td>
<td>The surface area of the following sea boundaries: Red Sea, Gulf of Aden, Gulf of Oman, and Arabian Sea north of 10°00’N latitude and west of 68°00’E longitude</td>
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<td>Water area and airspace</td>
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<td>Jun 9, 1995</td>
</tr>
<tr>
<td>Bahrain</td>
<td>Land area and airspace</td>
<td>Jun 13, 1997</td>
</tr>
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<td>Burundi</td>
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<td>Nov 29, 1996</td>
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<tr>
<td>Chad</td>
<td>Land area</td>
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<td>Colombia</td>
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<td>Jun 1, 1985</td>
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<td>Congo, Democratic Republic of (formerly Zaire)</td>
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<td>Cote D’Ivoire</td>
<td>Land area</td>
<td>Feb 27, 2003</td>
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<tr>
<td>Cuba</td>
<td>Limited to Service members performing duties within the Joint Task Force Guantanamo Bay Detention Facilities</td>
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<td>Djibouti</td>
<td>Land area</td>
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<td>Nov 1, 2001</td>
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<td>Egypt</td>
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<td>Eritrea</td>
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<td>Land area</td>
<td>Sep 13, 1999</td>
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<td>Greece</td>
<td>Land area within a 20-km radius from the center of Athens (38-01 N, 23-44 E)</td>
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<td>Indonesia City of Jakarta</td>
<td>Land area</td>
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<td>Provinces of: Central Java, East Kalimantan, Central Sulawesi and Papua Region of Aceh</td>
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<td>June 1, 2014</td>
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10-7
**Figure 10-1. Imminent Danger Pay Areas (Continued)**

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<td>Kosovo</td>
<td>Land area and airspace</td>
<td>June 22, 1992</td>
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<tr>
<td>Kuwait</td>
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<td>Malaysia</td>
<td>Land area</td>
<td>Oct 31, 2001</td>
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<td>State of Sabah</td>
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<td>June 1, 2014</td>
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<tr>
<td>Mali</td>
<td>Land area</td>
<td>Feb 5, 2013</td>
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<td>Mediterranean Sea</td>
<td>Water area of the Mediterranean Sea extending</td>
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<tr>
<td></td>
<td>from the North African Coast northward into</td>
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<td></td>
<td>Mediterranean Sea, bounded on the east at 26°</td>
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<tr>
<td></td>
<td>00’ E longitude, extending north to 34° 35’</td>
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</tr>
<tr>
<td></td>
<td>N latitude, extending west to the East</td>
<td></td>
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<tr>
<td></td>
<td>Coast of Tunisia</td>
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<td>Montenegro</td>
<td>Land area and airspace</td>
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<td>Oman</td>
<td>Land area</td>
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<td>Pakistan</td>
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<td>*Philippines</td>
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<td>Qatar</td>
<td>Land area and airspace</td>
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<td>Rwanda</td>
<td>Land area</td>
<td>Oct 6, 1997</td>
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<td>Land area and airspace</td>
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<td>Serbia</td>
<td>Land area and airspace (includes the province</td>
<td>Jun 22, 1992</td>
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<td></td>
<td>of Vojvodina)</td>
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<td>Somalia</td>
<td>(1) Land area and airspace</td>
<td>Sep 28, 1992</td>
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<td>Somalia Basin</td>
<td>(2) Water area of the Somalia Basin with</td>
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<td></td>
<td>coordinates: 1110N-5115E, 0600N-4830E, 0500N-</td>
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<tr>
<td></td>
<td>5030E, 1130N-5334E; and 0500N-5030E, 0100N-</td>
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</tr>
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<td></td>
<td>4700E, 0300S-4300E, 0100S-4100E, 0600N-4830E</td>
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</table>
**Figure 10-1. Imminent Danger Pay Areas (Continued)**

<table>
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<th>Area</th>
<th>Includes</th>
<th>Effective Dates</th>
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<tr>
<td>South Sudan</td>
<td>Land area and airspace</td>
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<td>Land area and airspace</td>
<td>Oct 4, 1993</td>
</tr>
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<td>Syria</td>
<td>Land area and airspace</td>
<td>Jul 31, 2003 through Sep 21, 2014</td>
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<td>Tajikistan</td>
<td>Land area and airspace</td>
<td>Mar 31, 1997 through May 31, 2014</td>
</tr>
<tr>
<td>Tunisia</td>
<td>Land area and airspace</td>
<td>Mar 19, 2011</td>
</tr>
<tr>
<td>Turkey</td>
<td>Land area, excluding the Turkish Straits (i.e., the Dardanelles, the Sea of Marmara, and the Bosporus Straits) and including the limited airspace south of 37-45N and east of 43-00E. Geographic area encompassing 40-mile radius from center of Izmir, Turkey</td>
<td>Mar 1, 1998 through Oct 23, 2014</td>
</tr>
<tr>
<td>Uganda</td>
<td>Land area</td>
<td>Jan 19, 2000</td>
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<tr>
<td>United Arab Emirates (UAE)</td>
<td>Land area</td>
<td>Sep 19, 2001 through May 31, 2014</td>
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<tr>
<td>Uzbekistan</td>
<td>Land area</td>
<td>Sep 19, 2001 through May 31, 2014</td>
</tr>
<tr>
<td>Yemen</td>
<td>Land area</td>
<td>May 25, 1999</td>
</tr>
</tbody>
</table>

**NOTES:**

1. The designation of a land area encompasses all internal waters, unless otherwise noted. For HFP and/or IDP purposes, the term “internal waters” is defined as waters landward of the baseline, drawn in accordance with international law.
2. The designation of a water area (such as the Persian Gulf) includes the territorial seas of those waters, but not the internal waters of the coastal lands. For example, all waters of the Persian Gulf seaward of the baseline of the coastal states, drawn in accordance with international law, would be included in the Persian Gulf designation.
3. Unless otherwise specifically indicated, airspace is NOT part of the included area. When airspace is specifically included, it will normally be that space directly vertically above the approved land or sea area.
4. This figure reflects all designated areas, which were active within the last ten years.
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1002 - ENTITLEMENT PROVISIONS

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Under Secretary of Defense Personnel and Readiness (USD (P&R)) Memo, January 31, 2012

100202 37 U.S.C. § 310(a)

1004 – SPECIAL SITUATIONS

100402 37 U.S.C. § 310(c)

Figure 10-1

Afghanistan
Office of the Under Secretary of Defense Personnel and Readiness (OUSD (P&R)) Memo, March 27, 2007
USD (P&R) Memo, December 31, 2013

Algeria
ASD (FM&P) Memo, March 7, 1995
OUSD (P&R) Memo, March 27, 2007
USD (P&R) Memo, December 31, 2013

Arabian Peninsula and Adjacent Seas
OUSD (P&R) Memo, March 27, 2007
USD (P&R) Memo, December 31, 2013

Azerbaijan
ASD (FM&P) Memo, June 9, 1995
OUSD (P&R) Memo, March 27, 2007
USD (P&R) Memo, December 31, 2013

Bahrain
ASD (FM&P) Memo, June 13, 1997
OUSD (P&R) Memo, March 27, 2007
USD (P&R) Memo, December 31, 2013

Burundi
ASD (FM&P) Memo, November 29, 1996
OUSD (P&R) Memo, March 27, 2007
USD (P&R) Memo, December 31, 2013
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<td>Israel</td>
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Jordan
ASD (FM&P) Memo, January 29, 1997
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Kenya
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USD (P&R) Memo, December 31, 2013

Kosovo
OUSD (P&R) Memo, March 27, 2007
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Kyrgyzstan
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Lebanon
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Liberia
OUSD (P&R) Memo, March 27, 2007
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Libya
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Malaysia
ASD (FM&P) Memo, October 31, 2001
OUSD (P&R) Memo, April 13, 2007
USD (P&R) Memo, December 31, 2013

Mali
OUSD (P&R) Memo, February 19, 2014

Mediterranean Sea
USD (P&R) Memo, April 26, 2011
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Montenegro
OUSD (P&R) Memo, March 27, 2007
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Oman
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Pakistan
OUSD (P&R) Memo, March 27, 2007
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</tr>
<tr>
<td></td>
<td>USD (P&amp;R) Memo, December 31, 2013</td>
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<tr>
<td>Turkey</td>
<td>OUSD (P&amp;R) Memo, March 27, 2007</td>
</tr>
<tr>
<td></td>
<td>USD (P&amp;R) Memo, December 31, 2013</td>
</tr>
<tr>
<td></td>
<td>Izmir ASD (R&amp;FM) Memo, October 24, 2014</td>
</tr>
<tr>
<td>Uganda</td>
<td>OUSD (P&amp;R) Memo, March 27, 2007</td>
</tr>
<tr>
<td></td>
<td>USD (P&amp;R) Memo, December 31, 2013</td>
</tr>
<tr>
<td>Country</td>
<td>Memo Date</td>
</tr>
<tr>
<td>--------------------</td>
<td>--------------------------------</td>
</tr>
<tr>
<td>United Arab Emirates</td>
<td>OUSD (P&amp;R) Memo, March 27, 2007</td>
</tr>
<tr>
<td></td>
<td>USD (P&amp;R) Memo, December 31, 2013</td>
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<td>Uzbekistan</td>
<td>OUSD (P&amp;R) Memo, March 27, 2007</td>
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<td>USD (P&amp;R) Memo, December 31, 2013</td>
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<td>Yemen</td>
<td>OUSD (P&amp;R) Memo, March 27, 2007</td>
</tr>
<tr>
<td></td>
<td>USD (P&amp;R) Memo, December 31, 2013</td>
</tr>
</tbody>
</table>
VOLUME 7A, CHAPTER 11: “SPECIAL PAY – DIVING DUTY”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated September 2015 is archived.

<table>
<thead>
<tr>
<th>PARAGRAPH</th>
<th>EXPLANATION OF CHANGE/REVISION</th>
<th>PURPOSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>Updated formatting to comply with current administrative instructions.</td>
<td>Revision</td>
</tr>
<tr>
<td>Bibliography</td>
<td>Updated statutes and references.</td>
<td>Revision</td>
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</table>
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CHAPTER 11

SPECIAL PAY - DIVING DUTY

1101 GENERAL

110101. Purpose

The purpose of this chapter is to provide the policy governing special pay entitlements applicable to diving duty for all of the Military Services.

110102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

1102 ENTITLEMENT

110201. Requirements

Members entitled to basic pay are entitled to special pay for diving duty for periods during which they are:

A. Assigned by orders to diving duty;

B. Required to maintain proficiency as a diver by frequent and regular dives; and

C. They are either:

1. Actually performing diving duty while serving in an assignment for which diving is a primary duty; or

2. Meeting the requirements to maintain proficiency as described in subparagraph 110201.B, while serving in an assignment that includes diving duty other than as a primary duty.

110202. Suspension

In time of war, the President may suspend diving duty pay.

110203. Conditions

Table 11-1 contains conditions, which further affect entitlement to diving duty pay.
1103 QUALIFICATIONS FOR DIVING DUTY

110301. Army

Except as noted in Tables 11-2 and 11-3, an Army member must be a rated diver in accordance with *Army Regulation (AR) 611-75* and be assigned to:

A. A Table of Organization and Equipment or Table of Distribution and Allowance position in Skill Classification/Military Occupational Specialty, Special Qualification Identifier, or Additional Skill Identifier (ASI) specified in AR 611-75; or

B. A position designated as diving duty by the Deputy Chief of Staff Personnel.

110302. Navy and Marine Corps

Members must be designated divers, be assigned to diving duty under competent orders, and maintain their qualifications for diving.

110303. Air Force

Members must:

A. Successfully complete an approved Department of Defense course for underwater swimmers;

B. Be under orders for diving duty as authorized by their Major Command; and

C. Meet the other qualification standards prescribed by current Air Force Instructions.

1104 RATES PAYABLE

110401. Officers

Officers assigned to diving duty are entitled to special pay for diving duty at a rate of not more than $240 per month.

110402. Enlisted Members

Enlisted members assigned to diving duty are entitled to special pay for diving duty at a rate of not more than $340 per month.

110403. Specific Rates Payable

See Tables 11-2 through 11-9.
1105  RESTRICTION ON PAYMENT

110501.  Diving Duty Pay and Hazardous Duty Incentive Pay

When assigned by orders to both diving duty and hazardous duty for the same period, a member may be paid special pay for diving duty and not more than two incentive payments for hazardous duty from among those listed in Chapter 22, section 2201 and Chapter 24, section 2402.

110502.  Lapsed Qualifications

No member is entitled to receive special pay for performing diving duty after diving qualifications have lapsed. Upon requalification, no payments will be made for the period of the lapsed qualification.
### Table 11-1. Diving Duty Pay - Conditions of Entitlement

<table>
<thead>
<tr>
<th>Rule</th>
<th>Condition</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>is removed from diving duty or the member's diving qualifications lapse</td>
<td>When a member entitled to diving duty pay</td>
<td>and</td>
<td>then diving duty pay</td>
</tr>
<tr>
<td>2</td>
<td>is hospitalized as a result of a diving accident</td>
<td></td>
<td></td>
<td>ceases on the date of removal or lapse.</td>
</tr>
<tr>
<td>3</td>
<td>is hospitalized not as a result of a diving accident</td>
<td></td>
<td></td>
<td>accrues for not more than 90 days while hospitalized.</td>
</tr>
<tr>
<td>4</td>
<td>is on leave in a pay status</td>
<td></td>
<td></td>
<td>accrues for the first 30 days.</td>
</tr>
<tr>
<td>5</td>
<td>is on Temporary Additional Duty (TAD)/Temporary Duty (TDY) other than diving duty</td>
<td></td>
<td></td>
<td>continues to accrue (note 1).</td>
</tr>
<tr>
<td>6</td>
<td>is on TAD/TDY for diving duty purposes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>is in confinement awaiting trial by court-martial</td>
<td>is subsequently acquitted or charges are dismissed</td>
<td></td>
<td>accrues retroactively to date of confinement.</td>
</tr>
<tr>
<td>8</td>
<td></td>
<td>is subsequently convicted</td>
<td></td>
<td>does not accrue from first day of confinement through the day before the date restored to a full duty status.</td>
</tr>
<tr>
<td>9</td>
<td>is in confinement under sentence of a court-martial</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>is reassigned Permanent Change of Station (PCS) and no TAD/TDY is required enroute to the new duty station</td>
<td>is ordered to and actually performs diving duty at the new duty station</td>
<td></td>
<td>continues to accrue (notes 1 and 2).</td>
</tr>
<tr>
<td>11</td>
<td>is reassigned PCS and no TAD/TDY is required enroute to the new duty station</td>
<td>is not ordered to diving duty at the new duty station</td>
<td></td>
<td>accrues through the date of detachment from the old duty station.</td>
</tr>
<tr>
<td>12</td>
<td>is reassigned PCS and TAD/TDY is required enroute to the new duty station</td>
<td>PCS orders require diving duty at the TAD/TDY station and new duty station, and actually performs diving duty</td>
<td></td>
<td>continues to accrue (notes 1 and 2).</td>
</tr>
<tr>
<td>13</td>
<td>PCS orders require diving duty at the TAD/TDY station but not the new duty station</td>
<td></td>
<td></td>
<td>continues to accrue through the date of detachment from the TAD/TDY station (notes 1 and 2).</td>
</tr>
</tbody>
</table>
### Table 11-1. Diving Duty Pay - Conditions of Entitlement (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
<td>When a member entitled to diving duty pay</td>
<td>and</td>
<td>then diving duty pay</td>
</tr>
<tr>
<td></td>
<td>is reassigned PCS and TAD/TDY is required enroute to the new duty station</td>
<td>PCS orders do not require diving duty at TAD/ TDY station</td>
<td>accrues through the date of detachment from the old duty station.</td>
</tr>
<tr>
<td>15</td>
<td>is a member of a Reserve Component</td>
<td>is released from active duty</td>
<td>ceases not later than the date the member departs for home from the last duty station.</td>
</tr>
<tr>
<td>16</td>
<td>is discharged and immediately reenlists at the same station without a break in service</td>
<td>diving duty orders are not specifically terminated</td>
<td>continues to accrue.</td>
</tr>
<tr>
<td>17</td>
<td></td>
<td>diving duty orders are specifically terminated</td>
<td>ceases on the date stated in the orders.</td>
</tr>
</tbody>
</table>

### NOTES:

1. If the member is removed from diving duty, or the member's qualifications lapse during this period, then the member's entitlement to diving duty pay terminates on the date removed from diving duty or the date qualifications lapse.
2. If a member is reassigned PCS and takes leave enroute, then diving duty pay will continue to accrue up to 30 days, if the member has otherwise met the requirements for diving duty pay.
# Table 11-2. Diving Duty Pay Rates - Army Enlisted

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>If an Army enlisted member is (note 1) then the member is entitled to diving duty pay at the monthly rate of</td>
<td>$110</td>
</tr>
<tr>
<td>2</td>
<td>assigned to diving duty under instruction at an approved Armed Services diving school (note 2)</td>
<td>$340</td>
</tr>
<tr>
<td>3</td>
<td>Master Diver</td>
<td>$215</td>
</tr>
<tr>
<td>4</td>
<td>Salvage Diver</td>
<td>$175</td>
</tr>
<tr>
<td>5</td>
<td>Diver Second Class</td>
<td>$150</td>
</tr>
<tr>
<td>6</td>
<td>Combat Diver (note 3)</td>
<td>$215</td>
</tr>
</tbody>
</table>

**NOTES:**
1. Except as otherwise noted, entitlement commences on the date of assignment to diving duty under a listed category after graduation from the requisite diving course.
2. Entitlement commences on the date of first dive and continues through the date dropped from the course or the date of graduation, whichever is earlier.
3. The combat diver rating applies to members serving primarily in Special Operations Forces (SOF) units who are assigned to positions that require Special Forces Underwater Operations Systems qualifications and hold a combat diver rating in accordance with AR 611-75.

# Table 11-3. Diving Duty Pay Rates - Army Officers

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>If an Army officer is (note 1) and has a special identifying code</td>
<td>then the officer is entitled to diving duty pay at the monthly rate of</td>
<td>$110</td>
</tr>
<tr>
<td>2</td>
<td>assigned to diving duty under instruction at an approved Armed Services diving school (note 2)</td>
<td>$240</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Marine Diving Officer</td>
<td>ASI 5V</td>
<td>$215</td>
</tr>
<tr>
<td>4</td>
<td>Combat Diver (note 3)</td>
<td></td>
<td>$215</td>
</tr>
<tr>
<td>5</td>
<td>Diving Medical Officer</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTES:**
1. Except as otherwise noted, entitlement commences on the date of assignment to diving duty under a listed category after graduation from the requisite diving course.
2. Entitlement commences on the date of first dive and continues through the date dropped from the course or the date of graduation, whichever is earlier.
3. The combat diver rating applies to members serving primarily in SOF units who are assigned to positions that require Special Forces Underwater Operations Systems qualifications and hold a combat diver rating in accordance with AR 611-75.
Table 11-4. Diving Duty Pay Rates - Navy Enlisted

<table>
<thead>
<tr>
<th>R</th>
<th>U</th>
<th>L</th>
<th>E</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>U</td>
<td>L</td>
<td>E</td>
<td>If a Navy enlisted member is (note 1)</td>
<td>with an Navy Enlisted Classification of</td>
<td>then the member is entitled to diving duty pay at the monthly rate of</td>
</tr>
<tr>
<td>2</td>
<td>U</td>
<td>L</td>
<td>E</td>
<td>Master Diver</td>
<td>5341</td>
<td>$340</td>
</tr>
<tr>
<td>3</td>
<td>U</td>
<td>L</td>
<td>E</td>
<td>Master Underwater Construction Technician Diver</td>
<td>5933</td>
<td>$340</td>
</tr>
<tr>
<td>4</td>
<td>U</td>
<td>L</td>
<td>E</td>
<td>Diver First Class</td>
<td>5342</td>
<td>$315</td>
</tr>
<tr>
<td>5</td>
<td>U</td>
<td>L</td>
<td>E</td>
<td>Advanced Underwater Construction Technician</td>
<td>5931</td>
<td>$215</td>
</tr>
<tr>
<td>6</td>
<td>U</td>
<td>L</td>
<td>E</td>
<td>Basic Underwater Construction Technician</td>
<td>5932</td>
<td>$150</td>
</tr>
<tr>
<td>7</td>
<td>U</td>
<td>L</td>
<td>E</td>
<td>Diver Second Class</td>
<td>5343</td>
<td>$215</td>
</tr>
<tr>
<td>8</td>
<td>U</td>
<td>L</td>
<td>E</td>
<td>Self-Contained Underwater Breathing Apparatus (SCUBA) Diver</td>
<td>5345</td>
<td>$150</td>
</tr>
<tr>
<td>9</td>
<td>U</td>
<td>L</td>
<td>E</td>
<td>Fleet Marine Force (FMF) Reconnaissance Independent Duty Corpsman</td>
<td>8403</td>
<td>$215</td>
</tr>
<tr>
<td>10</td>
<td>U</td>
<td>L</td>
<td>E</td>
<td>FMF Reconnaissance Corpsman</td>
<td>8427</td>
<td>$215</td>
</tr>
<tr>
<td>11</td>
<td>U</td>
<td>L</td>
<td>E</td>
<td>Medical Deep Sea Diving Technician</td>
<td>8493</td>
<td>$215</td>
</tr>
<tr>
<td>12</td>
<td>U</td>
<td>L</td>
<td>E</td>
<td>Deep Sea Diving Independent Duty Corpsman</td>
<td>8494</td>
<td>$215</td>
</tr>
<tr>
<td>13</td>
<td>U</td>
<td>L</td>
<td>E</td>
<td>Explosive Ordnance Disposal (EOD) Mobile Unit Apprentice</td>
<td>5339</td>
<td>$150</td>
</tr>
<tr>
<td>14</td>
<td>U</td>
<td>L</td>
<td>E</td>
<td>Basic EOD Technician</td>
<td>5333</td>
<td>$215</td>
</tr>
<tr>
<td>15</td>
<td>U</td>
<td>L</td>
<td>E</td>
<td>Special Warfare Operator</td>
<td>5326</td>
<td>$215</td>
</tr>
<tr>
<td>16</td>
<td>U</td>
<td>L</td>
<td>E</td>
<td>Special Warfare Operator – Student</td>
<td>5320</td>
<td>$150</td>
</tr>
<tr>
<td>17</td>
<td>U</td>
<td>L</td>
<td>E</td>
<td>Senior EOD Technician</td>
<td>5335</td>
<td>$215</td>
</tr>
<tr>
<td>18</td>
<td>U</td>
<td>L</td>
<td>E</td>
<td>Master EOD Technician</td>
<td>5337</td>
<td>$215</td>
</tr>
<tr>
<td>19</td>
<td>U</td>
<td>L</td>
<td>E</td>
<td>SEAL Delivery Vehicle Pilot/Navigator</td>
<td>5323</td>
<td>$340</td>
</tr>
</tbody>
</table>

NOTES:
1. Except as otherwise noted, entitlement commences on the date of graduation from the requisite diving course, with assignment to diving duty under a listed category.
2. Entitlement commences on the date of first dive.
Table 11-5. Diving Duty Pay Rates - Navy Officers

<table>
<thead>
<tr>
<th>R U L E</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>If a Navy officer is assigned to diving duty under instruction at an approved Armed Services diving school (note 1)</td>
<td>various</td>
<td>$150</td>
</tr>
<tr>
<td>2</td>
<td>Diving Officer (SCUBA) (note 2)</td>
<td>various</td>
<td>$150</td>
</tr>
<tr>
<td>3</td>
<td>Diving Officer (note 3)</td>
<td>various</td>
<td>$240</td>
</tr>
<tr>
<td>4</td>
<td>EOD Officer (note 4)</td>
<td>114X, 119X, 648X, 748X</td>
<td>$240</td>
</tr>
<tr>
<td>5</td>
<td>Special Warfare Officer (note 5)</td>
<td>113X, 615X, 715X</td>
<td>$240</td>
</tr>
<tr>
<td>6</td>
<td>Special Warfare Officer – Student (note 1)</td>
<td>118X</td>
<td>$150</td>
</tr>
<tr>
<td>7</td>
<td>Medical (Diving Undersea) Officer (note 4)</td>
<td>210X</td>
<td>$240</td>
</tr>
<tr>
<td>8</td>
<td>Diving Chief Warrant Officer (note 5)</td>
<td>720X</td>
<td>$240</td>
</tr>
</tbody>
</table>

NOTES:
1. Entitlement commences on the date of first dive.
2. Must have completed SCUBA course of instruction, Course Identification Number A-433-0023.
3. Entitlement commences in accordance with paragraph 110201.
4. Except as otherwise noted, entitlement commences on the date of graduation from the requisite diving course, with assignment to diving duty under a listed category.
5. Entitlement commences on assignment of the designator.

Table 11-6. Diving Duty Pay Rates - Marine Corps Enlisted

<table>
<thead>
<tr>
<th>R U L E</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>If a Marine Corps enlisted member is assigned to diving duty under instruction at an approved Armed Services diving school (note 1)</td>
<td>and has a special identifying code of</td>
<td>then the member is entitled to diving duty pay at the monthly rate of</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0324/0326/8024/8026</td>
<td>$215</td>
</tr>
</tbody>
</table>

NOTES:
1. Except as otherwise noted, entitlement commences on the date of assignment to diving duty under a listed category after graduation from the Combatant Diver course.
2. Entitlement commences on the date of first dive and continues through the date dropped from the course or the date of graduation, whichever is earlier.
Table 11-7. Diving Duty Pay Rates - Marine Corps Officers

<table>
<thead>
<tr>
<th>R</th>
<th>U</th>
<th>L</th>
<th>E</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>If a Marine Corps officer is (note 1) and has a special identifying code of</td>
<td>then the member is entitled to diving duty pay at the monthly rate of</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td>assigned to diving duty under instruction at an approved Armed Services diving school (note 2)</td>
<td>$150</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td>Combatant Diver</td>
<td>8024/8026</td>
<td>$240</td>
</tr>
</tbody>
</table>

**NOTES:**
1. Except as otherwise noted, entitlement commences on the date of assignment to diving duty under a listed category after graduation from the Combatant Diver course.
2. Entitlement commences on the date of first dive and continues through the date dropped from the course or the date of graduation, whichever is earlier.

Table 11-8. Diving Duty Pay Rates - Air Force Enlisted

<table>
<thead>
<tr>
<th>R</th>
<th>U</th>
<th>L</th>
<th>E</th>
<th>A</th>
<th>B</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>If an Air Force enlisted member is</td>
<td>then the member is entitled to diving duty pay at the monthly rate of</td>
</tr>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td>SCUBA Diver</td>
<td>$110</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td>Para rescue Diver</td>
<td>$150</td>
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Table 11-9. Diving Duty Pay Rates - Air Force Officers

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<td>If an Air Force Officer is</td>
<td>then the officer is entitled to diving duty pay at the monthly rate of</td>
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<td>assigned to diving duty</td>
<td>$150</td>
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</tbody>
</table>
**SPECIAL PAY - DIVING DUTY**

1101 - GENERAL

* Title 37, United States Code (U.S.C.), section 304

1103 - RATES PAYABLE

110401-110403  37 U.S.C. § 304(b)

1105 - RESTRICTION ON PAYMENT

110502  37 U.S.C. § 304(a)(2)

Table 11-3

Rule 4  Department of the Army (DA), Office of the Deputy Chief of Staff (ODCS) G-1 Memo, May 10, 2007

* DA ODCS G-1 Memo, May 24, 2007

AR 611-75, July 20, 2007

Table 11-5  Department of the Navy, Bureau of Naval Personnel (BUPERS), 7220 Series BUPERS - 3/377, June 18, 2009
VOLUME 7A, CHAPTER 12: “PURPORTED MARRIAGES”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

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CHAPTER 12
PURPORTED MARRIAGES

1201 GENERAL

120101. Purpose

The purpose of this chapter is to establish policy for purported marriages and the related impact to military pay.

120102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

1202 VALIDATION OF PAYMENTS BASED ON PURPORTED MARRIAGES

120201. Authority for Validation

A payment of an allowance based on a purported marriage that is made under Title 37, United States Code (U.S.C.), section 423 or prior laws, before the marriage is annulled or terminated is valid if:

A. A court of competent jurisdiction adjudges or decrees that the military member entered the marriage in good faith; or

B. In the absence of such judgment or decree, the Secretary of the Military Department concerned or a person designated by the Secretary of the Military Department concerned makes a finding of good faith.

120202. Responsibility for Validation

Findings of good faith under subparagraph 120201.B are submitted to the offices listed in the Joint Travel Regulations (JTR), Chapter 10, Part B, subparagraph 10104.G.3, Determination and Validations. Purported marriages requiring such findings are listed in the JTR, Chapter 10, Part B, subparagraph 10104.G.

120203. Payments Not Validated

Payments based on invalid marriages are erroneous payments or overpayments unless validated.
BIBLIOGRAPHY

CHAPTER 12 – PURPORTED MARRIAGES

1202 – VALIDATION OF PAYMENTS BASED ON PURPORTED MARRIAGES

37 U.S.C. § 423
**VOLUME 7A, CHAPTER 13: “ILLNESS OR INJURY PAYMENT PROGRAMS”**

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CHAPTER 13

ILLNESS OR INJURY PAYMENT PROGRAMS

1301 GENERAL

130101. Purpose

This chapter describes the payment programs authorized for military personnel, who, while serving in the line of duty, are either injured, wounded, or became ill, or who have a permanent catastrophic injury or illness and require a caregiver.

130102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

1302 PAY AND ALLOWANCE CONTINUATION (PAC) PROGRAM

130201. General

Effective May 15, 2008, the Secretary of Defense authorized the PAC Program for Service members of the Regular or Reserve Components (RC).

130202. Eligibility

To be eligible, Service members must have been wounded, ill, or injured in a combat zone, a hostile fire area, or while exposed to a hostile fire event, and hospitalized for treatment of such wound, injury, or illness. Service members may be considered hospitalized if their orders indicate attachment or assignment to a medical/patient unit for duty. The phrase “medical or patient unit” may be subject to refinement, consistent with statute, by the Military Department concerned.

130203. Entitlement

A. Service members of the Regular or RC who incur a wound, injury, or illness in the line of duty while serving in a combat operation or a combat zone, while serving in a hostile fire area, or while exposed to a hostile fire event (regardless of location), and are hospitalized for treatment of the wound, injury, or illness, will continue to receive the pay and allowances the member was receiving at the time of hospitalization. These pay and allowances include special and incentive pays, bonuses, and the daily incidental expense portion of the temporary duty allowance authorized for members deployed in a combat operation or combat zone.

B. For purposes of Hardship Duty Pay – Location (HDP-L), Service members serving on a temporary deployment, or attached duty of more than 30 days in a designated hardship duty location, and who are wounded, injured, or become ill within the first 30 days of serving in the designated area, will be considered eligible for HDP-L at the time the wound, injury or illness is incurred.
130204. Commencement of Payment

Continuation of pay and allowances under the PAC Program begins on May 15, 2008, or the date of the member’s eligibility, whichever occurs later.

130205. Termination of Entitlement

The pay and allowances for Service members that meet the PAC Program eligibility requirements will continue until the end of the first month beginning after the earliest of the following dates:

A. The date on which the Service member is returned for assignment to other than a medical or patient unit for duty;

B. The date on which the Service member is discharged, separated, or retired (including temporary disability retirement) from the uniformed services; or

C. One year after the date on which the Service member is first hospitalized for the treatment of the wound, injury, or illness. The Principal Deputy Under Secretary of Defense (USD) for Personnel and Readiness (P&R) may extend the termination date in 6-month increments under extraordinary circumstances.

1303 SPECIAL COMPENSATION FOR ASSISTANCE WITH ACTIVITIES OF DAILY LIVING (SCAADL)

130301. General

The provisions of the SCAADL Program apply only to those Service members with qualifying injuries or illnesses incurred on or after August 31, 2011. The Secretary concerned may pay special compensation to eligible Service members of the Active or RC who have incurred or aggravated a permanent catastrophic illness or injury in the line of duty, and require a caregiver who provides non-medical care, support, and assistance to the member. The Department of Defense (DoD) Instruction (DoDI) 1341.12, “Special Compensation for Assistance with Activities of Daily Living Program,” August 10, 2015 contains detailed instructions and procedures for initiating the SCAADL entitlement.

130302. Eligibility

In order to receive the SCAADL compensation, the Service member must:

A. Have a determination made, by a licensed DoD physician or a Veterans Affairs (VA)-licensed physician, that the member has a permanent catastrophic injury and needs assistance from another person to perform the personal functions required in everyday living, or requires constant supervision to avoid harm to self or others;
B. Have a determination made, by a DoD or a VA-licensed physician, that the
member requires hospitalization, nursing home care, or other residential institutional care in the
absence of such assistance;

C. Be an outpatient and no longer an inpatient at a military treatment facility,
VA medical center, civilian hospital, nursing home, or other residential institutional care facility.
Although individuals may be temporarily placed in an inpatient status for tests, examinations, or
treatment, they remain eligible for the full monthly SCAADL payment if they are an outpatient at
least 16 cumulative days a month. If the Service member is admitted as an inpatient for a period
of at least 16 cumulative days in a month, then payment should be suspended until a post-discharge
re-evaluation occurs to determine SCAADL eligibility;

D. Have a designated primary caregiver who provides assistance with at least
one of the following Activities of Daily Living (ADL) due to the Service member’s:

   1. Inability to dress or undress;
   2. Inability to bathe or groom in order to stay clean and presentable;
   3. Frequent need of adjustment of any special prosthetic or orthopedic
      appliances, which by reason of the particular disability, cannot be done without aid. This does not
      include the adjustment of appliances that routinely require assistance for another person, such as
      supports, belts, and lacing at the back;
   4. Inability to attend to toileting without assistance;
   5. Inability to eat meals through loss of coordination of upper
      extremities or through extreme weakness or inability to swallow; or
   6. Inability to guard against hazards or dangers incident to a regular,
      daily environment;

E. In addition to meeting at least one of the criteria in subparagraph
130302.D.1 through 6, the Service member must:

   1. Require continual medical management or be at high risk for
      personal safety and unable to live independently in the community without caregiver support;
   2. Require hospitalization, nursing home, or other residential
      institutional care, unless caregiver support provides personal care services at home in an ongoing
      manner;
   3. Receive no concurrent services by another federal entity; or
   4. Not be returned to duty by a physical evaluation board;
F. Be unable to perform the duties of their office, grade, rank or rating; and

G. Receive final eligibility certification from the unit commander or service designated representative.

130303. Restrictions

The following restrictions apply:

A. Service members will not designate another military member in a pay status as their primary caregiver for the purpose of receiving SCAADL. All primary caregivers, with the exception of the Service member’s spouse, must be at least 18 years of age.

B. SCAADL is not paid to a Service member:

1. If any other federal agency is providing outpatient or in-home services to assist the member with ADL or with supervision to avoid the Service member from harming themselves or others;

2. If the Service member receives aid and attendance allowance from the VA in accordance with Title 38, United States Code (U.S.C.), section 1114(r)(2);

3. If the Service member’s primary caregiver receives a monthly caregiver stipend from the VA’s Comprehensive Assistance for Family Caregivers Program;

4. If the Service member qualifies for and accepts in-home assistance with ADL (custodial care), paid with supplemental health care program funds and provided by a TRICARE-authorized home health agency; or

5. If the Service member is found fit by a Service physical evaluation board, or otherwise returned to duty status as unfit, but retained on active duty. The Service member will be removed from the SCAADL program in accordance with the Military Department’s regulations.

C. Service members or their designated representatives may appeal disapproval to receive SCAADL in accordance with respective Military Service appeal guidelines.

D. Qualifying payments to Service members who receive SCAADL, in accordance with paragraph 130203, will terminate as detailed in subparagraph 130305.C.

E. Service members must complete a re-evaluation every 6 months to validate dependency level and assure uninterrupted payment of the SCAADL benefit.

F. Pursuant to 37 U.S.C. § 373, Service members no longer satisfying SCAADL eligibility requirements will repay any SCAADL allowances received after the member is returned to duty or removed from the SCAADL program.
G. Service members in receipt of SCAADL will recertify compensation upon a change in clinical status or geographical location.

H. All Service members hospitalized for 16 cumulative days or more of a month will be required to recertify upon release from the hospital.

130304. Monthly Compensation

An online SCAADL Calculator is available to compute the approximate monthly SCAADL compensation. The military services will use the DoD (DD) Form 2948, Special Compensation for Assistance with Activities of Daily Living (SCAADL) Eligibility, to document the Service member’s eligibility for SCAADL. The following guidelines apply:

A. Monthly compensation is computed based on the Bureau of Labor Statistics (BLS) wage rate for a home health aide, using the 75th percentile of the hourly wage rate in the Service member’s geographic area of residence. The BLS wage rates are updated annually and published effective January of each year. The amount of monthly compensation is calculated using the zip code of the geographic location where the Service member currently resides and the Service member’s dependence level.

B. A three-tier system recognizing the variation in complexity of care required by the Service member and provided by the caregiver determines the monthly compensation. The member’s Primary Care Manager (PCM) will assess the Service member’s dependency level and assign a point value corresponding to the number of hours of care the member requires each week.

1. **High Tier.** It is presumed that a Service member who scores 21 or higher will require at least 40 hours per week of caregiver assistance.

2. **Medium Tier.** It is presumed that a Service member who scores 13-20 will require at least 25 hours per week of caregiver assistance.

3. **Low Tier.** It is presumed that a Service member who scores 1-12 will require at least 10 hours per week of caregiver assistance.

C. Service members or their designated representatives may appeal a PCM’s determination of dependency level to their Service headquarters. The dependency level may also change if the Service member’s condition changes and a reevaluation of the member’s level of dependency is conducted.

130305. Payment Period

The following guidelines apply to the period that the SCAADL entitlement may be paid:

A. Service members become eligible for the SCAADL entitlement on the date a licensed DoD or VA physician certifies that the member meets the eligibility criteria. If the certification is not on the first of the month, and the entitlement is continuous for more than
1 month, the first month will be prorated based on a 30-day month computation. The 31st day of the first month will be excluded.

B. Service members entitled to SCAADL for a continuous period of less than 1 month will receive payment for the actual number of days at the rate of 1/30th of the monthly amount. The 31st day of a calendar month may not be excluded from this computation.

C. SCAADL entitlement stops on:

1. The last day of the month in which a 90-day period ends after the date the Service member separates or retires. (For example, March 15 (separation date) plus 90 days equals June 13 (last day of entitlement is June 30));

2. The last day of the month during which a Service member dies (See Note);

3. The last day of the month a physician determines that a Service member no longer meets the eligibility requirements for SCAADL; or

4. The last day of the month preceding the month during which the Service member begins receiving aid and attendance from the VA under 38 U.S.C. § 1114(r)(2), or the Service member’s primary caregiver begins receiving a monthly caregiver stipend from the VA under 38 U.S.C. § 1720G.

Note: This last SCAADL payment should be paid to the beneficiary in the unpaid pay and allowances described in Chapter 36, section 3603.


BIBLIOGRAPHY

ILLNESS OR INJURY PAYMENT PROGRAMS

1302 - PAY AND ALLOWANCE CONTINUATION (PAC) PROGRAM

37 U.S.C. § 372  
*  
Office of the USD (P&R) Memo, July 16, 2009

1303 - SPECIAL COMPENSATION FOR ASSISTANCE WITH ACTIVITIES OF DAILY LIVING (SCAADL)

37 U.S.C. § 439  
*  
37 U.S.C. § 373  
DoDI 1341.12, August 10, 2015  
DoD Manual 1341.12, August 10, 2015
VOLUME 7A, CHAPTER 14: “INCENTIVE FOR QUALIFIED MEMBERS EXTENDING DUTY AT DESIGNATED LOCATIONS OVERSEAS”

SUMMARY OF MAJOR CHANGES

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<tr>
<td>140404</td>
<td>Replaced Marine Corps Order (MCO) P1300.8R with MCO 1300.8.</td>
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CHAPTER 14

INCENTIVE FOR QUALIFIED MEMBERS EXTENDING DUTY AT DESIGNATED LOCATIONS OVERSEAS

*1401 GENERAL

*140101. Purpose

This chapter establishes policy pertaining to the incentive for qualified members extending duty at designated locations overseas.

*140102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

1402 SPECIAL PAY OR BONUS

140201. Eligibility

Members of the Armed Forces may be entitled to a special pay or bonus if they:

A. Are entitled to basic pay;

B. Have a specialty that is designated by the Secretary of the Military Department concerned for the purposes of this entitlement;

C. Have completed a tour of duty (as defined in accordance with regulations prescribed by the Secretary concerned) at a location outside the Continental United States (CONUS) that is designated by the Secretary of the Military Department concerned for the purposes of this entitlement; and

D. Have completed that tour of duty and then execute an agreement to extend that tour for a period of not less than 1 year.

140202. Amount

When the Secretary of the Military Department concerned accepts the member’s agreement to extend the tour of duty, the member becomes entitled, subject to the restrictions identified in paragraph 140205, to receive one of the following benefits:

A. Special pay in monthly installments in an amount prescribed by the Secretary, but not to exceed $80 per month; or
B. An annual bonus in an amount prescribed by the Secretary, but not to exceed $2,000 per year. The Secretary may pay a bonus in either a lump sum or monthly installments.

140203. Selection

Not later than the date the Secretary of the Military Department concerned accepts the agreement described in subparagraph 140201.D providing for the extension of a member’s tour of duty, the Secretary of the Military Department concerned will notify the member regarding whether the member will receive special pay or bonus. The payment rate for the special pay or bonus will be fixed at the time of the agreement and may not be changed during the period of the extended tour of duty.

140204. Repayment

A member who, having entered into a written agreement to extend a tour of duty described in subparagraph 140201.D, and who receives a bonus payment but does not complete the obligated service in accordance with the agreement will be subject to the repayment provisions of Chapter 2.

140205. Restriction

A member, who elects to receive one of the benefits specified in section 1403 as part of the extension of a tour of duty, is not entitled to the special pay or bonus authorized in this section for the period of extension of duty for which the benefit is provided.

1403 SPECIAL REST AND RECUPERATIVE (SR&R) ABSENCE

140301. Eligibility

A member who meets the eligibility requirements defined in paragraph 140201 may, in lieu of receiving the special pay or bonus, elect to receive one of the entitlements described in paragraph 140302.

140302. Entitlement

A member may elect, in lieu of a special pay or bonus, either:

A. A period of SR&R absence for not more than 30 days; or

B. A period of SR&R absence for not more than 15 days for members whose qualifying tour of duty is 12 months or less, and round-trip transportation at Government expense from the location of the extended tour of duty to the nearest port in the 48 contiguous States and return, or to an alternative destination and return at a cost not to exceed the cost of round-trip transportation from the location of the extended tour of duty to such nearest port; or

14-4
C. A period of SR&R absence for not more than 20 days for members whose qualifying tour of duty is longer than 12 months, and round-trip transportation at Government expense from the location of the extended tour of duty to the nearest port in the 48 contiguous States and return, or to an alternative destination and return at a cost not to exceed the cost of round-trip transportation from the location of the extended tour of duty to such nearest port.

NOTE: The provisions of SR&R are not effective unless the Secretary concerned determines that the application will not adversely affect combat or unit readiness.

140303. Travel Time

Travel time from the CONUS port, or alternate destination, to the SR&R absence point, and return is included in the 15-day or 20-day SR&R absence. This period will begin the day after the member arrives at the aerial port of debarkation and continue until the day before the member returns to the designated port. The non-chargeable leave period will continue until the day before the date of return to the designated port. Travel time to or from the CONUS port, or alternate destination, and overseas location is non-chargeable and not included in the 15-day or 20-day SR&R.

140304. Limitations

The 15-day or 20-day SR&R absence and round-trip transportation option may not be combined with any Temporary Assigned Duty, Temporary Duty, or transportation entitlement that would result in the cost of the round-trip portion of the option exceeding the round-trip cost from the member’s tour of duty station to the nearest CONUS port.

1404 SERVICE REGULATIONS

The following paragraphs provide hyperlinks for service entitlements, policies, and procedures for the previous prescribed incentives:

140401. Army

*Army Regulation 614-30*

140402. Navy

*Military Personnel Manual 1306-300*

140403. Air Force

*Air Force Instruction 36-2110*

*140404. Marine Corps

*Marine Corps Order 1300.8*
*BIBLIOGRAPHY

CHAPTER 14 - INCENTIVE FOR QUALIFIED MEMBERS EXTENDING DUTY AT DESIGNATED LOCATIONS OVERSEAS

1402 – SPECIAL PAY OR BONUS

Title 37, United States Code (U.S.C.), section 314
Department of Defense Instruction (DoDI) 1327.06, June 16, 2009, Incorporating Change 3, May 19, 2016

1403 – SPECIAL REST AND RECUPERATIVE (SR&R) ABSENCE

10 U.S.C. § 705
DoDI 1327.06, June 16, 2009, Incorporating Change 3, May 19, 2016
VOLUME 7A, CHAPTER 15: “SPECIAL PAY – ASSIGNMENT INCENTIVE PAY (AIP)”

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<td>150101</td>
<td>Added the “Purpose” and “Authoritative Guidance” paragraphs to comply with current administrative guidance and renumbered subsequent paragraphs.</td>
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<td>1502</td>
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<td>150204.A</td>
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<td>150302</td>
<td>Reestablished the Sea Duty Incentive Pay AIP effective February 19, 2016 through December 31, 2016.</td>
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<td>1504</td>
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<tr>
<td>150401.C</td>
<td>Added Restrictions to Army Korea AIP.</td>
<td>Addition</td>
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<td>150402</td>
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<td>Addition</td>
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<tr>
<td>150403</td>
<td>Changed the Explosive Ordnance Disposal AIP termination date to October 1, 2015 and removed subsequent criteria.</td>
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<td>150404.D</td>
<td>Extended the period of entitlement to Asymmetric Warfare Group (AWG) AIP to September 30, 2016.</td>
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<td>150409.C</td>
<td>Added the “Restrictions” subparagraph to the Joint Special Operations Command (JSOC) AIP.</td>
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CHAPTER 15

SPECIAL PAY – ASSIGNMENT INCENTIVE PAY (AIP)

1501 GENERAL

*150101. Purpose

This chapter prescribes the general policy applicable to the payment of AIP.

*150102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

*1502 DEPARTMENT OF DEFENSE AIP CRITERIA

150201. Entitlement

A member of a uniformed service entitled to basic pay may be paid Assignment Incentive Pay (AIP) for performing service in an assignment designated by the Secretary concerned. The Secretary concerned has approval authority for AIP programs under $1,500 per month. Programs over $1,500 per month and all “blanket” AIP programs (applied to every member at a specific assignment location regardless of skill proficiency or fill rates) require approval by the Assistant Secretary of Defense (Readiness and Force Management).

150202. Eligibility

The member must be serving on active duty to be eligible for AIP. The Secretary concerned may require the member to enter into a written agreement in order to qualify for AIP. The written agreement will specify the monthly rate, and the period for which the member will be paid AIP.

150203. Payment

Incentive pay paid under this section is in addition to any other pay and allowances to which the member is entitled, except as may be noted under each program. This payment may be made in a lump sum, installments, or monthly increments as authorized for each program. The maximum monthly amount of AIP payable to any service member may not exceed $1,500. Monthly pay will be prorated for partial months served, except as noted under each program.

150204. Restrictions for All AIP Programs

The following restrictions, which affect the entitlement to AIP, apply to all programs listed in this chapter.
A. Under Title 37 United States Code (U.S.C.) section 307a, no agreement for any AIP program may be entered into after December 31, 2016.

B. A member is not entitled to AIP during a period of terminal leave which ends upon discharge or release of the member from active duty.

C. Service members are not authorized to receive more than one AIP simultaneously for the same period of service. If a Service member is eligible for more than one AIP, the higher dollar value AIP will be paid.

D. Reserve Component (RC) members are not authorized AIP for assignments at their permanent duty station.

150205. Special Provisions

The service of a member in a designated assignment will be considered continuous in any period of temporary absence during which the member is performing temporary duty pursuant to orders or on authorized leave other than transition leave.

1503 NAVY AIP PROGRAMS

*150301. Pilot Programs

A. On May 29, 2003, the Navy was authorized a Pilot Program for AIP. The entitlement conditions are:

1. Entitlement begins upon reporting to the assigned duty and terminates when permanently detached from the assigned duty;

2. The Service member and the Navy negotiate to determine the payment rates, which may be different for members in the same location. For partial months served in a designated assignment, payment will be prorated;

3. Payment for AIP may not be made to Navy members receiving a Selective Reenlistment Bonus for Location for the same assignment; and

4. This program will remain in effect until the Assistant Secretary of the Navy (ASN) Manpower and Reserve Affairs (M&RA) rescinds the program or higher authority cancels the program.

B. On February 9, 2007, the Navy announced the Naval Special Warfare Development Group (NSWDG) AIP program. The entitlement conditions are:

1. Enlisted personnel must successfully complete the required NSWDG training;
2. Enlisted personnel must be assigned to NSWDG designated billets;

3. Enlisted personnel will sign an agreement or accept orders to voluntarily remain in an NSWDG billet for an additional 12 months from the date of the agreement or date of the first AIP payment, whichever is later;

4. Personnel who have been assigned to a designated NSWDG billet for:
   
   a. less than 3 years since completion of the required training will receive AIP at $750 per month; or
   
   b. 3 years or more since completion of the required training will receive AIP at $1000 per month; and

5. Payment of the AIP will terminate when the member permanently detaches from the assigned duty at NSWDG. AIP will not be paid to members in a disciplinary or not fit for operational duty status; and

6. This program will remain in effect until the ASN (M&RA) rescinds the program or higher authority cancels the program.

C. On October 1, 2013, the Navy announced a new AIP for NSWDG personnel assigned to Combat Support (CS) positions. The ASN (M&RA) reauthorized the continuance of AIP for personnel assigned to CS positions effective December 11, 2015 through December 31, 2016. The requirement conditions are:

1. Qualified CS personnel are eligible to receive an AIP flat-rate of $500 or $750 (for Explosive Ordnance Disposal personnel with more than 3 years of NSWDG Service) per month for each month after completing initial qualification.

2. A written agreement is required to receive this AIP.

*150302. Sea Duty Incentive Pay (SDIP) Program

On March 15, 2007, the Navy implemented the SDIP program. Since then, there have been multiple reauthorizations of the program by the Navy. On January 2, 2015, after a break of 1 day, the SDIP program was reestablished and ended on December 31, 2015. Any agreements entered into on January 1, 2015 are considered unauthorized. Effective February 19, 2016, the ASN (M&RA) reestablished the program through December 31, 2016. Any agreements entered into after December 31, 2015 and before February 19, 2016 are unauthorized.

A. Programs

1. Sea Duty Incentive Pay – Extension (SDIP-E). SDIP-E is authorized for Sailors who sign a written agreement to voluntarily extend their sea duty
assignments on ships, submarines, or aviation squadrons by a minimum of 12 months and a maximum of 48 months (36 months for an assignment outside the Continental United States (CONUS), including Hawaii).

2. **Sea Duty Incentive Pay – Curtailment (SDIP-C).** SDIP-C is authorized for Sailors who voluntarily curtail their shore duty assignments a minimum of 6 months prior to their original planned rotation date, and return to sea duty assignments on a ship, submarine, or to an aviation squadron for a minimum of 12 months and a maximum of 48 months (36 for an assignment outside the continental United States, including Hawaii).

3. **Sea Duty Incentive Pay – Back-To-Back (SDIP-B).** SDIP-B is authorized for Sailors who voluntarily extend their sea duty when assigned to a Type 2/4 command for rotational purposes upon transfer to ships, submarines, or aviation squadrons by a minimum of 12 months and a maximum of 48 months, based upon Department of Defense area or minimum activity tour length requirements.

B. **Eligibility.** To be eligible for SDIP, the service member must:

1. Be serving in or selected for advancement (including frocked members) in one of the eligible ratings, skills, and pay grades listed in the SDIP Eligibility Chart; and

2. Be serving in a permanent duty assignment on a ship, submarine, or aviation squadron designated as sea duty for the purpose of rotation, and home ported in CONUS, Hawaii, or overseas for SDIP-E. Members considered assigned as excess of authorized billets are ineligible for SDIP-E; and

3. Be serving:

   a. In a permanent shore duty assignment at an activity located in CONUS, Hawaii, Alaska, or overseas that is designated as shore duty for purposes of rotation for SDIP-C. Members currently receiving AIP for their shore duty assignment are not eligible for SDIP-C; or

   b. In a permanent duty assignment on a Type 2/4 sea duty for purposes of rotation and transfer to a ship, submarine, or aviation squadron and home ported in CONUS, Hawaii, or overseas for SDIP-B. Ships under construction that have not yet been delivered and commissioned are not eligible for SDIP.

4. Incur sufficient obligated service to fulfill the service time required by the SDIP-E, SDIP-C, or SDIP-B agreement. Additional obligated service will be incurred prior to payment of SDIP-E and SDIP-B, and prior to detachment from the shore duty unit/command for SDIP-C.
C. Restrictions

1. RC Sailors are not eligible for SDIP.

2. Sailors are not eligible for SDIP and any other AIP allowance simultaneously.

D. Payment. The Department of the Navy determines the SDIP rates, which change frequently and vary by pay grade and skill/rating. The SDIP Eligibility Chart contains the current monthly entitlement rates for the SDIP program.

E. Recoupment and Repayment. Recoupment of unearned portions of the SDIP lump sum payment will be as follows:

1. Sailors who fail to complete the full period of additional sea duty service as required by their SDIP agreement will be required to repay the percentage of the SDIP lump sum payment representing the unexecuted portion of their required service. Situations requiring recoupment include, but are not limited to:

   a. Approved request for voluntary release from the written agreement if; due to unusual circumstances, it is determined that such release would clearly be in the best interests of both the Navy and the sailor;

   b. Approved voluntary request for relief from an SDIP assignment;

   c. Disability resulting from misconduct, willful neglect, or incurrence during a period of unauthorized absence;

   d. Removal from the SDIP assignment for cause, including misconduct;

   e. Separation for cause, including misconduct; or

   f. Separation for weight control and/or failure of a physical readiness test.

2. Recoupment of payments already received will not be required if a sailor becomes ineligible for SDIP for any of the following reasons:

   a. Disability, injury, or illness, not the result of misconduct or willful neglect, or not incurred during a period of unauthorized absence;

   b. Separation from the naval service by operation of laws or regulations independent of misconduct;
c. Death; or
d. Where the Secretary of the Navy determines repayment would be against equity and good conscience, or contrary to the best interests of the United States.

3. In the event a sailor dies before the SDIP is received or before the sailor completes the sea duty assignment/extension for which SDIP is payable (and death is not caused by the sailor’s misconduct), the unpaid/unearned balance of the SDIP will be payable in the settlement of the deceased sailor’s final military pay account. The unpaid SDIP will be payable in a lump sum. If death is determined to be voluntary or the result of the sailor’s own misconduct, termination of any future payment and proration or recoupment of the SDIP, as applicable, will be made in accordance with procedures established for sailors whose inability to complete a contracted period of service is voluntary or the result of misconduct.

*1504 ARMY AIP PROGRAMS*

The Department of the Army (DA), Office of the Deputy Chief of Staff (ODCS) G-1 authorizes AIP programs for Army personnel in amounts of $1,500 per month or less. All Headquarters Department of the Army (HQDA) authorized programs have a termination date of September 30, 2016. No new agreements may be entered into after this date without DA reauthorization of the programs. The programs listed in paragraphs 150401 through 150411 are DA programs and fall under these guidelines.

**150401. Korea AIP (KAIP) Program**

A. Eligibility

1. Soldiers must be permanently assigned to Korea in the grades of E-4 and above.

2. Soldiers must not be serving in command select list positions.

3. Soldiers must be in good standing and not be under Uniform Code of Military Justice (UCMJ) action at the time of approval, and must remain in good standing throughout the AIP tour.

4. Soldiers assigned to Korea for more than 40 months at the end of their current tour are not eligible to apply.

5. Soldiers serving on their initial assignment after graduating from initial entry training or newly appointed officers are not authorized to apply.

B. Payment

Payments will be made with the following restrictions:
1. The maximum monthly rate payable is $500. For agreements entered into on or after October 1, 2015, lump sum payments will be paid on the approval of the AIP agreement extending the soldier’s assignment; and

2. Soldiers are limited to a maximum 24 month extension under this AIP program. Payment for an extension beyond 24 months or a subsequent extension when combined with a previous extension(s) that exceeds 24 months is not authorized; and

3. The commander determines the monthly entitlement rate based on the needs of the Army and may be different for soldiers serving in similar positions at the same location but will not exceed the monthly rate of $500; and

4. If a soldier elects a monthly payment to extend their current tour, AIP payments for the period of the extension will begin on the first month of the extension period; and

5. Lump sum payments will be computed by multiplying the monthly rate authorized by the Commander at the time the soldier enters into the written agreement, by the number of continuous months for which the AIP is authorized.

* C. Restrictions

1. Soldiers are not authorized to receive more than one AIP simultaneously for the same period of service (i.e., KAIP and Overseas Extension Special Pay/Bonus program outlined in Chapter 14). If the soldier is eligible for more than one AIP, he or she will receive the higher of these AIPs.

2. Soldiers are not authorized to receive more than one incentive for the same period of service. If the soldier is eligible for more than one incentive program, the soldier may choose the incentive program they believe will be in their best interest.

3. RC members are not authorized AIP for assignments at their permanent duty station.

*150402. Exception To Policy (ETP) to KAIP

The DA, ODCS G-1 approved the following exceptions to the KAIP Program:

A. On September 24, 2015, the DA, ODCS G-1 approved an ETP to pay KAIP to first term Soldiers assigned to units taking part in the relocation of Eighth Army forces to Camp Humphreys. The exception only applies to soldiers under Eligibility paragraph 150401.A.1 and A.5 and only for those soldiers needed to maintain the unit’s readiness during the relocation. The ETP will remain in effect until terminated by the Eighth Army Commander; however, no new agreements will be entered into under this exception after September 30, 2016.
B. The DA, ODCS G-1 approved an ETP to pay KAIP to the following:

1. Commissioned Officers
   
   
   b. Army Medical and Dental Officer.
   
   c. Aviation Officers in Career Specialty 15 and Warrant Officers in Career Specialty 150.


C. The exception only applies to soldiers under Eligibility paragraph 150401.A.1 and A.5.

D. This ETP terminates on September 30, 2016. No new agreements will be entered into under this exception after September 30, 2016.

*150403. Enlisted Explosive Ordnance Disposal (EOD) Program

Per Memorandum from HQDA, ODCS, G-1, dated September 24, 2015, the EOD Program was not renewed for Fiscal Year (FY) 2016. Any approved AIP agreements in existence prior to October 1, 2015 will remain valid under its terms until the termination date of the agreement. Any agreements approved after September 30, 2015 are invalid.

*150404. Asymmetric Warfare Group (AWG) AIP

A. Eligibility

1. Soldiers in grade E5 to E9, W2 to W4, and O2 to O4, and permanently assigned to an authorized Operational Advisor position within the group or operational support billet in an operational squadron.

2. Soldier must have completed the appropriate training and have been awarded the ASI “U9” (Operational Advisors) or “U8” (Operational Support).

3. Soldiers must be in good standing and not be under UCMJ action at the time of approval and must remain in good standing throughout the AIP tour.
4. Soldier must enter into a written agreement to serve 1 to 2 years in an AWG approved billet. The written agreement will specify the period for which the AIP will be paid and the monthly amount of AIP.

B. Payment

1. Eligible Soldiers serving in an Operational Advisor (U9) billet may be paid $400 per month.

2. Eligible Soldiers serving in an Operational Support (U8) billet in an operational squadron may be paid $300 per month.

C. Restrictions

1. Soldiers are not authorized to receive more than one AIP simultaneously for the same period of service. If the soldier is eligible for more than one AIP, he or she will receive the higher of these AIPs.

2. RC members are not authorized AIP for assignments at their permanent duty stations.

* D. Termination

The AWG AIP program is subject to annual budget constraints; therefore, no new agreements will be entered into after September 30, 2016, without HQDA reauthorization of the program.

*150405. 780th Military Intelligence Brigade AIP

The program self-terminated on September 30, 2014. These members are entitled to AIP under the Army Cyber (ARCYBER) Command AIP program in paragraph 150411.

*150406. Special Mission Units (SMU) AIP

The program self-terminated on September 30, 2014. These members are entitled to AIP under the United States Army Special Operations Command (USASOC) AIP program in paragraph 150410.

*150407. Army Special Operations Aviation AIP

The program self-terminated on September 30, 2014. These members are entitled to AIP under the USASOC AIP program in paragraph 150410.
**150408. Career Management Field 18 Program**

The program self-terminated on September 30, 2014. These members are entitled to AIP under the USASOC AIP program in paragraph 150410.

**150409. Joint Special Operations Command (JSOC) SMU AIP Program**

A. **Eligibility**

1. Soldiers must be permanently assigned to a JSOC SMU Operator billet.

2. Soldiers must be in good standing and not be under UCMJ action at the time of approval and must remain in good standing throughout the AIP tour.

3. Soldiers must have less than 35 years of active federal service in order to qualify for continued payment.

4. Soldiers must sign a written agreement to serve 1 to 3 years in a JSOC SMU Operator assignment.

B. **Payment**

1. SMU Operators with less than 25 years of active federal service may apply for the following:
   
   a. SMU Operators with less than 3 years of service in a SMU Operator billet may be paid $750 per month; or
   
   b. SMU Operators with 3 years or more of service in a SMU Operator billet may be paid $1,000 per month.

2. SMU Operators with 25 years or more of active federal service may apply for the following:
   
   a. SMU Operators with 3 years or more of service in a SMU Operator billet may be paid $500 per month. Agreements will terminate at 28 years of active federal service; or
   
   b. SMU Operators serving in a specified Key Leadership/Development position may be paid $1,000 per month. Agreements will terminate at 35 years of active federal service.
*C. Restrictions

1. Soldiers are not authorized to receive more than one AIP simultaneously for the same period of service. If the soldier is eligible for more than one AIP, he or she will receive the higher of these AIPs.

2. RC members are not authorized AIP for assignments at their permanent duty stations.

*D. Termination

The JSOC SMU AIP program is subject to annual budget constraints; therefore, no new agreements will be entered into after September 30, 2016, without HQDA reauthorization of the program.

*150410. United States Army Special Operations Command (USASOC) AIP

A. Eligibility

1. Soldiers must be permanently assigned to an authorized Major Force Protection 11 billet in the grade of E-5 and above.

2. Soldiers must be in good standing and not be under UCMJ action at the time of approval and must remain in good standing throughout the AIP tour.

3. Soldier must have less than 35 years of active federal service in order to qualify for continued payment.

B. Payment

1. The maximum monthly rate payable to any soldier in this AIP program is $1,200.

2. The Commander determines the monthly entitlement rate based on the needs of the Army and may be different for soldiers serving in similar positions at the same location, but will not exceed the monthly rate of $1,200.

3. Lump sum payments will not exceed the maximum monthly rate authorized by the commander at the time the soldier enters into the written agreement, multiplied by the number of continuous months in the period for which the AIP will be paid, pursuant to the agreement. Lump sum payment will be paid on the approval of the AIP agreement.
C. Restrictions

1. Soldiers are not authorized to receive more than one AIP simultaneously for the same period of service. If the soldier is eligible for more than one AIP, he or she will receive the higher of these AIPs.

2. RC members are not authorized AIP for assignments at their permanent duty stations.

D. Termination

The USASOC AIP program is subject to annual budget constraints; therefore, no new agreements will be entered into after September 30, 2016, without HQDA reauthorization of the program.

*150411. Army Cyber (ARCYBER) Command AIP Program

On January 29, 2015, the DA, ODCS G-1 approved AIP payments effective February 1, 2015 to select soldiers permanently assigned to ARCYBER. AIP terminated September 30, 2015. Renewal of the program on September 24, 2015 with an effective date effective October 1, 2015 extends the AIP through September 30, 2016.

A. Eligibility

1. Enlisted Soldiers, Warrant Officers, and Commissioned Officers must be personnel permanently assigned to an authorized cyber position.

2. Soldiers must have completed the appropriate training and have been awarded the appropriate certifications located inside from the Cyber Mission Force.

3. Soldiers must be in good standing and not be under UCMJ action at the time of approval and must remain in good standing throughout the AIP tour.

4. Soldiers must enter into a written agreement to serve 1 to 3 years in an ARCYBER approved billet.

B. Payment

1. The maximum monthly rate payable to any soldier certified as an ARCYBER Apprentice will not exceed $200.

2. The maximum monthly rate payable to any soldier certified as an ARCYBER Journeyman will not exceed $300.

3. The maximum monthly rate payable to any soldier certified as an ARCYBER Master will not exceed $500.
150412. 14th Missile Defense Battery (MDB) AIP

On January 13, 2015, the Assistant Secretary of the Army (ASA) (M&RA) approved the payment of AIP to soldiers assigned to the 14th MDB at Kyogamisaki, Japan. The DA, ODCS G-1 on September 25, 2015, reauthorized the payment of AIP through September 30, 2016.

A. Eligibility

1. Soldiers must be permanently assigned to the 14th MDB at Kyogamisaki, Japan.

2. Soldiers must be in good standing and not be under UCMJ action at the time of approval and must remain in good standing throughout the AIP tour.

3. Soldiers must sign a written agreement acknowledging the limitations and restrictions as a condition to receive AIP.

B. Payment

The maximum monthly rate payable to soldiers serving in an approved assignment will not exceed $1,500. This amount will be adjusted if the request for Basic Allowance for Subsistence II (see Chapter 25, paragraphs 250201.B.2 and 250202.B.2) is approved for enlisted soldiers, and/or the soldiers are furnished meals or rations at no charge from an appropriated fund dining facility or are subsisted at no charge on behalf of the Government.

C. Restrictions. The following restrictions apply:

1. Soldiers are not authorized to receive more than one AIP simultaneously for the same period of service. If the soldier is eligible for more than one AIP, he or she will receive the higher of these AIPs.

2. RC members are not authorized AIP for assignments at their permanent duty stations.

D. Termination

1. The 14th MDB will terminate once the life support area is established or soldiers are being subsisted by or on behalf of the Government.

2. The 14th MDB AIP program is subject to annual budget constraints; therefore, no new agreements will be entered into after September 30, 2016, without Army G-1 reauthorization of the program.
AIR FORCE AIP PROGRAMS

*150501. KAIP

On April 27, 2004, the Air Force was authorized AIP Korea assignment program. On June 30, 2008, the Principal Deputy Under Secretary of Defense (PDUSD) Personnel and Readiness (P&R) provided permanent approval of this program and on April 6, 2009, the Under Secretary of Defense (USD) P&R modified the eligibility requirements based on tour length changes for Korea. All changes are subject to congressional reauthorization of Title 37 United States Code (U.S.C.), section 307a or the Secretary of Defense implementation of 37 U.S.C. § 352.

A. Secretary of the Air Force (SAF) Memorandum, dated October 20, 2015. The SAF authorized KAIP through December 31, 2017. In accordance with the Department of Defense Instruction 1340.26, February 26, 2013, AIP, and subject to the availability of appropriated funds, enlisted and officer personnel will be able to receive KAIP. Members will continue to receive their AIP payments until the end-date specified in their agreements or their departure from Korea.

1. Airmen who are:
   a. Selected for a 12-month unaccompanied tour who agrees to serve either, an additional 12 or 24-month unaccompanied tour, will receive $300.00 per month regardless of rank or Air Force Specialty Code (AFSC).
   b. Offered and have accepted a Command Sponsorship Program billet who elects, to serve the 36-month accompanied tour, will receive $300.00 per month regardless of rank or AFSC.

2. The AIP will be stopped upon termination of the contract or curtailment of the agreed tour of duty for any reason, either voluntary or involuntary. The entitlement to AIP will be terminated if the member is determined to be Absent Without Leave or enters confinement.

3. Airmen who elect AIP for Korea will not be eligible for Home basing, Follow-on Assignment, or concurrent Overseas Tour Extension Incentive Program or In-Place Consecutive Overseas Tour.

B. USD (P&R) Memorandum dated April 6, 2009. The memorandum establishes three categories of assignments applicable for AIP payments. All categories require a written agreement by the member. The categories are:

1. Members who volunteer for a 36-month initial assignment to Pyeongtaek, Osan, Daegu, Chinhae, or Seoul may be paid $300 per month in AIP, to be paid on a monthly basis, upon commencement of the assignment.
2. Members who volunteer for a 24-month initial assignment to Uijongbu or Dongducheon may be paid $300 per month in AIP, to be paid on a monthly basis, upon commencement of the assignment.

3. Members who accept an initial tour to Korea in any location and later elect to extend their assignment length for 12 or 24 months may be paid $300 per month, to be paid on a monthly basis, upon commencement of the tour with an extension agreement, or entering the extension, whichever is earlier.

C. Restrictions. No agreements will be entered into after December 31, 2017. At any time during the authorized period, the SAF (M&RA) may terminate the KAIP program if it is no longer required.

*150502. 724th Special Tactics Group Incentive Program

On December 30, 2011, the SAF established this program with a monthly payment of $1,000 being authorized to eligible personnel. The program terminated on September 30, 2012, and reestablished on October 17, 2012. Any payments made for the period October 1 through October 16, 2012 are considered invalid. Effective December 22, 2014, the SAF reauthorized the program through December 31, 2020, subject to Congressional reauthorization of 37 U.S.C. § 307a.

A. Eligibility

Enlisted SMU members are eligible for this program.

B. Payment

1. SMU Operators who have a cumulative assignment time of less than 48 months will be paid $750 per month.

2. SMU Operators who have a cumulative assignment time of 48 months or more will be paid $1,000 per month.

150503. Air Force Remote Piloted Aircraft (RPA) - Aviation Incentive Pay (AVIP)

See chapter 22, section 2205.

150504. Air Force RPA Career Enlisted AVIP

See chapter 22, section 2206.
150505. Headquarters Air Force Special Operations Command (AFSOC), BP0VFX3H, Program

On September 4, 2014, the SAF established an AIP program for enlisted and officers when assigned to the AFSOC unit designated by Personal Accounting Symbol (PAS) code BP0VFX3H. On October 31, 2014, the SAF authorized the program for a period of 5 years ending September 3, 2019, subject to Congressional reauthorization of 37 U.S.C. § 307a.

A. Eligibility Requirements

1. Officers and enlisted members must be assigned to operator positions within the PAS code BP0VFX3H.

2. Members must have successfully completed the unit’s required operator training and certification.

B. Payment. Eligible personnel will be paid:

1. $750 per month for personnel who have a post-training cumulative unit assignment time of less than 36 months; or

2. $1,000 per month for personnel who have a post-training cumulative unit assignment time of 36 months or more.

150506. Intercontinental Ballistic Missile Field Operations Program

On September 29, 2014, the SAF established an AIP program for officers assigned to Minot Air Force Base (AFB), Malmstrom AFB, or F.E. Warren AFB during the period of October 1, 2014 through December 31, 2014. On December 22, 2014, the SAF reauthorized the program effective October 1, 2014, and subject to Congressional reauthorization of 37 U.S.C. § 307a, extended this program through December 31, 2017.

A. Eligibility Requirements

1. Missile and Nuclear Operations (13N), Missile Maintenance (21M), and Security Forces (31P) officers who are qualified to perform nuclear position duties are eligible.

2. Officers will be assigned to qualifying positions at Minot AFB, Malmstrom AFB, or F.E. Warren AFB and regularly perform duties in missile fields at these locations.

3. “Regular performance of duties” that requires dispatch on orders to a missile field for a minimum number of hours within a 90-day calendar quarter (example: 210 hours out of a 90-day period). This pay is not intended for those who go to the missile field sporadically.
B. **Payment.** An officer meeting the requirements will receive $300 per month. The unit commander will sign the AIP roster certifying the officer has met all the requirements.

*150507. Kingsley Field, Klamath Falls, Oregon

A. All Active Duty enlisted Airmen and Company Grade Officers assigned to the 173rd Fighter Wing, Kingsley Field, Klamath Falls, Oregon effective July 18, 2016 are eligible for monthly AIP.

B. Members who meet the eligibility provisions outlined in 150507.A, will be authorized $400 AIP per month or a portion of, as applicable, by the member’s duty status effective or termination date. When the member has met all eligibility requirements per the unit commander eligibility memorandum, the first day of eligibility is the effective date of the AIP.

C. AIP shall be terminated immediately if the member is Absent Without Leave, placed in confinement, or removed from field duties by the commander for cause. Also, for Officers effective the day prior to promotion to the grade of Major. The effective date of termination is the last day the airman met the requirements before removal.

D. AIP shall terminate upon Permanent Change of Station, to a location other than the 173rd Fighter Wing, Kingsley Field, Klamath Falls, Oregon or upon starting permissive leave in conjunction with terminal leave status.

E. This program is approved through January 1, 2018 (subject to annual congressional approval of the pay authority, 37 U.S.C. § 307a). No AIP shall be initially awarded (initial eligibility start date) after this date unless the program is officially extended/authorized beyond this date by an appropriate approving authority.

*1506 MARINE CORPS AIP FOR SMU OPERATORS

*150601. General

AIP for SMU Operators was established for Marine Corps personnel on November 28, 2007. After multiple reauthorizations of the program, the Navy reauthorized the program effective December 16, 2014 through December 31, 2015. On December 11, 2015, the ASN reauthorized the program through December 31, 2016.

150602. Payment

A. Qualified SMU operators with less than 3 years of SMU service are eligible to receive a flat-rate AIP of $750 per month.

B. Qualified SMU operators with more than 3 years of SMU service are eligible to receive $1,000 per month for each month after completing qualification requirements. Marines will serve in their SMU billets for 12- to 48-month periods while in receipt of this AIP.
AIP PROGRAMS FOR INVOLUNTARY EXTENSIONS IN AFGHANISTAN OR CERTAIN THEATER UNITS

The AIP program for involuntary extensions beyond 12-months Boots on the Ground (BoG) in Iraq, Afghanistan, or certain theater units entitled qualified members to $800 per month in AIP. There are four independent qualifying effective dates with criteria as follows:

150701. January 20, 2004 PDUSD (P&R) Memo

On January 20, 2004, AIP was authorized for members assigned or attached to specified units identified by the Combatant Commander as having been required to remain in Iraq beyond the normal 12-month rotation return date. Additionally, the individual member must have been deployed to Iraq (including staging time in Kuwait) and/or Afghanistan for 12 months within a 15-month period (365 days out of 450 days). (The authority issued on January 20, 2004, was rescinded, but replaced by the policy issued on April 12, 2004, by memorandum with no material change).

150702. April 22, 2004 PDUSD (P&R) Memo

On April 22, 2004, AIP was authorized for members assigned to theater units not based in Iraq, who routinely conduct operations in Iraq or support units that conduct operations in Iraq. The only qualifying units are those specified by the Combatant Commander as having been involuntarily extended beyond the normal 12-month rotation return date. Additionally, the individual member must have been deployed to Iraq (including staging time in Kuwait) and/or Afghanistan and/or the location of the unit for 12 months within a 15-month period (365 days out of 450 days).

150703. June 24, 2005 PDUSD (P&R) Memo

On June 24, 2005, continued payment of AIP in effect under the April 12 and April 22, 2004 memoranda for members in units involuntarily extended beyond 12-months BoG in Iraq was authorized. The program was also expanded to include Afghanistan and any individual member involuntarily extended beyond 12-months BoG in Iraq, Afghanistan or in certain theater units (units that routinely conduct operations or support units that conduct operations in Iraq or in Afghanistan, but are not based in those countries). The authority issued on June 24, 2005, rescinded the April 12th and 22nd, 2004 memoranda referenced in subparagraphs 150701 and 150702.

150704. November 13, 2008 PDUSD (P&R) Memo

On November 13, 2008, the PDUSD (P&R) authorized the payment of $1,000 for AIP effective on and after December 1, 2008. Members will be provided a written statement specifying the period of the approved involuntary extension for which the AIP will be paid.
150705. Payment Exception

Payment will not be prorated for partial months, but rather will be paid in full for any partial month of qualification. This is an exception to the usual practice of prorating AIP.

1508 AIP IN LIEU OF POST-DEPLOYMENT MOBILIZATION RESPITE ABSENCE (PDMRA) PROGRAM

The Secretary of Defense directed on January 19, 2007 that a program be established to recognize members who mobilize or deploy more frequently than established rotation policy goals. The PDMRA program was established to allow a member to earn days of administrative absence, not chargeable to the member’s accrued leave account, dependent on the length of time the member deployed beyond the rotation policy goals. The program also allows members to receive monetary compensation in lieu of administrative absence days in certain situations.

150801. May 24, 2007 Under Secretary of Defense (USD) Memorandum

The USD (P&R) authorized the Secretary concerned to offer the option of payment of AIP in lieu of taking administrative absence under the PDMRA program in certain situations. RC members (as described in paragraph 150801.A) may elect to receive AIP for PDMRA days earned instead of taking the administrative absence. The programs are not effective until the Services publish their implementation instructions.

A. Eligible Members. RC members who are also federal, state, or local government civilian employees and precluded by law from being paid by two entities for simultaneously serving in a RC status and in their civilian government jobs may elect the payment of AIP instead of taking administrative absence.

B. Requirement. The member must elect to receive the AIP instead of the PDMRA administrative absence days before the PDMRA days are earned.

C. Payment. Members electing to be paid the AIP will receive $200 for each PDMRA day earned. Members are not authorized to be paid for any PDMRA days earned before an election is made.

D. Restrictions

1. Payment of the AIP will not exceed the monthly limit of $1,500; and

2. The PDMRA payment benefit is not eligible for combat zone tax exclusion (CZTE).

E. Service Instructions. Effective dates for the implementation are:

1. Marine Corps: July 27, 2007;
2. Navy: August 2, 2007;
3. Army: August 7, 2007; and

150802. Authority

Public Law 111-84, section 604, dated October 28, 2009, authorized the Secretary of Defense to prescribe regulations allowing the Secretary concerned to provide current and former members with payment for administrative absence days earned under the PDMRA program during the period January 19, 2007 through the date the Service implemented their respective PDMRA program. The USD (P&R) issued guidance on February 1, 2010, authorizing the Secretary concerned to issue implementing guidance. The discretionary authority to pay this benefit expires on October 28, 2010.

A. Eligible members

1. Former members who were discharged or released from the Armed Forces under honorable conditions are eligible.

2. Current active and RC members who, during the period described in paragraph 150802, qualified for PDMRA days.

B. Payment

1. Former members may receive $200 for each PDMRA day earned.

2. Current members who, during the period of January 19, 2007, through the date the member’s service implemented the PDMRA benefits as stated in subparagraph 150801.E, would have earned PDMRA days and may receive either one day of administrative absence for each PDMRA day earned or paid not to exceed $200 per day during that time frame as directed by the Secretary concerned.

3. Payment may be paid in a lump sum or installments, at the election of the Secretary concerned.

C. Restrictions

1. Payment of the AIP will not exceed the monthly limit of $1,500.

2. The PDMRA payment benefit is not eligible for combat zone tax exclusion.
150803. Qualifying Deployments and Mobilizations on or after January 19, 2007

The following is the program guidance for qualifying deployment and mobilizations on or after January 19, 2007, but before October 1, 2011:

A. Frequency Thresholds

1. Active Component (AC) members deployed in excess of 12 months during the most recent 36-month period qualify for PDMRA.

2. RC members mobilized in excess of 12 months during the most recent 72-month period qualify for PDMRA.

B. Creditable Time

1. Creditable time for AC members includes the day of the member’s arrival at the deployed location through departure of BoG.

2. Creditable time for RC members includes mobilizations under 10 U.S.C. § 12301(a), § 12302, or § 12304. Mobilization for this purpose includes the day the member is mobilized through the date the mobilization is terminated.

3. The Secretary concerned may include other deployments or mobilizations in conjunction with an expanded program for the Service concerned.

4. For AC members, computation of creditable time commences 36 months prior to the member’s deployment and continues during the deployment.

5. For RC members, computation of creditable time commences 72 months prior to the member’s mobilization and continues during the deployment.

6. The Secretary concerned will establish policy on the crediting of time when court-martial or other adverse administrative actions have been initiated.

7. PDMRA days are authorized for each month or portion of a month that a member is deployed (AC) or mobilized (RC) beyond the frequency thresholds at subparagraph 150803.A. The number of PDMRA days awarded to AC and RC members are:

   a. One day of administrative absence per month in excess of 12 months during the qualifying period;

   b. Two days of administrative absence per month in excess of 18 months during the qualifying period; or

   c. Four days of administrative absence per month in excess of 24 months during the qualifying period.
8. The Secretary concerned may develop supplementary tables, including other non-monetary recognition programs, delivering comparable or greater benefits to members meeting the frequency thresholds at subparagraph 150803.A.

9. RC members must be on active duty during the days they take their earned PDMRA days.

C. Payment

1. Under current law, RC members who are also Federal, State, or local government civilian employees are not permitted to receive their civilian pay on the same days they are serving on active duty. Affected members may elect to receive AIP at $200 for each day of absence that otherwise would have been authorized, not to exceed $1,500 monthly, in lieu of being awarded administrative absence days.

2. There is no option to cash in administrative absence days already earned. The AIP election must be made by the affected RC member prior to the days being earned.

150804. Qualifying Deployments and Mobilizations on or after October 1, 2011

The following is Program Guidance for Qualifying Deployments and Mobilizations on or after October 1, 2011, including that portion of an ongoing Deployment or Mobilization that occurs on or after October 1, 2011.

A. Deployment and Mobilization Frequency Requirements and/or Thresholds

1. AC members who, on the first day of their current deployment, had deployed in excess of 12 months out of the previous 36 months, and who meet the other eligibility criteria contained in this section, qualify for PDMRA days.

2. RC members who, on the first day of their current qualifying mobilization, had been mobilized pursuant to 10 U.S.C. § 12301(a), § 12302, or § 12304 in excess of 12 months out of the previous 72 months, and who meet the other eligibility criteria contained in this section, qualify for PDMRA days. The 12-month qualifying period may include service pursuant to section 10 U.S.C. § 12301(d) when designated by the Secretary concerned.

3. The Secretary concerned may utilize the deployment-to-dwell ratio of 1:2 for AC members or mobilization-to-dwell ratio of 1:5 for RC members as the qualifying threshold for providing PDMRA benefits, as opposed to the requirements contained in paragraphs 150803.A and 150803.B.
B. Two Days PDMRA Accrual Conditions

1. AC Service members accrue 2 administrative absence days per month when the deployment threshold established in paragraph 150804.A is exceeded, and the AC member is:

   a. Deployed to Iraq or Afghanistan; or
   
   b. Deployed to a CZTE area when the area has been designated as a 2-day per month PDMRA accrual location by the Secretary concerned.

2. RC Service members accrue 2 administrative absence days per month when the mobilization threshold established in paragraph 150804.A is exceeded, and the RC member is serving:

   a. In Iraq or Afghanistan pursuant to 10 U.S.C. § 12301(a), § 12302, or § 12304;
   
   b. In Iraq or Afghanistan pursuant to 10 U.S.C § 12301(d) when designated by the Secretary concerned; or
   
   c. In a CZTE area under the authority of 10 U.S.C. § 12301(a), § 12301(d), § 12302, or § 12304 when the CZTE area has been designated as a 2-day per month PDMRA accrual location by the Secretary concerned.

C. One Day PDMRA Accrual Conditions

1. AC members accrue 1 administrative absence day per month when the deployment threshold established in paragraph 150804.A is exceeded for deployments to a qualifying CZTE area when the CZTE area has been designated as a 1-day per month PDMRA accrual location by the Secretary concerned.

2. RC members accrue 1 administrative absence day per month when the mobilization threshold established in paragraph 150804.A is exceeded, and the RC member is serving:

   a. Outside of the United States pursuant to 10 U.S.C. § 12301(a), § 12302, or § 12304;
   
   b. Outside of the United States pursuant to 10 U.S.C. § 12301(d) when designated by the Secretary concerned; or
   
   c. In a CZTE area pursuant to 10 U.S.C. § 12301(d) when the CZTE area has been designated as a 1-day per month PDMRA accrual location by the Secretary concerned.
D. PDMRA Accrual Conditions

1. Service members, at a minimum, must meet PDMRA eligibility criteria contained in paragraph 150803 and 150804 for 30 consecutive days in order to begin accruing PDMRA days. Upon meeting the minimum 30 consecutive day requirement:

   a. PDMRA accrual for AC members includes the day that the member arrives at the deployed location through the day that the member redeploys.

   b. PDMRA accrual for RC members includes the day that the member is ordered to duty pursuant to 10 U.S.C. § 12301(a), § 12302, or § 12304 through the date that the member’s service is terminated under that same authority.

2. When designated as qualifying for PDMRA by the Secretary concerned pursuant to subparagraphs 150804.B.2.b, 150804.B.2.c, 150804.C.2.a, or 150804.C.2.b, include the day that the member enters service pursuant to 10 U.S.C. § 12301(d) through the date that the member’s service is terminated under that same authority.

E. Extensions of Mobilization Orders to Utilize Accrued PDMRA Days. The Secretary concerned may extend the mobilization orders of RC Service members, within statutory limitations, to allow these members to utilize PDMRA days accrued during the mobilization. RC members do not accrue PDMRA days during the time that mobilization orders are extended for the purpose of utilizing PDMRA days.

F. Election of Payment for PDMRA Days

1. Under current law, RC members who are also Federal, State, or local government civilian employees are not permitted to receive their civilian pay while on active duty utilizing accrued PDMRA days.

2. To resolve this pay restriction, the Secretary concerned may offer such RC members a special PDMRA payment which permits such members to elect to receive AIP pursuant to 37 U.S.C. § 307a, in lieu of being awarded PDMRA administrative absence days.

3. If this option is offered, the AIP election must be made by the RC Service member prior to the PDMRA days being earned. The AIP would be valued at a rate of $200 for each day of administrative absence that otherwise would have been authorized under the PDMRA program, not to exceed the statutory $1,500 monthly maximum limit of AIP payable to an individual member under 10 U.S.C. § 307. This option may NOT be used to cash in administrative absence days already earned.

G. Crediting PDMRA Time. The Secretary concerned will establish policy on crediting PDMRA time when court-martial or other adverse administrative actions have been initiated.
H. RC Use of Administrative Absence Days. RC members must be serving pursuant 10 U.S.C. § 12301(a), § 12301(d), § 12302, or § 12304 in order to utilize the administrative absence days accrued under the PDMRA Program.

150805. Public Law 112-120, dated May 25, 2012

A. Public Law 112-120 clarified the entitlement to PDMRA days for RC members. The law allows for the Secretary of Defense to determine that provisions of entitlement outlined in Department of Defense Instruction 1327.06 will not apply to RC members whose qualified mobilization commenced before October 1, 2011 and continued on and after that date until the date the mobilization terminated.

B. The USD (P&R) issued implementation guidance for Public Law 112-120 on July 11, 2012. The guidance stipulated that:

1. Each Military Department Secretary will publish implementing guidance and establish an application process to allow qualifying current and former RC members to apply for benefits authorized by Public Law 112-120.

2. Benefits are only authorized for RC members who deployed outside the CONUS and whose qualified mobilization commenced before October 1, 2011.

3. Each military Department Secretary will provide qualifying applicants with a PDMRA day, or a payment of $200 for each PDMRA day that the individual would have qualified for had the October 1, 2011 guidance changes not applied to the individual.

4. Each Military Department’s application for benefits will require qualifying RC members to elect to receive either PDMRA day or payment of $200 for each qualifying PDMRA day. The application will caution members who are no longer mobilized in a status where they can use the PDMRA days and elect PDMRA days in lieu of payment that:
   a. The PDMRA days will be banked and cannot be used until the next qualifying period of service, and
   b. Banked PDMRA days will be lost if the member is separated from the military prior to using the PDMRA days. Banked PDMRA days cannot be subsequently sold.

5. Qualifying former RC members will only receive $200 per day for each PDMRA day.

6. Former RC members who were discharged or released from the Armed Forces under other than honorable conditions are not eligible for benefits.

7. Each Military Department Secretary may elect to pay qualifying individuals a lump sum payment or installments.
8. The authority to provided benefits under Public Law 112-120 expires on October 1, 2014. This expiration does not affect PDMRA days earned prior to but used or paid for after October 1, 2014. The member must have elected the payment option before October 1, 2014.


A. Public Law 112-239 allows for the payment of $200 per day to individuals who were eligible to participate as a member of the Armed Forces in the PDMRA program, but who did not participate in 1 or more days in the program due to Government error. Those individuals must apply for payment of PDMRA days with an application for the correction of their military records pursuant to 10 U.S.C. § 1552, or other process as prescribed by the Secretary concerned.

B. A claim for a deceased individual, who would have been authorized to apply for the payment of $200 in subparagraph 150806.A, may be submitted by the deceased individual’s legal representative. Payment for a deceased member will be made pursuant to 10 U.S.C. § 1552 (c)(2), or other process as determined by the Secretary concerned.
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VOLUME 7A, CHAPTER 17: “SPECIAL PAY – HARDSHIP DUTY”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by **bold, italic, blue, and underlined font**.

The previous version dated January 2016 is archived.

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CHAPTER 17

SPECIAL PAY – HARDSHIP DUTY

1701 GENERAL

170101. Purpose

This chapter prescribes the policy for Hardship Duty Pay (HDP). HDP is payable to members entitled to basic pay, at a monthly rate not to exceed $1,500 while the member is performing duty designated by the Secretary of Defense (SecDef) as hardship duty. Except for the Mission Assignment Entitlement outlined in paragraph 170201, the provisions of Chapter 1, paragraph 010302, pertaining to the payment of monthly pay, applies to this entitlement. The SecDef established Service members will receive HDP, for performing a designated hardship mission, when assigned to a designated location, or when mobilized/deployed in an operational environment for periods which exceed rotational norms. This chapter contains approved HDP mission, locations, and Service Tempos with the applicable HDP rates. HDP rates are payable in addition to all other pays and allowances, except as noted under section 1704, Restrictions on Payment.

170102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

1702 ENTITLEMENT

170201. Mission Assignment Entitlement

Hardship Duty Pay for Mission Assignment (HDP-M) is payable to members, both officer and enlisted, for performing designated hardship missions. HDP-M is payable at the full monthly rate, without prorating or reduction, for each month, during any part of which, the member performs a specified mission.

A. Active and Reserve Component members, who qualify, at any time during a month, will receive the full amount of HDP-M, regardless of the period of time on active duty or the number of days they receive basic pay during the month.

B. A member assigned to, on temporary duty with, or otherwise under the operational control of the Defense Prisoner of War/Missing Personnel Office, the Joint Task Force-Full Accounting, or the Central Identification Lab-Hawaii, may qualify for HDP-M based on performance of a hardship mission.

C. Eligible members are entitled to receive HDP-M for each month in which they perform investigative or remains recovery duty in a remote, isolated area (including, but not limited to, areas in Laos, Cambodia, Vietnam, and North Korea) in the recovery of U.S. Service member remains.
170202. Location Assignment Entitlement

Hardship Duty Pay for Location Assignment (HDP-L) is payable to members for either permanent change of station duty or temporarydeployed/attached duty of over 30 days duration in specified locations. This entitlement is payable to both officers and enlisted members when assigned for duty in the locations designated in Figure 17-1, under the conditions set forth in Table 17-1.

170203. Tempo Assignment Entitlement

A. Mobilized or deployed members who are required to perform duties in an operational environment for periods which exceed rotation norms (e.g., voluntary or involuntary rotations that are often, or that involve extensions beyond established goals), are authorized to receive payment for Hardship Duty Pay for Tempo (HDP-T). The SecDef and Secretaries of the Military Services establish guidance for rotation norms.

B. Payment of HDP-T was effective September 17, 2014 and terminates on October 1, 2016.

C. Only consecutive days in an operational deployment, as defined in Office of the Under Secretary of Defense (Personnel and Readiness) (OUSD (P&R) Memorandum, “OUSD (P&R) Deployment-to-Dwell, Mobilization-to-Dwell Policy Revision, November 1, 2013) will count towards accumulation of days for HDP-T.

1703 RATES PAYABLE

170301. Mission Assignment Rate

HDP-M is payable to all members at the rate of $150 per month.

170302. Location Assignment Rates

HDP-L is payable to all members at the rates shown in Figure 17-1.

170303. Tempo Assignment Rate

A. The Navy received approval to pay officers and enlisted members HDP-T at the monthly rate of $495 for Sailors and Marines when deployed beyond the 220th day of a consecutive operational deployment. Sailors and Marines will receive a prorated HDP-T based on the number of days in the month that they are eligible, subject to the provisions of Chapter 1, paragraph 010302.

B. Payment for HDP-T may commence on September 17, 2014, but members who are on a qualifying operational deployment/mobilization on September 17, may count the consecutive number of days of deployment/mobilization prior to September 17 for the purpose of being eligible for the payment of HDP-T.
170304. Concurrent Payments

A member is authorized concurrent payment of HDP-M, HDP-L, and HDP-T during any 1 month, provided the amount does not exceed the monthly statutory maximum rate of $1,500 for HDP.

1704 RESTRICIONS ON PAYMENT

170401. General Restrictions

A. The legal maximum total of HDP-M, HDP-L, and HDP-T a member may receive in any 1 month is $1,500.

B. The maximum total HDP-M a member may receive in any 1 month is $150.

C. The maximum total HDP-L a member may receive in any 1 month is $150.

D. The maximum total of HDP-T a member may receive in any 1 month is $495.

E. As of February 1, 2007, if a member in receipt of Hostile Fire Pay (HFP) and/or Imminent Danger Pay (IDP), then the maximum amount of HDP-L is $100. The total entitlement of HDP-L plus HFP/IDP in any 1 month may not exceed $325.

170402. HDP-L Ending Dates

HDP-L entitlement ends:

A. On the day the member departs the station as a result of permanent change of station reassignment; or

B. On the last day of the effective period as stated in Figure 17-1; or

C. On the day specified in Table 17-1 for specific situations.
Figure 17-1. Hardship Duty Location Pay Areas

<table>
<thead>
<tr>
<th>Designated Location</th>
<th>Monthly Rates</th>
<th>Effective Dates</th>
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<td>Afghanistan</td>
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<tr>
<td>Annette Island</td>
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<tr>
<td>Area above 66°33’N latitude</td>
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<td>January 1, 2001</td>
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<td>Clear</td>
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<td>$150</td>
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<td>Eareckson AS</td>
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<tr>
<td>Fort Greely</td>
<td>$150</td>
<td>October 1, 2002</td>
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<td>Unalaska</td>
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<tr>
<td>Other</td>
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<td>Albania</td>
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<td>Algeria</td>
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<td>American Samoa</td>
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<td>Angola</td>
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<td>Antarctic Region (below 60° S latitude)</td>
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<td>Antigua AS</td>
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<td>Santa Cruz</td>
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### Figure 17-1. Hardship Duty Location Pay Areas (Continued)

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<td>Fortaleza, Ceara; Recife, Pernambuco: and the states of Amazonas, Goias, Maranhao, Mato, Grosso, Mato Grosso do Sul, Para, Piaui, Rondonia, &amp; Roraima</td>
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<td>Burkina Faso</td>
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<td><strong>China:</strong></td>
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<td>Congo, Democratic Republic of (formerly Zaire)</td>
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**Figure 17-1. Hardship Duty Location Pay Areas (Continued)**

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<th>Designated Location</th>
<th>Monthly Rates</th>
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<td>Cote D’Ivoire</td>
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<td>January 1, 2001</td>
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<td>Cuba:</td>
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<td>Other</td>
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Figure 17-1. Hardship Duty Location Pay Areas (Continued)

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<th>Through</th>
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### Figure 17-1. Hardship Duty Location Pay Areas (Continued)

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Figure 17-1. Hardship Duty Location Pay Areas (Continued)

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*Figure 17-1. Hardship Duty Location Pay Areas (Continued)*

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<tr>
<td>Other</td>
<td>$150</td>
<td>September 1, 2007</td>
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<td></td>
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</tbody>
</table>

**NOTES:**

1. All members on qualifying duty at places within the listed country, state, or region are entitled to HDP-L. Only land areas are designated for hardship duty, except that any installations located on an ice shelf inside the Antarctic or Arctic Circle Regions are also included in the designation for that area.

2. The special pay is currently payable when ending date is not shown in “Through” column.

3. The HDP-L monthly entitlement decreases to a maximum payment of $100 when Service members are authorized a concurrent payment of $225 for Hostile Fire Pay/Imminent Danger Pay. See paragraph 170401.E.
Table 17-1. Hardship Duty Location Pay - Conditions of Entitlement

<table>
<thead>
<tr>
<th>R U L E</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>then hardship duty location pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>is assigned to permanent duty in a location listed in Figure 17-1 as a hardship duty area and</td>
<td>reports permanent change of station (PCS) to the area</td>
<td>starts on day of arrival for duty (note 1).</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>leaves the area permanently</td>
<td></td>
<td>continues through day of departure (note 2).</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>is discharged and immediately re-enlists at the same duty station</td>
<td></td>
<td>continues to accrue.</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>is on authorized leave and remains within the area</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>is also entitled to payment of HFP/IDP during the same month</td>
<td></td>
<td>is limited to a maximum entitlement of $100 for that month effective February 15, 2007.</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>official status is accompanied</td>
<td>leaves the area temporarily to perform more than 30 days of operational flight duty, temporary duty/temporary additional duty (TDY/TAD), or for hospitalization in one or more HDP-L areas</td>
<td>accrues at the higher area rate during the temporary assignment until return to the permanent duty station (PDS) (note 3).</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>official status is unaccompanied</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>official status is accompanied</td>
<td>leaves the area temporarily for reasons other than to perform more than 30 days of operational flight duty, TDY/TAD, or for hospitalization in one or more HDP-L areas</td>
<td>continues to accrue.</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>official status is unaccompanied</td>
<td></td>
<td>continues for first 30 days.</td>
<td></td>
</tr>
<tr>
<td>Rule</td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>D</td>
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<tr>
<td>10</td>
<td>is not assigned to permanent duty in a location listed in Figure 17-1 as a hardship duty area</td>
<td>and</td>
<td>is on operational flight duty, TDY/TAD, or hospitalized in one or more HDP-L areas for a continuous period of more than 30 days (including date of arrival and date of departure)</td>
<td>accrues at the applicable area rate retroactive from the date of arrival (notes 1 and 4). Entitlement is limited to $100 when Hostile Fire Pay/Imminent Danger Pay is payable during the same month.</td>
</tr>
<tr>
<td>11</td>
<td>is entitled to hardship duty location pay for temporary assignment in an area listed in Figure 17-1</td>
<td>leaves the area temporarily to perform more than 30 days of operational flight duty, TDY/TAD, or for hospitalization in one or more HDP-L areas</td>
<td>accrues at the higher area rate during the first 30 days at the follow-on assignment and then continues at the follow-on area rate until return to the original temporary area or through day of departure, if not returning (notes 3 and 4).</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>is entitled to hardship duty location pay for temporary assignment in an area listed in Figure 17-1</td>
<td>leaves the area temporarily for reasons other than to perform more than 30 days of operational flight duty, TDY/TAD, or for hospitalization in one or more HDP-L areas</td>
<td>continues for first 30 days.</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>leaves the area permanently</td>
<td></td>
<td>continues through day of departure (note 2).</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>is otherwise entitled to hardship duty location pay for assignment in an area listed in Figure 17-1 as a hardship duty area</td>
<td>is in confinement awaiting trial by court-martial and is acquitted or has charges dismissed</td>
<td>accrues retroactive to first day of confinement.</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>is in confinement awaiting trial by court-martial and is convicted</td>
<td></td>
<td>does not accrue from first day of confinement through the day before the date restored to full duty (note 5).</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>is in confinement as result of court-martial sentence</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>
Table 17-1. Hardship Duty Location Pay - Conditions of Entitlement (Continued)

NOTES:
1. If already in a location when it is designated a hardship duty area, the day of designation starts pay for those on permanent duty. Absences from an HDP-L area of less than 24 hours do not break continuity. A member, on operational flight duty, temporary duty, or hospitalized in an area on the date it becomes designated for HDP-L, may count the number of consecutive days already served in that area immediately preceding the date of designation. Additionally, the member may count the number of consecutive days served in a different designated area or areas, if the member served in such area(s) immediately preceding arrival in the newly designated area. In any case, entitlement to payment for HDP-L cannot accrue for any area prior to the date it is designated.
2. Rule 3 applies when a medical evacuee has been reassigned on PCS from the designated area for medical treatment.
3. Any enroute TDY/TAD, travel time, or leave will accrue HDP-L at the PDS/prevailing area rate. HDP terminates if more than 30 days pass before a member (other than a member with accompanied status at an HDP-L PDS) reports for duty in another designated area.
4. If time from more than one designated area is combined to meet the 30 day qualifying criteria, pay the rate for the area at which the greatest time was earned during the first 30 days. After the first 30 days pay the applicable rate for the area in which duty is served, prorated if necessary.
5. Non-judicial punishment does not result in loss of hardship duty pay.
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170401.A 37 U.S.C. § 305

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Figure 17-1
Annexes

Afghanistan ASD (FM&P) Memo, December 21, 2000

Alaska ASD (FM&P) Memo, October 31, 2001

ASD (FM&P) Memo, July 1, 2002

ASD (FM&P) Memo, July 11, 2002

OUSD (P&R) Memo, July 28, 2008

OUSD (P&R) Memo, March 7, 2012

Albania ASD (FM&P) Memo, March 13, 2002

Algeria OUSD (P&R) Memo, August 29, 2007
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VOLUME 7A, CHAPTER 18: “SPECIAL PAY – CAREER SEA PAY (CSP)”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk symbol (*) preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated July 2014 is archived.

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CHAPTER 18

SPECIAL PAY – CAREER SEA PAY (CSP)

*1801 GENERAL

180101. Purpose

This chapter establishes policy pertaining to CSP and CSP-Premium (CSP-P).

180102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

1802 PROVISIONS

180201. Entitlement

A member who is entitled to basic pay is entitled to CSP and CSP-P while serving on sea duty under regulations prescribed by the Secretary concerned and the provisions of this chapter.

180202. Definitions

A. CSP. CSP is special pay for recognition of the greater than normal rigors of assignment to sea duty.

B. CSP-P. CSP-P is special pay that is in addition to CSP and is paid for unusually long periods of continuous sea duty. A member entitled to CSP who has served 36 consecutive months of sea duty is also entitled to CSP-P for the 37th consecutive month and each subsequent consecutive month of sea duty served.

C. Sea Duty. Sea duty, for the purpose of entitlement to CSP and CSP-P, is duty performed by a member under orders meeting one of the following conditions:

1. While permanently assigned for duty to a ship, ship-based staff, or ship-based aviation unit and serving in a ship with a primary mission that is accomplished underway (includes ships designated as destroyers or submarine tenders). Periods when the member is on temporary duty (TDY), on leave, hospitalized, or otherwise temporarily absent under orders, not to exceed the first 30 consecutive days of each occurrence, are also counted;

2. While temporarily assigned for duty to a ship, ship-based staff, or ship-based aviation unit and serving in a ship with a primary mission that is accomplished underway (includes ships designated as destroyers or submarine tenders);

3. While permanently or temporarily assigned for duty to a ship or ship-based staff and serving in a ship with a primary mission that is accomplished in port, but
only during that period while the ship is away from its homeport. A ship is considered to be away from its homeport whenever it is at sea or is in a port that is more than 50 miles from its homeport; or

4. While serving as a member of the off-crew of a two-crewed submarine.

D. **Cumulative Sea Duty (CSD).** CSD is the total time a member has been assigned to qualifying sea duty during their service career, regardless of pay grade. Additionally, it will include all time during which a member is assigned to a ship or ship-based staff and actually served in a ship with a primary mission that is accomplished in port, regardless of whether the ship is at sea or away from homeport.

E. **Ship.** Ship, for the purpose of entitlement to CSP and CSP-P, means a self-propelled vessel in an active status, in commission, or in-service.

1803 **CONDITIONS OF ENTITLEMENT**

180301. **General Conditions**

The general conditions of entitlement to CSP are listed in Table 18-1. Additionally, entitlement to and the rate of CSP is dependent upon the branch of service, pay grade, and total CSD applicable to the member. All members in pay grades E-1 through O-6 are eligible for payment of CSP, except commissioned officers of the Army and Air Force with 3 or less years of CSD and enlisted members of the Air Force in pay grades below E-4.

180302. **CSP-P Conditions**

The conditions of entitlement to CSP-P require the member to first be entitled to CSP. The CSP-P is in addition to CSP; however, for certain pay grades, it has been included in the CSP rate tables and is not payable as a separate item. When payable as a separate item, CSP-P accrues from the first day following the completion of the 36th month of consecutive sea duty and will be prorated if beginning on other than the first day of a calendar month. For example, a member beginning a period of sea duty on January 15, 2011 would accrue CSP-P beginning January 15, 2014. The CSP-P is payable for the 37th and each subsequent consecutive month of sea duty regardless of the member’s pay grade when the sea duty began, provided the member is concurrently entitled to CSP.

A. The following members of the Navy and Marine Corps may become entitled to CSP-P as a separate item of pay:

1. All officers in pay grades O-1 through O-6;
2. All warrant officers;
3. All enlisted members in pay grades E-1 through E-4; and
4. All enlisted members in pay grades E-5 through E-9 with not over 8 years of CSD.

B. The following members of the Army may become entitled to CSP-P as a separate item of pay:

1. All officers in pay grades O-1 through O-6; and
2. All enlisted members in pay grades E-1 through E-3.

C. The following members of the Air Force may become entitled to CSP-P as a separate item of pay:

1. All officers in pay grades O-1 through O-6;
2. All enlisted members in pay grade E-4; and
3. All enlisted members in pay grades E-5 through E-9 with not over 5 years of CSD.

D. Members not addressed in subparagraphs 180302.A, B, and C have CSP-P already included in their applicable CSP rate table or are otherwise not eligible to receive a separate CSP-P payment.

1804 RATES PAYABLE

180401. CSP

The Secretary concerned will prescribe the monthly rates for special pay applicable to members of each Military Service under the Secretary’s jurisdiction. The monthly rate may not exceed $750.

A. The monthly rates of CSP for members of the Army are in Table 18-2.

B. The monthly rates of CSP and CSP-P (for E-5 through E-9 with over 8 years of CSD) for members of the Navy and Marine Corps are listed in Table 18-3.

C. The monthly rates of CSP for members of the Air Force are listed in Table 18-4.

180402. CSP-P

The Secretary concerned will prescribe the monthly rate for CSP-P applicable to members of each Military Service under the Secretary’s jurisdiction. The monthly rate may not exceed $350.
1805 RESTRICTIONS

180501. Enroute and Transport Restrictions

Do not credit time for sea duty and do not pay CSP or CSP-P to members enroute to or from ships outside the Continental United States or onboard a ship for transportation, regardless of the length of the period. This restriction applies to the periods prior to a member reporting for permanent duty and after being permanently detached from duty onboard a ship.

180502. Midshipmen and Cadet Members

Do not credit time for sea duty and do not pay CSP or CSP-P to midshipmen, aviation cadets, or academy cadets.

180503. Navy and Marine Corps Members

Do not pay CSP-P to Navy and Marine Corps members entitled to CSP in Table 18-3 for duty if in pay grades E-5 through E-9 with over 8 years of CSD.

180504. Army Members

Do not pay CSP-P to Army members entitled to CSP in Table 18-2 for duty:

A. Between October 1, 2002 and June 30, 2003 if in pay grades E-5 through E-9; or

B. On or after July 1, 2003 if in pay grades E-4 through E-9 or W-1 through W-5.

180505. Air Force Members

Do not pay CSP-P to Air Force members entitled to CSP in Table 18-4 for duty if in pay grades E-5 through E-9 with over 5 years of CSD.
Table 18-1. CSP – Conditions of Entitlement

<table>
<thead>
<tr>
<th>RULE</th>
<th>When an eligible member</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>reports for permanent duty defined as sea duty</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>is serving on a ship whose primary mission is accomplished underway and in port</td>
<td></td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>starts on reporting date.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>member is onboard when ship departs from homeport</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>member reports onboard while ship is away from homeport</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>terminates on detachment date, provided member is otherwise entitled on that date.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>immediately reenlists onboard</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>continues to accrue, provided member is otherwise entitled.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>during the first 30 days member is in such status.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>during the first 30 days member is in such status, provided member is otherwise entitled and ship remains away from its homeport (note 2).</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>accrues for the first 30 days of leave if otherwise entitled. There is no accrual during terminal leave.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>the type of duty is TAD or TDY</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>accrues from reporting date through detachment date (note 3).</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 18-1. CSP – Conditions of Entitlement (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>When an eligible member is serving on a ship whose primary mission is accomplished underway in port and then CSP</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11 is based on or stationed ashore</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12 is suspended or otherwise removed from duty or confined awaiting trial by court-martial</td>
<td>X</td>
<td>X</td>
<td>is acquitted or charges are dismissed</td>
<td></td>
<td>accretes as indicated in rules 2 and 3, as applicable, and terminates when the ship returns to homeport or detachment date if ship remains away from homeport.</td>
</tr>
<tr>
<td>13</td>
<td>X</td>
<td>X</td>
<td>is convicted</td>
<td></td>
<td>does not accrue beginning first day of confinement, suspension, or removal from duty through day prior to date of return to duty (note 4).</td>
</tr>
<tr>
<td>14 is confined as a result of court-martial</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td>does not accrue beginning first day of confinement through day prior to date of release from confinement (note 4).</td>
</tr>
<tr>
<td>15 is permanently or temporarily assigned to duty on a ship which is undergoing alterations or repairs</td>
<td>X</td>
<td>X (note 5)</td>
<td>ship remains in an active status (in commission or in-service) (note 6)</td>
<td></td>
<td>continues to accrue.</td>
</tr>
</tbody>
</table>
Table 18-1. CSP – Conditions of Entitlement (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>16</td>
<td>is serving on a ship whose primary mission is accomplished underway in port and</td>
<td></td>
<td></td>
<td>then CSP stops when the ship reverts to inactive status.</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>is assigned to a Fleet Marine Force unit based on or stationed ashore</td>
<td>X</td>
<td></td>
<td>the type of duty is TAD or TDY</td>
<td>accrues from the embarkation date through the debarkation date (note 3).</td>
</tr>
</tbody>
</table>

NOTES:
1. “Temporarily based ashore” refers to a ship-based aviation unit or ship-based staff that has landed ashore with intent to return to a ship.
2. Entitlement terminates when the ship returns to the homeport.
3. Further TAD/TDY ashore from ship will not interrupt CSP entitlement for the first 30 days member is in such status, provided member is otherwise entitled and returns to the ship.
4. Where sentence is changed to restriction to ship and member performs duty, CSP is resumed. Nonjudicial punishment does not result in loss of CSP.
5. Entitlement accrues only when the ship is away from the homeport.
6. Chief of Naval Operations Instruction (OPNAVINST) 4700.8K series defines ship status assignments for United States Naval ships.
Table 18-2. Monthly CSP Rates – Army
Effective October 1, 2002

<table>
<thead>
<tr>
<th>Pay Grade</th>
<th>Cumulative Years of Sea Duty</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 or less</td>
<td>Over 1</td>
</tr>
<tr>
<td>O-6</td>
<td></td>
</tr>
<tr>
<td>O-5</td>
<td></td>
</tr>
<tr>
<td>O-4</td>
<td></td>
</tr>
<tr>
<td>O-3</td>
<td></td>
</tr>
<tr>
<td>O-2</td>
<td></td>
</tr>
<tr>
<td>O-1</td>
<td></td>
</tr>
<tr>
<td>W-5</td>
<td>210</td>
</tr>
<tr>
<td>W-4</td>
<td>210</td>
</tr>
<tr>
<td>W-3</td>
<td>210</td>
</tr>
<tr>
<td>W-2</td>
<td>210</td>
</tr>
<tr>
<td>W-1</td>
<td>182</td>
</tr>
<tr>
<td>E-9</td>
<td>130</td>
</tr>
<tr>
<td>E-8</td>
<td>130</td>
</tr>
<tr>
<td>E-7</td>
<td>130</td>
</tr>
<tr>
<td>E-6</td>
<td>130</td>
</tr>
<tr>
<td>E-5</td>
<td>65</td>
</tr>
<tr>
<td>E-4</td>
<td>65</td>
</tr>
<tr>
<td>E-3</td>
<td>50</td>
</tr>
<tr>
<td>E-2</td>
<td>50</td>
</tr>
<tr>
<td>E-1</td>
<td>50</td>
</tr>
</tbody>
</table>

NOTES:
1. Do not pay CSP-P to Army members entitled to CSP for duty between October 1, 2002 and June 30, 2003 if in pay grades E-5 through E-9.
2. Do not pay CSP-P to Army members entitled to CSP for duty on or after July 1, 2003 if in pay grades E-4 through E-9 or W-1 through W-5.
Table 18-2. Monthly CSP Rates – Army (Continued)
Effective October 1, 2002

<table>
<thead>
<tr>
<th>Pay Grade</th>
<th>Cumulative Years of Sea Duty</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Over 9</td>
</tr>
<tr>
<td>O-6</td>
<td>280</td>
</tr>
<tr>
<td>O-5</td>
<td>250</td>
</tr>
<tr>
<td>O-4</td>
<td>220</td>
</tr>
<tr>
<td>O-3</td>
<td>215</td>
</tr>
<tr>
<td>O-2</td>
<td>215</td>
</tr>
<tr>
<td>O-1</td>
<td>215</td>
</tr>
<tr>
<td>W-5</td>
<td>534</td>
</tr>
<tr>
<td>W-4</td>
<td>534</td>
</tr>
<tr>
<td>W-3</td>
<td>534</td>
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<tr>
<td>W-2</td>
<td>534</td>
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<tr>
<td>W-1</td>
<td>520</td>
</tr>
<tr>
<td>E-9</td>
<td>490</td>
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<tr>
<td>E-8</td>
<td>490</td>
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<td>E-7</td>
<td>490</td>
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<tr>
<td>E-6</td>
<td>445</td>
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<td>425</td>
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<td>E-4</td>
<td>308</td>
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<td>E-3</td>
<td>190</td>
</tr>
<tr>
<td>E-2</td>
<td>170</td>
</tr>
<tr>
<td>E-1</td>
<td>160</td>
</tr>
</tbody>
</table>

NOTES:
1. Do not pay CSP-P to Army members entitled to CSP for duty between October 1, 2002 and June 30, 2003 if in pay grades E-5 through E-9.
2. Do not pay CSP-P to Army members entitled to CSP for duty on or after July 1, 2003 if in pay grades E-4 through E-9 or W-1 through W-5.
Table 18-3. Monthly CSP and CSP-P – Navy and Marine Corps
Effective May 1, 2014

<table>
<thead>
<tr>
<th>Pay Grade</th>
<th>Cumulative Years of Sea Duty</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 or less</td>
</tr>
<tr>
<td>O-6</td>
<td>100</td>
</tr>
<tr>
<td>O-5</td>
<td>100</td>
</tr>
<tr>
<td>O-4</td>
<td>100</td>
</tr>
<tr>
<td>O-3</td>
<td>100</td>
</tr>
<tr>
<td>O-2</td>
<td>100</td>
</tr>
<tr>
<td>O-1</td>
<td>100</td>
</tr>
<tr>
<td>W-5</td>
<td>210</td>
</tr>
<tr>
<td>W-4</td>
<td>210</td>
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<td>180</td>
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<td>E-9</td>
<td>135</td>
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<td>E-8</td>
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</tr>
<tr>
<td>E-7</td>
<td>135</td>
</tr>
<tr>
<td>E-6</td>
<td>135</td>
</tr>
<tr>
<td>E-5</td>
<td>70</td>
</tr>
<tr>
<td>E-4</td>
<td>70</td>
</tr>
<tr>
<td>E-3</td>
<td>50</td>
</tr>
<tr>
<td>E-2</td>
<td>50</td>
</tr>
<tr>
<td>E-1</td>
<td>50</td>
</tr>
</tbody>
</table>

NOTE: CSP-P is $200 per month. Do not pay CSP-P to pay grades E5 through E9 with over 8 years of CSD. CSP-P is included in their CSP.
Table 18-3. Monthly CSP and CSP-P – Navy and Marine Corps (Continued)
Effective May 1, 2014

<table>
<thead>
<tr>
<th>Pay Grade</th>
<th>Cumulative Years of Sea Duty</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Over 9</td>
</tr>
<tr>
<td>O-6</td>
<td>494</td>
</tr>
<tr>
<td>O-5</td>
<td>438</td>
</tr>
<tr>
<td>O-4</td>
<td>388</td>
</tr>
<tr>
<td>O-3</td>
<td>375</td>
</tr>
<tr>
<td>O-2</td>
<td>375</td>
</tr>
<tr>
<td>O-1</td>
<td>375</td>
</tr>
<tr>
<td>W-5</td>
<td>544</td>
</tr>
<tr>
<td>W-4</td>
<td>544</td>
</tr>
<tr>
<td>W-3</td>
<td>544</td>
</tr>
<tr>
<td>W-2</td>
<td>544</td>
</tr>
<tr>
<td>W-1</td>
<td>525</td>
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<tr>
<td>E-9</td>
<td>700</td>
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<tr>
<td>E-8</td>
<td>700</td>
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<tr>
<td>E-7</td>
<td>700</td>
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<tr>
<td>E-6</td>
<td>656</td>
</tr>
<tr>
<td>E-5</td>
<td>638</td>
</tr>
<tr>
<td>E-4</td>
<td>488</td>
</tr>
<tr>
<td>E-3</td>
<td>125</td>
</tr>
<tr>
<td>E-2</td>
<td>94</td>
</tr>
<tr>
<td>E-1</td>
<td>63</td>
</tr>
</tbody>
</table>

**NOTE:** CSP-P is $200 per month. Do not pay CSP-P to pay grades E5 through E9 with over 8 years of CSD. CSP-P is included in their CSP.
Table 18-4. Monthly CSP Rates – Air Force (Continued)
Effective May 1, 1988

<table>
<thead>
<tr>
<th>Pay Grade</th>
<th>Cumulative Years of Sea Duty (See Note)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 or less</td>
</tr>
<tr>
<td>O-6</td>
<td></td>
</tr>
<tr>
<td>O-5</td>
<td></td>
</tr>
<tr>
<td>O-4</td>
<td></td>
</tr>
<tr>
<td>O-3</td>
<td></td>
</tr>
<tr>
<td>O-2</td>
<td></td>
</tr>
<tr>
<td>O-1</td>
<td></td>
</tr>
<tr>
<td>E-9</td>
<td>100</td>
</tr>
<tr>
<td>E-8</td>
<td>100</td>
</tr>
<tr>
<td>E-7</td>
<td>100</td>
</tr>
<tr>
<td>E-6</td>
<td>100</td>
</tr>
<tr>
<td>E-5</td>
<td>50</td>
</tr>
<tr>
<td>E-4</td>
<td>50</td>
</tr>
</tbody>
</table>

**NOTE:** Do not pay CSP-P to Air Force members entitled to CSP in Table 18-4 for duty if in pay grades E-5 through E-9 with over 5 years of CSD.
BIBLIOGRAPHY

CHAPTER 18 – SPECIAL PAY – CAREER SEA PAY (CSP)

1801 – GENERAL

180102  Title 37, United States Code (U.S.C.), section 305a(e)

1803 – RATES PAYABLE

180302  37 U.S.C. § 305a(c)

1804 – RESTRICTIONS

180401  37 U.S.C. § 305a(d)

Table 18-2  Assistant Secretary of the Army Manpower and Reserve Affairs Memo, September 20, 2002

Table 18-3  OPNAVINST 7220.14, December 24, 2005
Secretary of the Navy Memo, March 4, 2014
Office of the Assistant Secretary of the Navy Memo, April 11, 2014

Table 18-4  Public Law 100-180, section 621, December 4, 1987
VOLUME 7A, CHAPTER 19: “FOREIGN LANGUAGE PROFICIENCY BONUS”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated July 2016 is archived.

<table>
<thead>
<tr>
<th>PARAGRAPH</th>
<th>EXPLANATION OF CHANGE/REVISION</th>
<th>PURPOSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>Updated hyperlinks and formatting to comply with current administrative instructions.</td>
<td>Revision</td>
</tr>
<tr>
<td>190205</td>
<td>Added a note to reference the “Pay and Allowance Continuation Program” in accordance with Title 37, United States Code, section 372.</td>
<td>Addition</td>
</tr>
<tr>
<td>190305</td>
<td>Extended “Duration of Authority” to December 31, 2017.</td>
<td>Revision</td>
</tr>
<tr>
<td>Bibliography</td>
<td>Updated statutes and references.</td>
<td>Revision</td>
</tr>
</tbody>
</table>
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- **190205.** Amount and Method of Payment ......................... 5
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CHAPTER 19
FOREIGN LANGUAGE PROFICIENCY BONUS

1901 GENERAL

190101. Purpose

This chapter establishes policy pertaining to Foreign Language Proficiency Bonus (FLPB) for members of an Active Component (AC) or Reserve Component (RC) of the uniformed services.

190102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

1902 ENTITLEMENT

190201. General Provisions

A. The Secretary of the Military Department concerned will pay FLPB to a member of an AC or RC, that has been certified as proficient in one or more foreign languages, or dialects identified on the Department of Defense (DoD) Strategic Language List (SLL) in the Immediate and Emerging category (see Table 19-1, Payment Category A).

B. The Secretary may pay FLPB to a member of an AC or RC of the uniformed services who has been certified as proficient in one or more foreign languages or dialects:

1. Identified on the DoD or Service Secretary SLL in the Enduring category (Service Secretaries may choose to pay or not pay FLPB, see Table 19-1, Payment Category B); or

2. Not identified on the DoD SLL, but designated by the Secretary concerned as a foreign language or dialect for which proficient personnel are required to accomplish DoD Component specific missions (see Table 19-1, Payment Category B).

C. The Secretary may not vary the criteria or rates for the proficiency bonus paid for officers and enlisted members.

190202. AC Eligibility

A. The Secretary concerned will pay a FLPB to a member of an AC of the uniformed services who meets at least one of the following conditions:

1. Is qualified in a military career specialty requiring proficiency in a foreign language or dialect and is certified proficient in that foreign language or dialect;
2. Has received training, in accordance with regulations prescribed by the Secretary, designed to develop proficiency in a foreign language or dialect;

3. Is assigned to military duties requiring a proficiency in a foreign language or dialect for which the DoD or the Secretary concerned has identified a need; or

4. Is certified proficient in a foreign language or dialect in accordance with paragraph 190204 for which the DoD or the Secretary has identified a critical need.

B. The member must execute a written agreement with the Secretary concerned that specifies the:

1. Amount of FLPB awarded;

2. Period for which the FLPB will be paid;

3. Initial certification or recertification necessary for the FLPB payment; and

4. Repayment provision of the unearned portion of any remaining FLPB if the member does not satisfy the eligibility and certification requirements for the length of the written agreement.

C. The member must achieve a minimum of Interagency Language Roundtable (ILR) skill level 2/2 (ILR skill level 1/1 if authorized by the Secretary concerned) or higher in any two modalities on a DoD or Service Secretary SLL, Service-approved foreign language or dialect in order to receive FLPB, except as outlined in paragraphs 190206 and 190207.

190203. RC Eligibility

A. In order to receive FLPB in a similar fashion as a member of the AC, a member of the RC must:

1. Meet the eligibility certification requirements outlined in paragraph 190202, 190204, 190206, and 190207; and

2. Fulfill the minimum annual service requirements for retirement eligibility, as defined in Title 10, United States Code (U.S.C.), section 12732 unless waived by the Secretary of the Military Department concerned.

B. An RC member must earn a minimum of 50 retirement points, regardless of the RC source, in each full anniversary year to have that year creditable towards verification of the total years of qualifying service for non-regular retired pay and payment of FLPB.
1. A partial qualifying year is any period of less than 12 full months during which the RC member earns a prorated share of 50 retirement points and an identical prorated share (or smaller percentage of full FLPB annual payment) of FLPB.

2. An RC member who performs a partial qualifying year of less than 12 full months and earn less than 50 retirement points in a year will have their FLPB prorated at a value of 2 percent for each retirement point less than 50 points.

C. The total of FLPB paid to an RC member in good standing, and who has not been adjudicated as an unsatisfactory performer in the previous 12 months, must equal the annual FLPB paid to an AC member with the same certified language proficiency.

D. For RC members, the requirement to attain 50 points during a separation year is waived for a FLPB calculation if the member separates before 12 months in the anniversary year. The RC member will be paid the standard FLPB monthly allotment for months in good standing, with the last month prorated if separation occurs before the last day of the month. RC members in a separation year, which are no longer in good standing, will have their FLPB terminated in the month in which they fall from good standing. The exception to the 50-point standard in a separation year is an RC member who serves the entire anniversary year. The individual must earn 50 points to collect the last month of FLPB prior to separation.

190204. Certification

A. A member must be eligible and certified by the Secretary concerned as being proficient in a foreign language or dialect for which the bonus is offered.

B. The certification of a member’s foreign language or dialect proficiency will expire at the end of the 1-year period beginning on the first day of the first month after the certification date. A member must test annually in each foreign language or dialect in order to continue receiving FLPB, unless recertified under the conditions stipulated in paragraphs 190206 and 190207. The Secretary concerned may retest a member no earlier than 6 months from the last administration of a test in that foreign language or dialect unless the member has completed a significant language education or training event (at least 150 hours of immersion training or 6 consecutive weeks of 5-hour-a-day classroom training) in that foreign language or dialect.

C. A member must be certified as proficient in any combination of two of the three modalities (reading (R), listening (L), and speaking (S)) to receive FLPB, except as noted in Table 19-1, Note 2.

*190205. Amount and Method of Payment

A. The bonus rate of FLPB may not exceed $12,000 per 1-year certification period. The Secretary of the Military Department concerned may pay a bonus in monthly installments or a lump sum during the certification period.
B. The monthly rate will not exceed $500 per month for a single foreign language or dialect, or $1,000 per month for two or more foreign languages or dialects. The total annual FLPB amount may not exceed $12,000 for each 1-year period of certification.

C. To receive the maximum monthly bonus installment allowed in any payment category (A or B), a member must acquire 3/3/3 proficiency in all three modalities or achieve an ILR skill level 4/4 or above in any two modalities (see Table 19-1).

D. The Secretary concerned:

1. May authorize FLPB at either Payment A or B rates (see Table 19-1) for DoD-approved languages not on the SLL and where there is a need to ensure a sufficient number of proficient personnel to accomplish DoD Component specific missions;

2. May, in the case of foreign languages considered prevalent in the force, limit the payment of FLPB to those Service members whose duties require proficiency in such languages or as determined by the Secretary of the Military Department concerned; or

3. May authorize the payment of FLPB to Service members whose duties require an ILR skill below level 2 in the L, R, or S modalities.

*Note: Hospitalized members may be entitled to FLPB under the Pay and Allowance Continuation (PAC) Program. See Chapter 13 for PAC entitlement eligibility.

190206. Waiver of Recertification of Proficiency

A. The Secretary concerned may waive the certification requirement and pay FLPB to a member who:

1. Is assigned to duty in connection with a contingency operation;

2. Is unable to schedule or complete the test for certification because of that assignment; and

3. Except for the lack of such certification, satisfies the eligibility requirements cited in paragraphs 190202 or 190203.

B. The Secretary may treat the date the member was assigned to duty in connection with a contingency operation as equivalent to a certification date.

C. When a member whose certification will expire during a contingency operation assignment or within 6 months following return to the continental United States or to an overseas permanent duty station, the Secretary concerned will authorize the Service member those 6 months after returning as a mandatory grace period to recertify for FLPB.
D. If a member fails to obtain the required certification by the end of the 6-month period, then the Secretary may require the Service member to repay all or a portion of the FLPB received in accordance with paragraph 190303.

E. The Secretary may waive the annual certification in subparagraph 190204.B and the duration of certification requirements in paragraphs 190206 and 190207, if the Service FLPB regulation addresses the specific circumstances under which the Service Secretary may waive either or both of these certification requirements.

190207. Exceptions to Recertification

The Secretary concerned may elect to recertify a member’s foreign language or dialect proficiency using their last recorded DoD Language Proficiency Test (DLPT) scores when:

A. A member is assigned to duty outside the continental United States (excluding Alaska and Hawaii) at a location where web-delivered testing facilities are not available or accessible. In such cases, member may complete the recertification requirements provided in paragraph 190204, no later than 6 months after the date released from the duty assignment. The Secretary is responsible for determining which locations qualify for this recertification and the duration (not to exceed 6 months) of the Service recertification grace period;

B. A member’s certification expires while attending a significant language education or training event (at least 150 hours of immersion training or 6 consecutive weeks of 5-hour-a-day classroom training) or other significant events as defined by the Secretaries of the Military Departments, Defense Agencies, and DoD Field Activities heads. The next 1-year certification period will begin when they retest after they complete the significant language education or training event. The member’s FLPB will continue while in training up until completion of the course retest event. Further FLPB entitlement will be based on the results from that event; or

C. A member who initially certifies or recertifies proficient through the DLPT system, at or above ILR skill levels 3/3 or 3/3/3 in a foreign language or dialect, must take an approved test within the DLPT system no less frequently than every 2 years for recertification, in which case recertification in the off year may be accomplished using a method selected by the Secretary of the Military Department.

*1903 CONDITIONS OF ENTITLEMENT

190301. Requirements

A member must qualify under any additional eligibility requirements prescribed by the Secretaries concerned, and is subject to Service specific certification requirements and amount of payment restrictions as outlined in:

A. DoD: DoD Instruction *(DoDI) 1340.27*, Military Foreign Language Skill Proficiency Bonuses and *(DoDI 5160.71*, DoD Language Testing Program;
B. Army: Army Regulation 11-6;

C. Navy: Chief of Naval Operations Instruction 7220.7G;

D. Air Force: Air Force Instruction (AFI) 36-2605, Attachment 10 and 14, and AFI 36-4002; or

E. Marine Corps: Marine Corps Order 7220.52F.

NOTE: Pay authorizing officials must access the current DoD SLL and the Component’s unique foreign language bonus pay authorizations, additional eligibility rules, and certification requirements in order to ensure the correct FLPB payment is authorized.

190302. Tax

FLPB is an item of pay subject to federal withholding tax. It is not subject to the Federal Insurance Contributions Act tax.

190303. Repayment

A member who receives FLPB, but does not satisfy eligibility and certification requirements specified in section 1902 will be subject to the repayment provisions of Chapter 2.

190304. Relationship to Other Pay and Allowances

A member may not be paid more than one Skill Incentive Pay or Proficiency Bonus in any month for the same period of service and skill. A member may be paid skill incentive pay or the proficiency bonus in section 1903, in addition to any other pay and allowances to which the member is entitled, except that a member may not be paid skill incentive pay or a proficiency bonus and hazardous duty pay in accordance with Chapter 24 for the same period of service in the same career field or skill.

190305. Duration of Authority

Unless authorized by the Congress, no FLPB agreement may be entered into after December 31, 2017.
Table 19-1. FLPB Installment Rates (Note 1)

<table>
<thead>
<tr>
<th>Proficiency in any combination of the R, L, and S modality of the Service’s determination (note 2)</th>
<th>Payment Category A (A-rate) For Immediate and Emerging (note 3) DoD SLL Languages or Dialects (note 4)</th>
<th>Payment Category B (B-scale) For Enduring (note 5) Languages or Dialects (note 4)</th>
<th>Payment Category B (B-scale) for Languages and Dialects not on the DoD SLL (note 4)</th>
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<tr>
<td>ILR SKILL LEVELS</td>
<td>MONTHLY PAY (in $) (note 6)</td>
<td>MONTHLY PAY (in $) (note 6)</td>
<td>MONTHLY PAY (in $) (note 6)</td>
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<tr>
<td>1/1 (note 5)</td>
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<td>0-100.00</td>
<td>0-100.00</td>
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<td>1+/1+ (note 5)</td>
<td>$150.00</td>
<td>0-150.00</td>
<td>0-150.00</td>
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<td>2/2 (note 3)</td>
<td>$200.00</td>
<td>0-200.00</td>
<td>0-200.00</td>
</tr>
<tr>
<td>2+/2+ (note 3)</td>
<td>$250.00</td>
<td>0-250.00</td>
<td>0-250.00</td>
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<tr>
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<tr>
<td>3+/3 or 4/4 (note 3)</td>
<td>$500.00</td>
<td>0-500.00</td>
<td>0-500.00</td>
</tr>
</tbody>
</table>

NOTES:
1. All possible ILR skill level proficiency combinations are not depicted. In the case where a member’s certified proficiency falls between two skill levels depicted, the member must be paid at the next lower skill level depicted (if at or above ILR skill level 2/2) where both proficiencies meet or exceed that lowest depicted payment threshold.
2. The member must be certified as proficient using the proficiency skill levels shown in any combination of two of the three modalities (L, R, and S) of the Service’s determination in order to receive FLPB.
3. The Secretary must pay Immediate and Emerging DoD SLL category languages (at ILR skill level 2/2 and above).
4. The Secretary may pay FLPB at the Category B scale to Service members who test proficient in an additional DoD or Service-approved dialect of a language for which they receive FLPB at the Category A rate.
5. The Secretary has discretion to pay FLPB at the ILR skill levels 1/1 and 1+/1+.
6. The Secretary has discretion to pay or not pay FLPB on the scale bounded by zero and the Category A rate and at any 25 dollar increment between those lower and upper FLPB pay limits.
*BIBLIOGRAPHY

CHAPTER 19 – FOREIGN LANGUAGE PROFICIENCY BONUS

1902 – ENTITLEMENT

190201
DoD 1340.27, May 21, 2013
37 U.S.C. § 353(b)(1) & (c)(2)

190202
DoD 1340.27, May 21, 2013

190203
DoD 1340.27, May 21, 2013

190204
37 U.S.C. § 353(d)(1) & (2)

190205
37 U.S.C. § 353(c)

* Note
37 U.S.C. § 372

* Public Law (P.L.) 110-181, section 661, January 28, 2008

190206
37 U.S.C. § 353(d)(3)

190207
DoD 1340.27, May 21, 2013

1903 – CONDITIONS OF ENTITLEMENT

190303
37 U.S.C. § 353(g)

190304
37 U.S.C. § 353(h)

190305
37 U.S.C. § 353(i)

* P.L. 114-328, section 614 (9), December 23, 2016

Table 19-1
DoD 1340.27, May 21, 2013
VOLUME 7A, CHAPTER 20: “AVIATION BONUS (AvB)”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

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<td>All</td>
<td>Formatted chapter to comply with current administrative instructions.</td>
<td>Revision</td>
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<td>2002</td>
<td>Extended “Duration of Authority” for aviation retention bonus to December 31, 2017 per Public Law 114-328, December 23, 2016.</td>
<td>Revision</td>
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<tr>
<td>200301</td>
<td>Added paragraph 200301 and revised paragraph 200302 to clarify “Eligibility Requirements” in accordance with the Department of Defense Instruction (DoDI) 7730.67, October 20, 2016.</td>
<td>Addition</td>
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<tr>
<td>200302</td>
<td>Clarified paragraph in accordance with DoDI 7730.67.</td>
<td>Revision</td>
</tr>
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<td>2004</td>
<td>Revised bonus amounts in accordance with DoDI 7730.67.</td>
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<tr>
<td>2005</td>
<td>Changed section 2005 title and updated in accordance with DoDI 7730.67.</td>
<td>Revision</td>
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<td>Updated statutes and references.</td>
<td>Revision</td>
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CHAPTER 20

AVIATION BONUS (AvB)

2001 GENERAL

200101. Purpose

The Secretaries of the Military Departments may offer an Aviation Bonus (AvB) to increase their respective Department’s ability to attract and retain officers in a military aviation career. An AvB paid to an eligible officer is in addition to any other pay and allowance to which the officer is entitled, except that an officer may not receive a payment for the same skill and period of service.

200102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

*2002 DURATION OF AUTHORITY

No agreement under this chapter may be entered into after December 31, 2017, unless the Congress extends this bonus authority.

2003 ELIGIBILITY REQUIREMENTS

*200301. General

The Military Departments may offer an AvB on a selective basis, in accordance with Title 37, United States Code (U.S.C.), section 334(b), when there is a shortage or a projected shortage of Regular or Reserve Component (RC) officers qualified in critical aviation specialties. AvBs will be limited to those periods in an officer’s aviation career in which AvBs can be expected to affect retention trends for the Military Service concerned.

*200302. Qualifications

To qualify for an AvB, an officer on active duty (AD) or in an active status must:

A. Be eligible for Aviation Incentive Pay at the time of incurring the initial AvB contractual obligation;

B. Be in a pay grade of O-5 or below at the time of incurring the initial AvB contractual obligation;

C. Serve in an aviation specialty or skill designated as critical by the Secretary of the Military Department concerned;
D. Have completed or is within one year of completing any service obligation incurred for undergraduate aviator training. In accordance with 10 U.S.C. § 653, the minimum service obligation of any Service member who successfully completes training in the Armed Forces as a pilot is 8 years if the member is trained to fly fixed-wing jet aircraft, or 6 years if the member is trained to fly any other type of aircraft;

E. Execute a written agreement to remain on AD in the Regular Component or to serve in an active status in the selected reserve for at least one year; and

F. Meet such other additional criteria as the Secretary of the Military Department concerned may prescribe.

*2004 PAYMENT METHODS AND AMOUNTS

200401. Payment Method

The Secretary of the Military Department concerned may pay an AvB to Regular or RC officers of a Uniformed Service who meet the qualification criteria in paragraph 200302 in a lump sum or in periodic installments, as determined by the Secretary concerned.

200402. Amounts

The AvB amount, covered by the written agreement described in paragraph 200501 between the Regular or RC officer and the Secretary of the Military Department concerned for each 12-month period of obligated service specified in 37 U.S.C. § 334(c)(1)(B), will not exceed the following, unless otherwise updated by the Assistant Secretary of Defense (ASD) (Manpower and Reserve Affairs (M&RA)):

A. $35,000 per year for Regular Component officers or RC Active Guard and Reserve officers performing qualified flying duty;

B. $35,000 per year for Regular Component officers or RC Active Guard and Reserve officers performing qualified flying duty related to Unmanned Aerial System (UAS) operators; or

C. $18,000 per year for all other RC officers performing qualified duty, to include UAS operators.

Note: The ASD (M&RA) may update the AvB amounts, in accordance with the Department of Defense Instruction (DoDI) 7730.67, October 20, 2016, Paragraph 2.1.b.

200403. Relationship to Other Pay and Allowances

Aviation pays and bonuses paid in accordance with DoDI 7730.67 will be in addition to any other pay or allowances to which the member is entitled, except as specified in the limitations and restrictions in paragraph 3.1.b. of DoDI 7730.67.
*2005 TERMS AND CONDITIONS

200501. Written Agreements

A. To receive an AvB, an officer must execute a written agreement with the Secretary of the Military Department concerned that specifies the amount of the AvB, the method of payment (lump sum or periodic installments), the period of obligated service (at least 1 year), and the type or conditions of service. No agreement may be executed that would take an officer beyond 25 Years of Aviation Service.

B. The Secretary of the Military Department concerned will not exceed the AvB amount covered by the written agreement for any 12-month period of obligated service specified in paragraph 200402 or 37 U.S.C. § 334(c).

C. Bonus agreements awarded under 37 U.S.C. § 301b, that were approved before October 1, 2017, will remain in effect, and payments may continue through the agreed-upon date in the written agreement.

200502. Acceptance

Upon acceptance of the written AvB agreement by the Secretary of the Military Department concerned, the period of obligated service and the total amount of AvB the Department will pay pursuant to the agreement will be fixed, unless otherwise renegotiated for a higher bonus amount in return for additional obligated service.

200503. Death of a Member

If a member dies before receiving the full amount of the bonus due (including contracted future year anniversary payments) and death is not caused by the member’s misconduct, the remaining unpaid bonus balance is payable as a lump sum for inclusion in the settlement of the deceased member’s final military pay account. If death is determined to be the result of the member’s own misconduct, termination of future payments and proration or repayment of the bonus, as applicable, must be made in accordance with procedures established by the Military Department concerned.

2006 REPAYMENT

An officer, who fails to fulfill the service conditions specified in the written agreement for the retention bonus, will be subject to the repayment provisions of Chapter 2.
CHAPTER 20 - AVIATION BONUS (AvB)

2001 – GENERAL

* 37 U.S.C. § 334(b)

2002 – DURATION OF AUTHORITY

* Public Law (P.L.) 114-328, section 614(4), December 23, 2016

2003 – ELIGIBILITY REQUIREMENTS

* 37 U.S.C. § 334(b)
  * DoDI 7730.67, October 20, 2016
  * 37 U.S.C. § 334(b)
  * 10 U.S.C. § 653

2004 – AMOUNT

* 37 U.S.C. § 334(c)(1)(B)
  * P.L. 114-328, section 616(a), December 23, 2016
  * DoDI 7730.67, October 20, 2016
  * ASD Memo, April 26, 2017
  * Note DoDI 7730.67, October 20, 2016

2005 – PAYMENT

* 200502 37 U.S.C. § 334(c)(1)(B)
  * DoDI 7730.67, October 20, 2016
  * ASD Memo, April 26, 2017

2006 – REPAYMENT

* 37 U.S.C. § 373
VOLUME 7A, CHAPTER 22: “AVIATION INCENTIVE PAYS”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

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<td>Replaced previous section on Aviation Career Incentive Pay (ACIP) with content regarding Aviation Incentive Pay (AvIP) per Department of Defense Instruction (DoDI) 7730.67, October 20, 2016. ACIP was discontinued October 1, 2017.</td>
<td>Revision</td>
</tr>
<tr>
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<td>Replaced previous section on Career Enlisted Flyers Incentive Pay (CEFIP) with content regarding AvIP per DoDI 7730.67. CEFIP was discontinued October 1, 2017.</td>
<td>Revision</td>
</tr>
<tr>
<td>2205</td>
<td>Replaced previous section on Remote Piloted Aircraft with content regarding Critical Skill Incentive Pay (CSIP) per DoDI 7730.67.</td>
<td>Revision</td>
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<tr>
<td>Table 22-6</td>
<td>Updated table to remove the ACIP and CEFIP conditions per DoDI 7730.67.</td>
<td>Revision</td>
</tr>
<tr>
<td>Table 22-8</td>
<td>Updated tables to reflect the Air Force monthly rates for AvIP and CSIP effective October 1, 2017 per Department of the Air Force Memos, July 1, 2017 and August 29, 2017.</td>
<td>Revision</td>
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<tr>
<td>Table 22-9</td>
<td>Removed tables due to the discontinuance of CEFIP.</td>
<td>Deletion</td>
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CHAPTER 22

AVIATION INCENTIVE PAYS

2201  GENERAL

220101.  Purpose

The purpose of this chapter is to describe the policies for Hazardous Duty Incentive Pay (HDIP), Aviation Incentive Pay (AvIP), and Critical Skill Incentive Pay (CSIP).

Note: Aviation Career Incentive Pay (ACIP) and Career Enlisted Flyers Incentive Pay (CEFIP), in accordance with Title 37, United States Code (U.S.C.), sections 301a, 301b, and 320, were discontinued after October 1, 2017.

220102.  Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

2202  HDIP FOR FLYING DUTY

220201.  General

Members required by competent orders to participate in regular and frequent aerial flights as crew or non-crewmembers, who otherwise meet the requirements of this section, are entitled to HDIP for flying duty.

A.  Officers, including aviation cadets entitled to AvIP under section 2203, are not entitled to payments under this section for the same period of service.

B.  Enlisted members receiving CSIP under section 2205 are not entitled to payments under this section for the same period of service.

220202.  Monthly Rates

A.  Rates

1.  Crewmembers, except air weapons controller crewmembers, are shown in Table 22-1.

2.  Air weapons controller crewmembers are shown in Table 22-2.

3.  Non-crewmembers are $150.
B. Definitions

1. Aerial Flights. Aerial flights are flights in military aircraft or spacecraft, and also flights in nonmilitary aircraft when members are required by competent orders to fly in such aircraft. A flight begins when the aircraft or spacecraft takes off from rest at any point of support located on the surface of the earth and terminates when it next comes to a complete stop at a point of support located on the surface of the earth.

2. Aviation Accident. Aviation accident is an accident in which a member, who is required to participate frequently or regularly in aerial flights, is injured or otherwise incapacitated as the result. The injury or incapacitation, as certified by the appropriate medical authority of the Uniformed Service concerned, may result from:

   a. Jumping from, being thrown from, or being struck by an aircraft or spacecraft, or any part or auxiliary thereof; or

   b. Participation in any duly authorized aerial flight or other aircraft or spacecraft operations. This term also means an incapacity incurred as the result, as certified by appropriate medical authority, of performance of flying duty, even though such incapacity is not the result of an actual aviation accident.

220203. Flight Requirements

To be eligible for HDIP, a member must be required by competent orders to participate frequently and regularly in aerial flights, other than glider flights, and generally must complete 4 hours of aerial flight each month. Hours that are flown in excess of this requirement may be banked for application of up to 5 subsequent months where there may be deficiencies of flying hours. Additionally, a member who still has a shortage of flying hours after application of banked excess hours may, under certain conditions, enter a 3-month grace period wherein hours earned in future months may be retroactively applied to prior month requirements.

A. Minimum Flying Time Each Month

1. During 1 calendar month, 4 hours of aerial flight are required. If a member does not fly 4 hours in any month, any hours flown during the last 5 preceding months (which have not already been used to qualify for flight pay) may be applied to meet this 4-hour requirement.

2. During 2 consecutive calendar months when the requirements of subparagraph 220203.A.1, have not been met, 8 hours of aerial flight are required.

3. During 3 consecutive calendar months when the requirements of subparagraph 220203.A.2, have not been met, 12 hours of aerial flight are required.
B. Fractions of a Calendar Month. For fractions of a calendar month, calculate the percentage that the period in question is of the calendar month. The flying time required is that same percentage of the aerial flight time required for a full calendar month (see Table 22-3).

C. Fractions of 2 Consecutive Calendar Months. For fractions of 2 consecutive calendar months, consider the whole period in question. Calculate the percentage that the period in question is of the calendar month. The flying time required is that same percentage of the aerial flight time required for a full calendar month (see Table 22-3).

D. Application of Hours Flown. To the extent of hours available, hours flown in any month apply as follows:

1. First, to meet flight requirements for that month;

2. Next, if the member has entered a grace period for meeting flight requirements, to the prior month or months, as applicable; and

3. Next, in order, to the first, second, third, fourth, and fifth succeeding months, but only to the extent that the member fails, during each month, to fly the required 4 hours. (Hours available to meet requirements of later months are referred to as “excess” flight time.) See examples in Tables 22-4 and 22-5.

E. Military Operations or Unavailability of Aircraft. When under authority conferred by the Secretary of the Military Department concerned, the commanding officer certifies that a member is unable to meet normal flight requirements due to military operations (combat or otherwise), or the non-availability of aircraft in order to complete those requirements. The member may, however, comply with the minimum flight requirements by performing 24 hours of aerial flight over a period of 6 consecutive calendar months. The commanding officer will certify that only those conditions specified in this subparagraph prevented completion of normal flight requirements. The 24-hour flight requirement may be met at any time during the 6-calendar-month period and in any combination of flights.

1. If the member is in a 3-calendar-month grace period when military operations or aircraft non-availability prevents fulfillment of flight requirements, the 6-calendar-month period for meeting the 24-hour flight requirement under this subparagraph begins on the first day of the grace period.

2. If the member is not in a 3-calendar-month grace period, the first month in which military operations or aircraft non-availability prevents fulfillment of flight requirements is the beginning of the 6-calendar-month period for meeting the 24-hour flight requirement under this subparagraph.

3. During the 6-calendar-month period, HDIP for flying may be paid for any single month, or for multiple months, when minimum requirements have been met.
4. At the end of the 6-calendar-month period, HDIP for flying may be paid for missed months in the period to the extent that the remaining hours flown are applicable. Excess hours are applied prospectively under subparagraph 220203.D if the member continues to fly under the same orders.

220204. Determination of a 3-Calendar-Month Period

A. When 3-Month Period Starts and Ends. The 3-calendar-month period in which flight requirements must be met begins with the first month in which flight requirements are not met. If the member flies enough time in the second month to cover the first and second months, the period ends with the second month. If not, the period extends through the third month.

B. Deficiencies for a Fraction of a Month. If a member fails to qualify for a fraction of a month (because flying status or active duty began on an intermediate day of the month), the 3-month period ends on the last day of the second full month following the fractional month.

C. When Next 3-Month Period Starts

1. A new 3-month period starts with the first month in which flight requirements are not met following a month in which flight requirements were met.

2. For a new 3-month period to begin immediately after a prior 3-month period, flight requirements must have been met for the entire prior 3-month period, not merely for the last month.

3. If the requirements for the entire prior 3-month period were not met, a new period does not begin until flight requirements are met for at least 1 month after the prior 3-month period.

4. After a month when flight requirements are met, any month in which flight requirements are not met begins a new 3-month period. A new period may not start with the second or third month in which flight requirements are not met; nor may a new period start with the fourth month in which flight requirements are not met. There must be at least 1 month in which requirements are met before a new 3-month period begins. See Tables 22-4 and 22-5 for application of the rules listed in paragraph 220204.

220205. Entitlement to Pay When No Flights are Performed in the First Month of a 3-Month Period

Assume, for the purposes of this paragraph that the member had no excess flight time from prior months.

A. Second Month. If a member performs no aerial flights during the first month of a 3-month period and, in the second month, performs at least 4 hours but less than 8 hours, he or she is entitled to pay only for the second month. For example: In January, no aerial
flights are performed; in February, 5 hours of aerial flight are performed. Flight pay is payable only for February.

B. **Third Month.** If a member performs no aerial flights during the first 2 months of a 3-month period, he or she must perform 12 hours of aerial flight in the third month to be entitled to incentive pay for all 3 consecutive months. For example: If flight requirements are met for January and a member performs no flights during the months of February and March, he or she must perform at least 12 hours in April to be entitled to receive the incentive pay for the period February 1 to April 30. If the member performs 4 or more hours, but less than 12 hours in April, he or she is entitled to incentive pay only for April.

C. **First and Third Months.** If a member does not perform aerial flights during the first month and in the second month performs only sufficient flights to qualify for the second month, he or she must perform enough hours of flight during the third month to total 12 hours in order to qualify for the incentive pay for the first and third months of the 3-month period.

Example: In January, no aerial flights are performed; in February, 5 hours of aerial flight are performed. The deficiency in January must be made up in March; that is if at least 7 hours are accomplished in March, flight pay for January and March is payable. If only 6 hours are flown in March, flight pay is payable only for March (the payment for February previously having been made) and incentive pay for January is lost.

220206. Injury or Incapacity Resulting From Performance of Hazardous Duty

A. **Flight Requirements.** When a member in a flying status is injured or otherwise incapacitated as a result of performance of flying or other hazardous duty to which ordered, he or she is considered to have met flight requirements during the incapacity, but not for longer than 3 months. An appropriate medical authority determines the cause of the incapacity and the date of recovery. If the member has met flight requirements for the month in which the incapacity occurs, the 3-month period begins the first day of the following month. If the member has not met flight requirements for the month in which the incapacity occurs, the 3-month period begins the first day of the month in which the incapacity occurs.

B. **Change of Station for Medical Treatment.** When a member in receipt of flight pay, under the terms of subparagraph 220206.A, is ordered to a medical facility on permanent change of station, Temporary Duty (TDY), or Temporary Additional Duty (TAD) orders, he or she is entitled to flight pay for the period of incapacity, but not longer than 3 months, notwithstanding the change of station, provided his or her continued flying status is not terminated.

C. **Incapacity Due to Shock, Derangement, or Exhaustion.** A member who becomes incapacitated for flying duty by reason of shock, derangement, or exhaustion of the nervous system, which can be attributed to an aviation accident or the performance of aerial flights, is deemed to have met the flight requirements for not more than 3 months following the date of the incapacity, as determined by an appropriate medical authority. The 3-month period is determined under the provisions of subparagraph 220206.A. See also subparagraph 220202.B.
D. Hazardous Duty for a Stated Period. If a member has been placed on flying status for a definite period and is entitled to flight pay while incapacitated as a result of performance of flying duty, flight pay is not normally payable beyond the ending date of the duty period stated in the orders. If evidence is furnished that the member would have continued in a flying status, had it not been for the incapacity, flight pay may be paid beyond the ending date of the duty.

220207. Incapacity Not the Result of Performance of Hazardous Duty

The right of a member on flying status to flight pay during an incapacity, which is not the result of performing hazardous duty, depends on fulfillment of flight requirements under paragraph 220203.

220208. Right to Flight Pay Under Certain Conditions

See Table 22-6.

220209. Determinations Affecting Entitlement to Flight Pay

A. Flight Pay From Date of Reporting for Duty. A member is entitled to flight pay on and after the date that he or she reports for and enters on duty under competent orders, subject to meeting flight requirements. A member in a non-duty status (such as on leave or sick) at the time that flying status orders are issued is not entitled to flight pay for any period before he or she reports for and enters on duty under such orders.

B. Excess Flight Time. When authorized under paragraph 220203, flight time in excess of the time required or insufficient to qualify for a particular month may be applied to a later month in which minimum requirements are not met, provided that the orders under which flying time was logged remain in effect.

C. Change of Designation, Non-Crewmember to Crewmember or Vice Versa. A member whose status changes from non-crewmember to crewmember (or vice versa) within a month or other qualifying period may not combine time flown in both categories for pay purposes. The member is entitled to flight pay as a non-crewmember for the period of time member held that status if he or she met the pro rata requirements as a non-crewmember. The member is entitled to flight pay as a crewmember for the period of time he or she held that status if he or she met the pro rata requirements as a crewmember.

D. Change From One Crewmember Status to Another Crewmember Status. Flights as one type of crewmember may be combined with flights as another type of crewmember if the member remains on continuous active duty and continuous flying status. Total requirements may be met in either crewmember status or a portion may be met in each status.

Example: An aviation cadet is given a rating as a navigator and issued new flying status orders immediately following termination of his or her former orders.
E. Missing or Missing-in-Action

1. A member assigned to flying duty, who is declared missing by competent authority, is entitled to AvIP during the entire period of absence, and is entitled to AvIP for hospitalization and rehabilitation after termination of missing status, for an additional period, not to exceed one year.

2. Upon return from a missing status and completion of any required period of hospitalization and rehabilitation (not to exceed 1 year), entitlement to HDIP for flying duty will be contingent on a determination of continued eligibility under paragraph 220201 and the applicable flight requirement provisions of paragraph 220203.

3. A new 3-month grace period does not start when the missing status and hospitalization ends. The new 3-month grace period starts with the first month of deficiency, after entering a missing status.

4. If the missing status and hospitalization goes beyond the 3-month grace period, the member must meet flight requirements for at least 1 month to become entitled to flight pay again.

5. If the member does not meet flight requirements upon the completion of an authorized missing and hospitalization period, he or she is entitled to pro rata HDIP for flying duty through the date of such authorized period.

F. Death

1. Death Due to Aviation Accident. If death occurs on the date of an aviation accident, flight pay accrues to include the date of death. If, however, death occurs after the 3-month period has expired, flight pay is not authorized for any day after the expiration of that period. Flight pay for the month or period before the month in which the accident occurred is not authorized unless flight requirements were met for that period.

2. Death Due to Other Causes. If death occurs from causes other than an aviation accident, flight pay is payable to and including the date of death if the member has met pro rata flight requirements for the month of death and was on flying status.

220210. Suspensions from Flying Status, Effect on Flight Pay

A. Flight Pay for a Period of Suspension. Except under subparagraphs 220210.B and C, members are not entitled to flight pay for any period while suspended from flying status. Members are considered suspended on the effective date of suspension. Members are considered to be in a flying status on the day that the suspension is removed or terminated. Payment for a period of suspension cannot be made in any case until the suspension has been removed or terminated.
B. Suspension for Other Than Physical Incapacity for Members Required to Perform Minimum Flight Requirements. Members are entitled to flight pay for a period of suspension from flying status, provided the suspension is removed or terminated and they meet flight requirements as prescribed in paragraph 220203. If the member has excess flights performed before suspension, the grace period specified in paragraph 220203 begins on the first month of the period of suspension not covered by excess flights.

Example: A member was suspended from flying status on February 1. He had 16 hours excess flying time as of January 31. Flight pay is stopped on January 31. The suspension subsequently is removed (or terminated) on June 30. He flew 12 hours in the month of July. After removal of the suspension, pay flight pay for February 1 through May 31 on the basis of the 16 excess hours accumulated in the 5 months before February 1. The grace period, authorized as stated in paragraph 220203, started on June 1. The hours that were flown in July qualify the member for flight pay for June and July.

C. Suspension for Physical Incapacity of Members Subject to Minimum Flight Requirements. A member is entitled to flight pay during a period of grounding due to physical incapacity if he or she meets the flight requirements stated in paragraph 220203. The member also is entitled to flight pay during a period of suspension, if the suspension is removed or terminated and flight requirements are actually met. There are no flight requirements during the first 3 months of a period of incapacity incurred as the result of performance of an assigned hazardous duty. See paragraph 220206.

D. Suspension Removed or Terminated. If a suspension is removed or terminated after the member can no longer qualify for flight pay under subparagraphs 220210.B or C, there is loss of pay for any period that is not covered by paragraph 220203. Flight pay accrues after the suspension is removed or terminated for members required to meet minimum flight requirements from the date of reporting for flying duty after the suspension is removed or terminated, if flight requirements are met.

220211. Payment of Flight Pay and Incentive Pay for Other Hazardous Duty

A member who qualifies for flight pay and incentive pay for one or more other types of hazardous duty may receive the flight pay and incentive pay only for one other hazardous duty for the same period. Dual HDIP is limited to those members required by orders to perform specific multiple hazardous duty necessary for successful accomplishment of the mission of the unit to which assigned.

A. Conditions of Entitlement. The hazardous duties for which dual incentive pay is payable must be an integral part of the member's assigned mission. Accomplishment of the assigned mission must require the member to perform specific multiple hazardous duties. A member must meet minimum requirements for each of the hazardous duties, except for injury or incapacity that results from the performance of hazardous duty.
B. Types of Duties That Qualify Member for Dual Payment of HDIP. See Chapter 24, subparagraph 240205.A.

1. Air Force pararescue team members placed on orders to perform duties as both crewmembers and parachutists.

2. Other combinations of hazardous duties for which dual payments of incentive pay are authorized by the Military Services concerned.

C. Injury or Incapacity as a Result of Performance of Hazardous Duty or Dual Hazardous Duties. If a member, who is required to perform more than one hazardous duty, becomes injured or otherwise incapacitated as a result of any of the duties, he or she is entitled to dual incentive pay during the incapacity, but for no longer than 3 months. If not entitled to dual incentive pay at the time of the incapacity, the member is entitled to the type of incentive pay that he or she was receiving at the time of the incapacity. The beginning date of the 3-month period will be determined separately for each type of incentive pay. See paragraph 220206 or Chapter 24, Table 24-2, as applicable, to determine the 3-month period separately for each incentive pay.

220212. Restriction on Payment of Flight Pay and Diving Duty Pay

See Chapter 11, paragraph 110501.

220213. Authority to Issue Orders

Authority to issue orders requiring the performance of flying duty, granting waivers of performance requirements, or extending time periods during which requirements may be met is delegated by the Secretary of the Military Department concerned to specific commanders within each Military Service. Such delegations are contained in the personnel administrative regulations of the respective Military Services.

*2203 AvIP FOR AVIATORS IN OPERATIONAL FLYING DUTY (OFD) OR PROFICIENCY FLYING DUTY (PFD) POSITIONS

220301. General

The Secretaries of the Military Departments may offer AvIP(s) under 37 U.S.C. § 334(a) to increase their respective Department’s ability to retain officers in a military aviation career and support the recruiting and retention of individuals with military aeronautical ratings or designations.

220302. Eligibility

The Secretary concerned may pay AvIP to aviation officers performing in OFD or PFD positions. AvIP may only be paid to an officer who:

A. Is entitled to basic pay pursuant to 37 U.S.C. § 206;
B. Maintains, or is in training to receive, an aeronautical rating or designation that qualifies the officer for OFD or PFD;

C. Engages in, or is in training to receive, frequent and regular performance of OFD or PFD;

D. Engages in or remains in aviation service for a specified period of time;

E. Achieves the minimum flight requirements of 4 hours during 1 calendar month or 24 hours during 6 consecutive months (the minimum flight hour requirement for Reserve Component (RC) officers not on active duty for a period of more than 30 consecutive days is 2 hours during 1 calendar month or 12 hours during 6 consecutive months). A certified flight simulator may be used to meet this requirement. The Secretary concerned may waive the minimum flight requirements:

1. For officers (except flight surgeons or medical officers) who meet the AvIP eligibility requirements in paragraph 220402 while assigned to OFD or PFD positions; or

2. In extreme circumstances (e.g., military operations (combat or otherwise) or non-availability of aircraft), when the Secretary concerned may authorize a commanding officer to certify that an officer is unable to meet minimum flight requirements; and

F. Meets all applicable eligibility requirements and such other criteria, as the Secretary concerned determines appropriate.

220303. Payments and Amounts

A. The National Defense Authorization Act for Fiscal Year 2017 authorized an increase to the maximum amount of monthly AvIP in 37 U.S.C. § 334 not to exceed the rate of $1,000 per month to officers while serving in an OFD or PFD assignment. Unless otherwise updated by the Assistant Secretary of Defense (ASD) in accordance with Department of Defense Instruction (DoDI) 7730.67, paragraph 2.1.b, officers performing qualifying duty or performing qualifying duty relating to unmanned aerial systems (UAS) may receive up to $1,000.

B. The Service Secretaries are authorized to create their own Service-specific AvIP rate tables, with their own years of aviation service (YAS), up to the maximum amounts in Table 22-7.

C. Under the provisions in subparagraphs 220303.A and B, the Department of the Air Force authorized an increase to the Air Force AvIP rates. The AvIP eligibility will be in accordance with Air Force Instructions (AFI) 11-401, AFI 11-402, and AFI 11-421. The Air Force monthly AvIP rates are calculated based upon YAS established by the Aviation Service Date and are reflected in Table 22-8.
D. The following are exceptions to the amounts in subparagraph 220303.B:

1. Warrant Officers with over 22 YAS may continue to receive AvIP at the over 10 YAS rate until retirement.

2. Officers performing OFD or PFD while piloting UASs with over 14 YAS may receive AvIP up to $1,000 per month up to 22 YAS, at which time the amounts in Table 22-7 will take effect.

E. AvIP for officers in aviation training will begin on the later of these two dates and will be prorated based on the number of days remaining in the month:

1. The date when the officer first reports to the aviation activity in which he or she will receive flight training in a specific aircraft leading to an aeronautical rating, and is placed on aeronautical orders; or

2. The date of commission.

F. AvIP payments for all other aviators will begin the day an officer signs in to an OFD or PFD assignment. The initial payment amount will be prorated based on the number of days remaining in the month.

G. At the discretion of the Secretary of the Military Department concerned, RC officers entitled to compensation under 37 U.S.C. § 206 are eligible for AvIP. The amount authorized will be equal to 1/30th of the monthly AvIP authorized by the Military Department concerned for each period of inactive duty training.

*2204 AvIP FOR AVIATORS NOT IN OFD OR PFD POSITIONS

220401. General

The Secretaries concerned may pay AvIP to an officer who is otherwise qualified but who is not currently engaged in the performance of OFD or PFD, who meets each of the following three conditions:

A. The officer meets the eligibility criteria listed in subparagraphs 220402.A through D;

B. The officer is assigned to a position listed in paragraph 220403; and

C. The AvIP payment is in the best interest of the Military Service.
220402. Eligibility

The Secretary concerned may pay AvIP to officers with an aeronautical rating (except flight surgeons or medical officers) with fewer than 25 YAS who are in non-OFD or PFD assignments and:

A. Are eligible for AvIP continuously through 12 YAS;

B. Have performed at least 96 creditable months of OFD or PFD upon completion of 12 YAS. These officers are eligible for up to 18 YAS as long as they are assigned to a non-OFD or non-PFD assignment;

C. Have performed at least 120 creditable months of OFD or PFD upon completion of 18 YAS. These officers are eligible for AvIP for up to 22 YAS as long as they are assigned to a non-OFD or non-PFD assignment; or

D. Have performed at least 144 creditable months of OFD or PFD upon completion of 18 years of aviation service. These officers are eligible for AvIP for up to 25 YAS as long as they are assigned to a non-OFD or non-PFD assignment. Aviation warrant officers may continue to receive AvIP beyond 25 YAS as long as they are assigned to an assignment in paragraph 220403.

220403. Non-OFD or Non-PFD Assignments

Qualified aviation officers (except flight surgeons or other medical officers) who meet the eligibility criteria in paragraph 220402 may receive AvIP when assigned to any of the following non-OFD or non-PFD assignments:

A. A Joint assignment or position on the Joint Duty Assignment List;

B. Attending resident professional military education or a fully-funded graduate education program authorized by the Secretary of the Military Department concerned;

C. Aviation-specific positions that must be filled by officers with an aeronautical rating; or

D. Career-enhancing assignments outside of aviation or based on the needs of the Military Services for a period not to exceed 48 consecutive months.

220404. Transition Period

Upon publication of Service regulation, officers in receipt of continuous ACIP pursuant to 37 U.S.C. § 301a may receive AvIP for the remaining period of aviation service as specified in 37 U.S.C. § 301a(a)(4)(5), or 48 months, whichever is less. After this time, an aviator must be assigned to a position in accordance with section 2203 or subparagraphs 220403.A through C.
220405. Payments and Amounts

A. The Secretaries concerned may pay monthly AvIP to aviators who meet the YAS criteria in paragraph 220402 and are serving in positions listed in paragraph 220403. The maximum AvIP rates are in Table 22-7.

B. At the discretion of the Secretary of the Military Department concerned, RC officers entitled to compensation under 37 U.S.C. § 206 are eligible for AvIP. The amount authorized will be equal to 1/30th of the monthly AvIP authorized by the Military Department concerned for each period of inactive duty training.

*2205 CRITICAL SKILL INCENTIVE PAY (CSIP)

220501. General

The Secretary concerned may designate a career field or skill as critical for the purposes of offering a skill incentive pay. The following specialties are designated as critical and are eligible for CSIP:

A. Qualified career enlisted Service members who meet the eligibility requirements in paragraph 220502; or

B. Enlisted UAS operators who meet the eligibility requirements in paragraph 220502.

Note: Once a Military Department offers CSIP payments under 37 U.S.C. § 353, CEFIP pay under 37 U.S.C. § 320 is no longer authorized.

220502. Eligibility

CSIP is payable on a monthly basis in accordance with 37 U.S.C. § 353 to a Regular or RC enlisted Service member who:

A. Is entitled to basic pay pursuant to 37 U.S.C. § 204 or to compensation under 37 U.S.C. § 206;

B. Serves in a military career enlisted aviation occupational specialty or rating designated as critical by the Secretary of the Military Department concerned;

C. Qualifies for aviation service under regulations prescribed by the Secretary of the Military Department concerned; and

D. Meets other criteria as the Secretary concerned determines appropriate.
220503. Terms and Conditions of CSIP Written Agreements

The Secretary concerned may require a Service member to enter into a written agreement in order to qualify for a CSIP payment. The agreement must specify the period for which the member will receive CSIP and the monthly rate of pay.

220504. Payments and Amounts

A. The Secretaries of the Military Departments concerned may pay monthly CSIP to eligible Service members who meet the CSIP requirements in an amount not to exceed $600 per month.

B. If a member does not satisfy the eligibility requirements specified in paragraph 220502 for an entire month, the Secretary concerned may prorate the payment amount to reflect the duration of the member’s actual qualifying service during the month.

C. RC members entitled to compensation under 37 U.S.C. § 206 are eligible for CSIP at the discretion of the Secretary concerned. The amount will be equal to 1/30th of the monthly CSIP authorized by the Military Department concerned for each period of inactive duty training.

220505. Relationship to Other Pay and Allowances

A Service member may not be paid more than once under 37 U.S.C. § 353 in any month for the same period of service and skill. Members may be paid CSIP in addition to any other pay and allowance to which they are entitled, except that they may not be paid CSIP and HDIP under 37 U.S.C. § 351 for the same period of service in the same career field or skill.
Table 22-1. Monthly HDIP for Aircrew Members (Except for Air Weapons Controller
Crewmembers)
(Effective October 1, 1998)

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Table 22-2. Monthly HDIP Rates for Air Weapons Controller Crewmembers
(Effective February 18, 1997)

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Table 22-2. Monthly HDIP Rates for Air Weapons Controller Crewmembers  
(Effective February 18, 1997) (Continued)

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Table 22-3. Time of Aerial Flight Required for Fractional Part of the Month

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Table 22-4. Flight Examples Involving Basic 3-Month Grace Periods

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<td>May</td>
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<td>0</td>
<td>No (note 4)</td>
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Table 22-4. Flight Examples Involving Basic 3-Month Grace Periods (Continued)

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**NOTES:**
1. Entitled to incentive pay based on that month's flights.
2. Begins a 3-month grace period.
3. New 3-month period does not begin, since this is last month of first 3-month period.
4. New 3-month period does not begin, since flight requirements were not met for previous entire period.
5. Entitled to incentive pay based on 3-month period.
6. Entitled to incentive pay based on 2-month period.
7. Injured in aircraft accident.
8. Not entitled to incentive pay, unless sufficient flights performed in following 1 or 2-month period.
10. Two unused hours from January lost.
11. Excess hours available for application in 5 succeeding months as required.
Table 22-5. Flight Examples Involving 3-Month Periods and Excess Time

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<th>Entitlement</th>
<th>Based on Hours Flown During</th>
<th>End of Month Excess and Unused Hours</th>
<th>Pertinent Factors</th>
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<td>Apr</td>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>

NOTES:
1. No excess hours available from previous 5 months and deficiency not made up within 2 following months.
2. Insufficient excess hours available from previous 5 months. New 3-month period does not begin since requirements were not met for entire 3-month period of August-October.
3. Payment made after the suspension ended.
4. Three-month grace period expired before suspension ended.
**Table 22-6. Entitlement to HDIP Under Certain Conditions**

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>sick in line of duty</td>
<td>flying status orders remain in effect</td>
<td>member meets or has met flight requirements or flight requirements do not apply</td>
<td>continues for the period of illness.</td>
</tr>
<tr>
<td>2</td>
<td>on authorized leave in pay status</td>
<td></td>
<td></td>
<td>continues for the period of leave (note 1).</td>
</tr>
<tr>
<td>3</td>
<td>on TDY or TAD</td>
<td></td>
<td></td>
<td>continues for the TDY or TAD period.</td>
</tr>
<tr>
<td>4</td>
<td>in a travel status (including authorized delay en route) on change of station</td>
<td></td>
<td></td>
<td>continues for the period of travel.</td>
</tr>
<tr>
<td>5</td>
<td>a Reservist released from active duty of more than 30 days</td>
<td>orders are not issued directing relief from all assigned duties</td>
<td>member has met flight requirements</td>
<td>continues for the period of allowable travel time home (note 2).</td>
</tr>
<tr>
<td>6</td>
<td>discharged and immediately reenlists at the same station without a break in service</td>
<td>flying status orders are not specifically terminated</td>
<td></td>
<td>entitlement is determined as if there had been no discharge.</td>
</tr>
<tr>
<td>7</td>
<td></td>
<td>flying status orders are specifically terminated</td>
<td></td>
<td>ceases on the date stated in orders.</td>
</tr>
<tr>
<td>8</td>
<td>incapacitated as a result of performance of flying duty</td>
<td></td>
<td></td>
<td>is payable as indicated in paragraphs 220206 or 220207.</td>
</tr>
</tbody>
</table>
Table 22-6. Entitlement to HDIP, Under Certain Conditions (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>an enlisted crewmember whose flight orders include a termination date</td>
<td>is involuntarily removed from flying duty (note 3)</td>
<td>was given less than 120 days of advance notice of removal from flying duty (note 4)</td>
<td>continues either for 120 days after the date on which notified of such removal or until original flight orders termination date, whichever occurs first, without regard to the flight requirements of paragraph 220203.</td>
</tr>
<tr>
<td>10</td>
<td>an enlisted crewmember whose flight orders do not include a termination date</td>
<td></td>
<td>was given less than 120 days advance notice of removal from flying duty (note 4)</td>
<td>continues for 120 days after the date on which notified of such removal without regard to the flight requirements of paragraph 220203.</td>
</tr>
</tbody>
</table>

NOTES:
1. Do not count flights performed while on leave for pay purposes.
2. Do not pay flight pay beyond the last day of the calendar month for which requirements are met.
3. A member is not considered to be involuntarily removed from flying duty upon separation, confinement, relief for cause, reduction in grade, medical unfitness, absence without leave, or transfer to ground duty at own request.
4. Advance notice of removal from flying duty will be issued by a competent authority in writing. Advance notice may be provided verbally if a suitable memorandum for the record is made and later followed by written notification.
Table 22-7. Monthly Army, Navy, and Marine Corps AvIP Rates for Officers
(Effective October 17, 1998)

<table>
<thead>
<tr>
<th>YAS</th>
<th>Monthly Rate</th>
</tr>
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<tbody>
<tr>
<td>2 or less</td>
<td>$125</td>
</tr>
<tr>
<td>Over 2</td>
<td>156</td>
</tr>
<tr>
<td>Over 3</td>
<td>188</td>
</tr>
<tr>
<td>Over 4</td>
<td>206</td>
</tr>
<tr>
<td>Over 6</td>
<td>650</td>
</tr>
<tr>
<td>Over 14</td>
<td>840</td>
</tr>
<tr>
<td>Over 22</td>
<td>585</td>
</tr>
<tr>
<td>Over 23</td>
<td>495</td>
</tr>
<tr>
<td>Over 24</td>
<td>385</td>
</tr>
<tr>
<td>Over 25</td>
<td>250</td>
</tr>
</tbody>
</table>

*Table 22-8. Monthly Maximum Air Force AvIP Rates
(Effective October 1, 2017)

<table>
<thead>
<tr>
<th>YAS</th>
<th>Monthly Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 or less</td>
<td>$150</td>
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<tr>
<td>Over 2</td>
<td>250</td>
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<tr>
<td>Over 6</td>
<td>700</td>
</tr>
<tr>
<td>Over 12</td>
<td>1000</td>
</tr>
<tr>
<td>Over 22</td>
<td>700</td>
</tr>
<tr>
<td>Over 24</td>
<td>450</td>
</tr>
</tbody>
</table>

*Table 22-9. Monthly CSIP Rates for Air Force Enlisted Flyers
(Effective October 1, 2017)

<table>
<thead>
<tr>
<th>YAS</th>
<th>Monthly Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 or less</td>
<td>$225</td>
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<tr>
<td>Over 4</td>
<td>350</td>
</tr>
<tr>
<td>Over 8</td>
<td>500</td>
</tr>
<tr>
<td>Over 14</td>
<td>600</td>
</tr>
</tbody>
</table>
CHAPTER 22 – AVIATION INCENTIVE PAYS

*2201 – GENERAL

* 220101 DoDI 7730.67, October 20, 2016

2202 – HDIP FOR FLYING DUTY

220201 37 U.S.C. § 301(a)(1)
220202 37 U.S.C. § 301(b) and (c)
220203 Executive Order (EO) 11929, July 26, 1976
220204.B 25 Comptroller General (Comp Gen) 534
220204.C 37 Comp Gen 183
220206.A 4 Comp Gen 975
220206.A 9 Comp Gen 487
220206.C EO 11929, July 26, 1976
220209.A 23 Comp Gen 1038
220209.A 23 Comp Gen 267
220209.B 2 Comp Gen 370
220209.B 46 Comp Gen 776
220209.C 37 Comp Gen 322
220209.E 37 U.S.C. § 552
220209.E 23 Comp Gen 948
220209.F.1 Public Law (P.L.) 92-482, October 12, 1972
220209.F.1 23 Comp Gen 449
220209.F.2 7 Comp Gen 476
220209.F.2 36 Comp Gen 57
220210 9 Comp Gen 234
220210 39 Comp Gen 604
220210 41 Comp Gen 173
220210 46 Comp Gen 776
220211 37 U.S.C. § 301(e)
220211.A 56 Comp Gen 983
220211.B 56 Comp Gen 983
220211.C Comp Gen B-153331, December 11, 1964
220212 37 U.S.C. § 304(b)

2203 – AvIP FOR AVIATORS IN OPERATIONAL FLYING DUTY (OFD) OR PROFICIENCY FLYING DUTY (PFD) POSITIONS

* 220301 37 U.S.C. § 334(a)
* 220302 DoDI 7730.67, October 20, 2016
* 220303  37 U.S.C. § 334(a)
* 220303.C  Department of the Air Force (DAF) Memo, July 1, 2017
*  DoDI 7730.67, October 20, 2016

*2204 – AvIP FOR AVIATORS NOT IN OFD OR PFD POSITIONS

*  DoDI 7730.67, October 20, 2016

*2205 – CRITICAL SKILL INCENTIVE PAY (CSIP)

*  37 U.S.C. § 353
*  DoDI 7730.67, October 20, 2016

Table 22-1  
37 U.S.C. § 301

Table 22-2  
37 U.S.C. § 301(c)(2)(A)

Table 22-4  
46 Comp Gen 776

Table 22-5  
46 Comp Gen 776

Table 22-6
Rules 1 through 8  
EO 11157, June 22, 1964
37 U.S.C. § 301
Rule 9  
EO 11929, July 26, 1976
Rule 10  
EO 11929, July 26, 1976
Note 3  
EO 11929, July 26, 1976
Note 4  
EO 11929, July 26, 1976

Table 22-7
*  P.L. 114-328, § 616(a), December 23, 2016
*  37 U.S.C. § 334(c)(1)(A)

*Table 22-8
*  37 U.S.C. § 334
*  DAF Memo, July 1, 2017
*  DAF Memo, August 29, 2017
<table>
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<th>Table 22-9</th>
<th>37 U.S.C. § 353</th>
</tr>
</thead>
<tbody>
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<td>DAF Memo, August 29, 2017</td>
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</tbody>
</table>
VOLUME 7A, CHAPTER 23: “SUBMARINE DUTY PAY”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated December 2015 is archived.

<table>
<thead>
<tr>
<th>PARAGRAPH</th>
<th>EXPLANATION OF CHANGE/REVISION</th>
<th>PURPOSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>Updated formatting to comply with current administrative instructions.</td>
<td>Revision</td>
</tr>
<tr>
<td>230101</td>
<td>Deleted the “Overview” paragraph.</td>
<td>Deletion</td>
</tr>
<tr>
<td>Bibliography</td>
<td>Updated statutes and references.</td>
<td>Revision</td>
</tr>
</tbody>
</table>
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CHAPTER 23

SUBMARINE DUTY PAY

2301  GENERAL

230101.  Purpose

The purpose of this chapter is to provide policy pertaining to Submarine Duty Pay for members of the Navy, as authorized by law. A member of the Navy who is entitled to basic pay, but is not entitled to continuous monthly submarine duty incentive pay under section 2303, is entitled to submarine duty incentive pay for the frequent and regular performance of operational submarine duty required by orders (including a submarine of a foreign nation).

230102.  Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

2302  INCENTIVE PAY FOR OPERATIONAL SUBMARINE DUTY

230201.  Rates

A.  The monthly rates of submarine duty pay for commissioned officers are in Table 23-1.

B.  The monthly rates of submarine duty pay for warrant officers are in Table 23-2.

C.  The monthly rates of submarine duty pay for enlisted members are in Table 23-3.

230202.  Definitions

A.  The term “operational submarine duty” means duty:

1.  While attached under competent orders to a submarine;

2.  While serving as an operator or crew member of an operational submersible (including an undersea exploration or research vehicle);

3.  While undergoing training preliminary to assignment to a nuclear-powered submarine;

4.  While undergoing rehabilitation after assignment to a nuclear-powered submarine;
5. In the case of a member qualified in submarines, while attached as a member of a submarine operational command staff whose duties require serving on a submarine during underway operations:

   a. During 1 calendar-month: 48 hours, except that hours served underway in excess of 48 hours as a member of a submarine operational command staff during any of the immediately preceding 5 calendar-months and not already used to qualify for incentive pay, may be applied to satisfy the 48-hour underway time requirements for the current month;

   b. During any 2 consecutive calendar-months when requirements of subparagraph 230202.A.5.a have not been met: 96 hours; or

   c. During any 3 consecutive calendar-months when requirements of subparagraph 230202.A.5.b have not been met: 144 hours;

6. While receiving instructions to prepare for assignment to a submarine of advanced design; or

7. While receiving instructions to prepare for a position of increased responsibility on a submarine.

B. The term “submarine service” means the service performed by a member under regulations prescribed by the Secretary of the Navy. The years of submarine service are computed beginning with the effective date of the initial order to perform submarine service.

230203. Submarine Duty Pay Start and Stop Dates

See Table 23-4.

230204. Submarine Operational Command Staff Members

A. General rules for meeting underway time requirements, including determination of a 2- or 3-month grace period, are substantially the same as those for flying pay. (See Chapter 22.)

B. For the fractional part of a calendar month, or fractional parts of 2 consecutive calendar months (duty begins in 1 month and ends in the following month), the underway time required, based on the requirement of 48 hours for a calendar month, will be determined from Table 23-5.

230205. Temporary Additional Duty or Authorized Leave

A member, who is entitled to submarine duty pay, retains entitlement during periods of temporary additional duty or authorized leave. However, a submarine operational command staff member is required to fulfill the underway time requirements to retain entitlement during such
periods if not otherwise entitled to continuous monthly submarine duty pay in accordance with section 2303.

230206. Missing Status - Member’s Entitlement

A member receiving submarine duty pay when declared missing by a competent authority is entitled to submarine duty pay during the period of absence and for the period, not to exceed 1 year, required for hospitalization and rehabilitation after termination of missing status. The member’s entitlement to submarine duty pay, upon termination of the period of eligibility, will be contingent on a determination of continued eligibility under section 2301.

230207. Restriction

An officer who fails selection for assignment as an executive officer or commanding officer of a submarine, or who declines to serve in either such position, may not be paid submarine duty pay except for periods during which such officer is serving on a submarine during underway operations.

2303 CONTINUOUS MONTHLY SUBMARINE DUTY PAY FOR SUBMARINE SERVICE MEMBERS

230301. Entitlement

A member of the submarine service (as defined in subparagraph 230202.B) is entitled to continuous monthly submarine duty pay as follows:

A. Through 26 years of service (as computed under Chapter 1, section 0102), a member must perform operational submarine duties for at least 6 of the first 12 years, and at least 10 of the first 18 years of submarine service. However, if a member performs the prescribed operational submarine duties for at least 8 but less than 10 of the first 18 years of submarine service, then that member is entitled to continuous monthly submarine duty pay for the first 22 years of service (as computed under Chapter 1, section 0102).

NOTE: In the case of an officer, the period as an enlisted member, before initial appointment as an officer, is excluded.

B. If, upon completion of either 12 or 18 years of submarine service, it is determined that a member has failed to perform the minimum prescribed operational submarine duty requirements during the prescribed periods of time, the entitlement to continuous monthly submarine duty pay ceases. If entitlement to continuous monthly submarine duty pay ceases upon completion of 12 years of submarine service, entitlement to that pay may again commence upon completion of 18 years of submarine service if the minimum operational submarine duty requirements have been met, and such pay will continue for the period of time prescribed in this section. However, if entitlement to continuous monthly submarine duty pay ceases in the case of any member at the completion of either 12 or 18 years of submarine service or 26 years of service (as computed under Chapter 1, section 0102), such member will be entitled to that pay in the
amount specified in section 2302 for the performance of service as a member of a submarine operational command staff, if such member’s duties require serving on a submarine during underway operations.

NOTE: In the case of an officer, any period as an enlisted member, before initial appointment as an officer, is excluded.

230302. Rates

The monthly rates of submarine duty pay are the same as indicated in Tables 23-1 through 23-3.

230303. Missing Status - Member’s Entitlement

The provisions of paragraph 230206 are applicable to submarine duty pay entitlement under this section.

230304. Restriction

An enlisted member may not be paid continuous submarine duty pay while serving ashore between submarine sea duty assignments, unless the member has a sufficient period of enlistment (including any extension of an enlistment) remaining to be reassigned to submarine sea duty.
Table 23-1. Monthly Submarine Duty Pay Rates - Commissioned Officers Effective October 1, 2004

<table>
<thead>
<tr>
<th>Years of Service Computed Under Title 37, United States Code (U.S.C), section 205 (see note)</th>
<th>Pay Grade</th>
<th>2 or less</th>
<th>Over 2</th>
<th>Over 3</th>
<th>Over 4</th>
<th>Over 6</th>
<th>Over 8</th>
<th>Over 10</th>
<th>Over 12</th>
<th>Over 14</th>
<th>Over 16</th>
<th>Over 18</th>
<th>Over 20</th>
<th>Over 22</th>
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<tbody>
<tr>
<td>O–6</td>
<td>595</td>
<td>595</td>
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</table>

Table 23-2. Monthly Submarine Duty Pay Rates - Warrant Officers Effective October 1, 2002

<table>
<thead>
<tr>
<th>Years of Service Computed Under 37 U.S.C. § 205 (see note)</th>
<th>Pay Grade</th>
<th>2 or less</th>
<th>Over 2</th>
<th>Over 3</th>
<th>Over 4</th>
<th>Over 6</th>
<th>Over 8</th>
<th>Over 10</th>
<th>Over 12</th>
<th>Over 14</th>
<th>Over 16</th>
<th>Over 18</th>
<th>Over 20</th>
<th>Over 22</th>
<th>Over 26</th>
</tr>
</thead>
</table>
Table 23-3. Monthly Submarine Duty Pay Rates - Enlisted Members Effective October 1, 2011

<table>
<thead>
<tr>
<th>Pay Grade</th>
<th>2 or less</th>
<th>Over 2</th>
<th>Over 3</th>
<th>Over 4</th>
<th>Over 6</th>
<th>Over 8</th>
<th>Over 10</th>
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<th>Over 14</th>
<th>Over 16</th>
<th>Over 18</th>
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<td>75</td>
<td>75</td>
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<td>75</td>
</tr>
</tbody>
</table>
Table 23-4. Submarine Duty Pay - Start and Stop Dates

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>attached to a submarine</td>
<td></td>
<td>then credit for incentive pay</td>
<td>begins on the day of reporting for duty, and continues through day of detachment.</td>
</tr>
<tr>
<td>2</td>
<td>assigned as prospective crewmember of submarine under construction</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>attached to a nuclear-powered submarine manned by two crews or a crew and an augment crew (notes 1 and 2)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>undergoing instruction to qualify for duty on a submarine of advanced design or for duty with increased responsibility (note 3)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>injured or incapacitated as a result of performing submarine duty remains assigned to submarine duty</td>
<td></td>
<td></td>
<td>through date of detachment.</td>
</tr>
<tr>
<td>6</td>
<td>is transferred to a medical facility on temporary duty orders for treatment, rehabilitation or medical board review</td>
<td></td>
<td></td>
<td>for not more than 6 months after date of incapacity, as determined by medical authorities.</td>
</tr>
<tr>
<td>7</td>
<td>is reassigned to limited duty for treatment or rehabilitation</td>
<td></td>
<td></td>
<td>for not more than 6 months after date of assignment to Limited Duty or until disqualifying condition is determined to be permanent, whichever is earlier.</td>
</tr>
</tbody>
</table>

NOTES:
1. Attachment to a submarine means duty as a crew member either on board the submarine, or on duty ashore during periods of rehabilitation after reporting for permanent duty as a crew member, whether to the on-ship or off-ship crew.
2. When an off-ship crew member, in a training and rehabilitation status, performs travel in connection with a change of home port of the member's submarine by means other than the submarine, member's entitlement to submarine pay continues during period in transit.
3. This rule also applies to officers, who previously qualified in submarines as enlisted members, while attending the following:
   a. Submarine Officers' Basic Course or Submarine Officers' Indoctrination Course, for the specific purpose of preparing for a position in a nuclear-powered submarine; or
   b. A course of instruction listed in the Chief of Naval Operations Instruction (OPNAVINST) 7220.15, December 28, 2005, specifically preparing them for positions of increased responsibility in nuclear-powered submarines.
Table 23-5. Submarine Operational Command Staff Members Underway Time Required for Fractional Part of Month

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<td>Minutes</td>
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<td>36</td>
<td>16.........</td>
</tr>
<tr>
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<td>3</td>
<td>12</td>
<td>17.........</td>
</tr>
<tr>
<td>3...........</td>
<td>4</td>
<td>48</td>
<td>18.........</td>
</tr>
<tr>
<td>4...........</td>
<td>6</td>
<td>24</td>
<td>19.........</td>
</tr>
<tr>
<td>5...........</td>
<td>8</td>
<td>00</td>
<td>20.........</td>
</tr>
<tr>
<td>6...........</td>
<td>9</td>
<td>36</td>
<td>21.........</td>
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CHAPTER – 23 SUBMARINE DUTY PAY

2301 – GENERAL

37 U.S.C. § 301c(a)(2)

2302 – INCENTIVE PAY FOR OPERATIONAL SUBMARINE DUTY

230202  37 U.S.C. § 301c(a)(5)
230206  37 U.S.C. § 552
230207  37 U.S.C. § 301c(5)(c)(1)

2303 – CONTINUOUS MONTHLY SUBMARINE DUTY PAY FOR SUBMARINE SERVICE MEMBERS

230301  37 U.S.C. § 301c(a)(1)
230304  37 U.S.C. § 301c(5)(c)(2)

Table 23-1  OPNAVINST 7220.15, December 28, 2005
*  OPNAVINST 7220.15, CHANGE (CH)-1, January 26, 2012

Table 23-2  OPNAVINST 7220.15, December 28, 2005
*  OPNAVINST 7220.15, CH-1, January 26, 2012

Table 23-3  OPNAVINST 7220.15, December 28, 2005
*  OPNAVINST 7220.15, CH-1, January 26, 2012
Assistant Secretary of the Navy for Manpower & Reserve Affairs Memo, August 30, 2011

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*  OPNAVINST 7220.15, CH-1, January 26, 2012

Table 23-5  OPNAVINST 7220.15, December 28, 2005
*  OPNAVINST 7220.15, CH-1, January 26, 2012
VOLUME 7A, CHAPTER 24: “INCENTIVE PAY - HAZARDOUS DUTY OTHER THAN AERIAL FLIGHTS”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, Table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue and underlined font.

The previous version dated June 2015 is archived.

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<td>Updated chapter formatting to comply with current administrative instructions.</td>
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</tr>
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<td>Changed the paragraph name to “Purpose” to comply with current administrative instructions.</td>
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CHAPTER 24

INCENTIVE PAY - HAZARDOUS DUTY OTHER THAN AERIAL FLIGHTS

2401 GENERAL

*240101. Purpose

This chapter prescribes the policies when a Military Service member is entitled to receive incentive pay (IP) for performing any of the hazardous duties listed in paragraph 240203 when the duty is performed under competent orders, and otherwise meets the requirements of this chapter.

240102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

2402 ENTITLEMENT

240201. Member of the Regular Force

When the requirements have been met, entitlement to Hazardous Duty Incentive Pay (HDIP) commences on the date the member reports for and enters on duty in compliance with competent orders. Entitlement ceases on the effective date published in orders for termination of such duty or the date the member is detached from and no longer required to perform the hazardous duty, whichever occurs first. When a member commences hazardous duty on a date other than the first day of a month, or terminates that duty on a date other than the 30th day of a month (28th or 29th of February, as appropriate) and otherwise meets the requirements of this chapter for the month, he or she is entitled to a prorated portion of the rate of pay for the month.

240202. Member of the Reserve Components (RC)

A. A member of the RC on Extended Active Duty (EAD), who is ordered to perform any of the hazardous duties listed in paragraph 240203, is entitled to pay based on the terms of this chapter.

B. A member of the RC on Active Duty Training (ADT), who is ordered to perform any of the hazardous duties listed in paragraph 240203, is entitled to pay based on Chapter 57, paragraphs 570302 and 570401 and Table 24-1, rules 9 through 13.

240203. Hazardous Duties

Hazardous duties include:

A. Duty involving parachute jumping as an essential part of military duty;
B. Duty involving frequent and regular participation in flight operation on the flight deck of an aircraft carrier or ship other than aircraft carrier from which aircraft are launched;

C. Duty involving the demolition of explosives as a primary duty, including training for such duty;

D. Duty inside a high- or low-pressure chamber;

E. Duty as a human acceleration or deceleration experimental subject;

F. Duty as a human test subject in thermal stress experiments;

G. Duty involving the servicing of aircraft or missiles with highly toxic fuels or propellants;

H. Duty involving fumigation tasks utilizing highly toxic pesticides;

I. Duty involving laboratory work utilizing live dangerous viruses or bacteria;

J. Duty involving handling of chemical munitions;

K. Duty involving maritime visit, board, search and seizure (VBSS) operations; and

L. Duty involving use of ski-equipped aircraft on the ground in Antarctica or on the Arctic Ice-Pack.

240204. Rates

A member who qualifies for HDIP under this chapter is entitled to such pay at a monthly rate of $150. The monthly rate for a High Altitude-Low Opening (HALO) parachutist who qualifies under this chapter is $225.

240205. Multiple Payments of HDIP

Members who qualify for IP for more than one type of hazardous duty may receive no more than two payments for the same period. Dual HDIP is limited to those members required by orders to perform specific multiple hazardous duties necessary for successful accomplishment of the mission of the unit to which assigned. Members must meet minimum requirements for each hazardous duty, unless excepted as provided in subparagraph 240206.D.

A. Types of Duties That Qualify Member for Dual Payments of HDIP. (See Chapter 22, subparagraph 220211.B.)

The following types of duties qualify members for dual payments of HDIP:
1. Members assigned to units who are required to perform parachute jumps in addition to and in connection with explosive ordnance demolition duties;

2. Air Force pararescue team members placed on orders to perform duties as both crew members and parachutists; and

3. Other combinations of hazardous duties for which dual payment of IP are authorized by the Secretary of the Military Department concerned.

B. Aviation Incentive Pay (AvIP) and HDIP. Officers entitled to Aviation Career Incentive Pay (AvCIP) and enlisted members entitled to Career Enlisted Flyer Incentive Pay (CEFIP), may receive not more than two types of HDIP under the provisions of this chapter provided the conditions for entitlement have been independently met. Officers and enlisted members entitled to HDIP for flying duty (in lieu of AvCIP or CEFIP), may receive not more than one other HDIP under the provisions of this chapter provided the conditions for entitlement have been independently met.

C. Restriction with Regard to Parachute Duty. Only one type of parachute duty payment (regular or HALO) is authorized for a qualifying period. When a member qualifies for both types of parachute duty, the higher rate of pay is authorized. Unless otherwise restricted by Military Service regulations (for example, restrictions on manning classification), a member who qualifies for a HALO rate for a month in which the member earlier qualified for the regular rate of parachute pay will be entitled to the difference between the monthly rate of $150 and $225.

D. Restriction with Regard to Flight Deck Duty. (See subparagraph 240401.D).

240206. Injury or Incapacity Resulting From Performance of Hazardous Duty

When a member, who is required to perform hazardous duty, is injured or otherwise incapacitated as a result of performing such duty, he or she is considered to have met the requirements for that duty during the incapacity, but for not longer than 3 months. Appropriate medical authority determines the cause of the incapacity and the dates thereof.

A. When to Start the 3-Month Entitlement Period. (See Table 24-2.)

B. Hazardous Duty for Definite Period. When a member has been placed on hazardous duty for a definite period and is entitled to IP while incapacitated as a result of performance of such duty, IP may not normally be paid beyond the ending date of the duty period stated in the orders. When evidence, however, is furnished that the member would have continued in the hazardous duty status had it not been for the incapacity, IP may be paid beyond the ending date of the duty stated in the orders.

C. Change of Station for Medical Treatment. See Table 24-3 for effect of permanent change of station (PCS). Temporary duty (TDY) or temporary additional duty (TAD) orders which specify a member's return to a permanent station do not affect assignment or
attachment to the hazardous duty. A member ordered to a medical facility under such orders continues to be entitled to IP during incapacity for no more than 3 months.

D. Injury or Incapacity While Performing Dual Hazardous Duties. If members, required to perform more than one hazardous duty, are injured or otherwise incapacitated as a result of either of those duties, they are entitled to dual IP during the incapacity but for no longer than 3 months. If not entitled to dual IP at the time of the incapacity, they are entitled to the type of IP they were receiving at the time of the incapacitation. The beginning date of the 3-month period must be determined separately for each type of IP. Use Chapter 22, paragraph 220206 or Table 24-2, as applicable, to determine the 3-month period separately for each IP.

240207. Incapacity Not Caused by Hazardous Duty

A member’s right to IP during incapacity, which is not the result of performing hazardous duty, depends on fulfillment of hazardous duty requirements.

240208. Authority to Issue Orders

Authority of the Military Departments to issue orders requiring performance of hazardous duty is delegated by the Secretaries to specific commanders within each Military Service. These delegations are contained in personnel administrative regulations of the respective Military Services.

240209. Missing Status - Member's Entitlement

A member receiving IP of a type listed in paragraph 240301, when declared by competent authority to be missing (as defined in the Definitions Chapter) is entitled to such IP during the period of absence and for any period, not to exceed 1 year, required for hospitalization and rehabilitation after termination of missing status. The member's entitlement to IP of a type listed in paragraph 240203 upon termination of any required period of hospitalization and rehabilitation or the 1-year period after date of return from missing status, whichever is earlier, will be contingent on a determination of continued eligibility under section 2402 and the applicable IP requirements.

2403 PARACHUTE DUTY

240301. Entitlement

A. General. Qualified members are those who have received a designation as a parachutist, or are undergoing training for such designation; who is required by competent orders to engage in parachute jumping from an aircraft in aerial flight, and who meet the minimum performance requirements of Table 24-4.
B. Military Free Fall or HALO

1. Members must perform duty involving parachute jumping, as an essential part of such duty, in military free fall operations where parachute deployment by the jumper occurs without the use of a static line.

2. Qualifying members are those who have graduated from the U.S. Army Military Free Fall Course or a Military Service recognized equivalent course; have received a designation as a HALO parachutist, or are undergoing training for such designation; and are required by competent orders to engage in parachute jumping at high altitudes without use of a static line from an aircraft in aerial flight. Members will meet the requirements of Table 24-4. Performance requirements must be satisfied by free fall jumps.

240302. Parachute Jumps-Leave, PCS, TDY/TAD, or ADT

A. General. Qualifying jumps for entitlement to parachute pay will be performed during a period of duty requiring parachute jumping as established by competent orders. Parachute jumps performed under the following circumstances do not qualify a member for entitlement to parachute pay:

1. Parachute jumps performed by any member while on leave or during PCS or TDY/TAD not requiring parachute jumping as an essential part of the duty; and

2. Parachute jumps performed by a member of an RC while on ADT that does not require parachute jumping as an essential part of the duty.

B. Examples (Not All Inclusive)

1. Leave

a. Facts

   (1) A member is placed on parachute jump status by competent orders effective January 15. Member performs a jump on March 15.

   (2) The member is on leave for the period March 25 through April 25, and performs a jump on April 15 during the period of leave.

   (3) The member returns to the permanent duty station April 26 and performs a jump on July 15.

b. Entitlements

   (1) The member is entitled to parachute pay from January 15 through March 30 based on the jump performed March 15 (see Table 24-4, rule 1 and note 1).
(2) The member is entitled to parachute pay for May, June, and July based on the jump performed July 15 (see Table 24-1, rule 2, and Table 24-4, rule 1).

(3) The jump performed on April 15 is not a qualifying jump for parachute pay entitlement. Thus, the member is not entitled to parachute pay for April.

2. **TDY/TAD**

   a. **Facts**

      (1) The member is placed on parachute jump status by competent orders at permanent duty station. Member performs a jump on January 15.

      (2) For the period January 25 through July 2, the member is assigned TDY/TAD where parachute jumping is not required by competent orders. The member performs a parachute jump on June 10 while on TDY/TAD.

      (3) A member returns to permanent duty station on July 3 and performs a jump on: July 6, July 13, and August 6.

   b. **Entitlements**

      (1) The member is entitled to parachute pay for January, February, and March based on jump performed January 15 (Table 24-1, rule 3, and Table 24-4, rule 1).

      (2) The member is entitled to parachute pay for May, June, and July based on jump performed July 6. The jump performed on July 13 is not applied for entitlement because it is one of multiple jumps performed in the same month. Only one jump per month is used for qualification to parachute pay (Table 24-4, rule 1).

      (3) The member is entitled to parachute pay for August, September, and October based on jump performed August 6 (Table 24-4, rules 1 and 2).

      (4) The jump performed on June 10 during TDY/TAD is not a qualifying jump for parachute pay entitlement (subparagraph 240302.A.1). No entitlement exists for parachute pay for April.

3. **ADT Less Than 20 Weeks, RC Member Assigned to a Unit**

   a. **Facts**

      (1) An RC member is placed on parachute jump status at unit of assignment by competent orders. At the unit of assignment, the member performs Inactive Duty Training (IDT) drills on January 14-15, February 12-13, and March 15-16. The member performs a parachute jump on January 15.
(2) The member is ordered to ADT for the period March 28 through May 22 (less than 20 weeks). The member is not placed on parachute jump status at ADT station, but the member performs a jump on April 5 while on ADT.

(3) The member returns to parachute duty at the unit of assignment upon completion of ADT and performs IDT on drills May 24-25, June 8-9, and July 9-10. He or she performs a parachute jump on July 10.

b. Entitlements

(1) The member is entitled to parachute pay for IDT drills in January, February, and March based on the jump performed January 15 (see Table 24-4, rule 1).

(2) The member is entitled to parachute pay for allowable travel time to the ADT station and for ADT days, March 28-30, also based on jump performed January 15 (see Chapter 58, paragraph 580305; Table 24-1, rule 13; Table 24-4, rule 1).

(3) The member is entitled to parachute pay for ADT May 1-22 plus allowable travel time from ADT station based on the jump performed July 10 (see paragraph 580305; Table 24-1, rule 13; Table 24-4, rule 2).

(4) Also based on jump performed July 10, the member is entitled to parachute pay for IDT drills performed in May, June, and July.

(5) The jump performed April 5 is not a qualifying jump for entitlement to parachute pay. Thus, no entitlement exists for April (see subparagraph 240302.A).

4. ADT Any Number of Weeks, RC Member, With or Without Unit of Assignment

a. Facts

(1) An RC member, if assigned to a unit, is not placed on parachute jump status at unit.

(2) The member is ordered to ADT, any number of weeks. He or she is placed on parachute jump status at the ADT station by competent orders.

(3) The member meets minimum performance requirements according to Table 24-4 by jumps performed during ADT.
b. **Entitlements.** The member is entitled to parachute pay for allowable travel time to and from the ADT station and for period of ADT (see Table 24-1, rules 9 and 11).

240303. Rates

See paragraph 240204.

240304. Performance Requirements

See Table 24-2.

240305. Table of Parachute Jumps

Table 24-5 gives examples of how minimum requirements are applied. This table does not necessarily cover all situations but is intended as a general guide. In each example, the member was required by orders to participate frequently and regularly in parachute jumps for the entire period. This table is not intended to show date of payment. In every case, the parachute duty requirements must be met before payment is made.

240306. Right to Pay Under Certain Conditions

See Table 24-1.

2404 FLIGHT DECK DUTY

240401. Entitlement

A. **Conditions of Entitlement.** A member is entitled to IP for flight deck duty (Flight Deck HDIP (FDHDIP) when the member:

1. Serves on the crew of an eligible air capable ship or an aviation unit operating from such a ship, fixed-wing-aircraft carrier or an aviation unit operating from that type of carrier;

2. Is ordered by competent authority to duty in a billet which requires frequent and regular participation in flight operations; and

3. Participates, within a calendar month, in 4 days of flight operations or their equivalent on the flight deck of eligible air capable ships.

B. **Quotas and Billets.** The number of members entitled to FDHDIP is subject to the monthly quotas applicable to the eligible air capable ships and type or combination of air units operating from such ships, as promulgated in the Chief of Naval Operations Instruction (OPNAVINST) 7220.4J series.
C. Members on TDY or TAD. Members on TDY or TAD in the crew of an eligible air capable ship or an aviation unit operating from such a ship may be ordered to flight deck hazardous duty billets (FDHDBs). When so ordered, they are entitled to FDHDIP for the actual period specified in the orders provided they meet the minimal participation requirements for an entire month (4 days of flight operations or their equivalent) within each calendar month.

D. Dual Payments. Members receiving IP for any other type of hazardous duty are not entitled to FDHDIP for the same period.

240402. Specialized Terms

A. Eligible Air Capable Ship. A ship having a flight deck that has been certified to launch or land aircraft under Chief of Naval Operations ship or helicopter facility certification program.

B. Flight Operations. The period of time during which launch and recovery of aircraft are in progress on the flight deck of an eligible air capable ship. It includes the turnup and movement of aircraft preparatory to launch and the movement and shutdown of aircraft immediately following recovery.

C. Day of Flight Operations. One day of flight operations will consist of a calendar day during which any combination of aircraft takeoffs and/or landings takes place, as specified for each ship by class in OPNAV Instruction 7220.4J series. Four days of such flight operations, or the equivalent thereof, will constitute the basic calendar month qualification criteria.

D. Equivalent of 4 Days of Flight Operations. Any single day, or combination of days during a calendar month in which the number of aircraft take-offs and/or landing equals the monthly total requirement for that class ship in OPNAV Instruction 7220.4J series will constitute the equivalent of 4 days of flight operations.

E. FDHDB. A billet that requires frequent and regular participation in flight operations on the flight deck of an eligible air capable ship as promulgated in OPNAV Instruction in the 7220.4J series.

F. Participation. Presence, during flight operations, at an assigned station in an FDHDB on the flight deck of an aircraft carrier or a ship other than an aircraft carrier from which aircraft are launched and recovered during flight operations.

240403. Rates

See paragraph 240204.

240404. Commencement and Termination of FDHDIP

Eligibility for entitlement to FDHDIP begins on the date a member is ordered to duty in a FDHDIP. Entitlement eligibility ends on the date the orders to such billet are revoked, or when a
member is permanently detached from the aircraft carrier or aviation unit, whichever occurs first. Orders may be terminated for other reasons but not for the sole purpose of providing FDHDIP for additional members.

240405. Prorated FDHDIP

Personnel, who otherwise meet entitlement criteria but who do not participate in a full calendar month of flight operations, will receive a prorated FDHDIP payment. The prorated amount will be determined by multiplying 1/30th of the monthly FDHDIP rate by the number of days the member actually performed in a FDHDIP billet aboard ship for the partial month.

240406. Right to Pay Under Certain Conditions

See Table 24-1.

2405 DEMOLITION DUTY

240501. Entitlement

A. Condition of Entitlement. A member entitled to basic pay, who is required by competent orders to perform duty involving the demolition of explosives, as prescribed by Military Service regulations, as a primary duty (including training for that duty), is entitled to IP under the conditions stated in this section. IP is payable for any full month, or is prorated under paragraph 240201 for any portion of a calendar month during which a member under competent orders performs demolition duty by use of live explosives.

B. Duty Involving Demolition of Explosives. Demolition duty is duty performed by members who engage in the following activities under competent orders and as a primary duty assignment:

1. Demolish by the use of explosives objects, obstacles, or other explosives, or recover and render harmless, by disarming or demolition, explosives that have failed to function as intended or which have become a potential hazard;

2. Participate as students or instructors in instructional training, including that in the field or fleet, for the duties described in subparagraph 240501.B.1 provided that live explosives are used in such training;

3. Participate in proficiency training, including that in the field or fleet, for the maintenance of skill in the duties described in subparagraph 240501.B.1 provided that live explosives are used in such training; or

4. Experiment with or develop tools, equipment, or procedures for the demolition and rendering harmless of explosives, provided that live explosives are used.
240502. Rates

See paragraph 240204.

240503. Performance Requirements

A member, who is assigned to demolition duty by competent orders and performs such duty during the month involved, is entitled to IP for that duty provided live explosives are used. Local commanders are responsible for ensuring that the finance officer is informed when a member fails to perform the monthly demolition duty required for entitlement to the IP.

240504. Right to Pay Under Certain Conditions

See Table 24-1.

2406 EXPERIMENTAL STRESS DUTY

240601. Entitlement

A. Condition of Entitlement. A member on active duty who is required by competent orders to perform experimental stress duty is entitled to IP under the conditions stated in this section. IP is payable for any full month, or is prorated in accordance with paragraph 240201 for any portion of a calendar month, during which experimental stress duty is performed under competent orders.

B. Duty Involving Experimental Stress. Experimental stress duties are limited to the following:

1. Human Acceleration or Deceleration Experimental Subject. Duty performed as human acceleration or deceleration experimental subjects utilizing experimental acceleration or deceleration devices.

2. Thermal Stress Duty. Duty performed as human thermal experimental subjects in thermal stress experiments.

3. Low-Pressure Chamber Duty. Duty performed within a low-pressure (altitude) chamber at physiological facilities as human test subjects, inside instructor-observer or inside observer-tender.

4. High-Pressure Chamber Duty

   a. Duty performed within a high-pressure (hyperbaric or recompression) chamber or hyperbaric complex as a:
(1) Human test subject for approved protocols applicable to the research, development, testing and evaluation of diving, hyperbaric and underwater-related tools, systems, equipment and procedures;

(2) Human test subject in a recompression chamber/hyperbaric complex inside instructor-observer or inside observer-tender during the conduct of protocols; or

(3) Human test subject in a recompression chamber/hyperbaric complex inside instructor-observer or inside observer-tender during the conduct of hyperbaric treatment or hyperbaric therapy procedures which include, but are not limited to, treatment of ailments incidental to diving and hyperbaric/hypobaric exposure.

b. Navy Personnel Only. For a Navy member to qualify for this IP as a human test subject, inside instructor-observer or inside observer-tender in a recompression chamber/hyperbaric complex, all of the following conditions must be met. The member must:

(1) Possess one of the Navy Enlisted Classification/Navy Officer Billet Classification (NEC/NOBC) listed and is assigned by competent orders to a billet utilizing the following NEC/NOBC classifications:

**Enlisted:**

<table>
<thead>
<tr>
<th>NEC</th>
<th>NEC</th>
</tr>
</thead>
<tbody>
<tr>
<td>5320</td>
<td>SEAL (Basic)</td>
</tr>
<tr>
<td>5323</td>
<td>Swimmer Delivery Vehicle</td>
</tr>
<tr>
<td>5326</td>
<td>SEAL</td>
</tr>
<tr>
<td>5332</td>
<td>Basic Explosive Ordnance Disposal (EOD) Technician</td>
</tr>
<tr>
<td>5333</td>
<td>Basic EOD Technician (Parachutist)</td>
</tr>
<tr>
<td>5334</td>
<td>Senior EOD Technician</td>
</tr>
<tr>
<td>5335</td>
<td>Senior EOD Technician (Parachutist)</td>
</tr>
<tr>
<td>5336</td>
<td>Master EOD Technician</td>
</tr>
<tr>
<td>5337</td>
<td>Master EOD Technician (Parachutist)</td>
</tr>
<tr>
<td>5341</td>
<td>Master Diver</td>
</tr>
<tr>
<td>5342</td>
<td>First Class Diver</td>
</tr>
<tr>
<td>5343</td>
<td>Second Class Diver</td>
</tr>
<tr>
<td>5931</td>
<td>Advanced Underwater Construction Technician</td>
</tr>
<tr>
<td>5932</td>
<td>Basic Underwater Construction Technician</td>
</tr>
</tbody>
</table>

**Enlisted:**

<table>
<thead>
<tr>
<th>NEC</th>
<th>NEC</th>
</tr>
</thead>
<tbody>
<tr>
<td>5933</td>
<td>Master Underwater Construction Technician</td>
</tr>
<tr>
<td>8403</td>
<td>Special Amphibious Reconnaissance Independent Duty Corpsman</td>
</tr>
<tr>
<td>8427</td>
<td>Fleet Marine Force Reconnaissance Corpsman</td>
</tr>
<tr>
<td>8491</td>
<td>Special Operations Independent Duty Corpsman</td>
</tr>
<tr>
<td>8492</td>
<td>Special Operations Technician</td>
</tr>
<tr>
<td>8493</td>
<td>Medical Deep Sea Diving Technician</td>
</tr>
<tr>
<td>8494</td>
<td>Medical Deep Sea Diving Technician</td>
</tr>
</tbody>
</table>
(2) Be ordered to perform additional duty as a human test subject, inside instructor-observer or inside observer-tender as described in subparagraphs 240601.B.4.a., b, or c, or by the commanding officer having cognizance over the recompression chamber or hyperbaric complex; and

(3) Either be instructing or operating Navy approved underwater breathing equipment, support systems, and recompression chambers; or observing the other individual(s) for symptoms of diving injuries/illnesses and providing appropriate treatment, as ordered by competent authority.

c. The following types of similar duties do not entitle Navy personnel to HDIP as recompression chamber/hyperbaric complex inside instructor-observers or inside observer-tenders:

(1) Inside observer-tender and divers for surface decompression procedures incidental to the conduct of diving operations as this is considered a normal procedure related to the safe conduct of routine diving operations;

(2) Under instruction either inside instructor-observer, inside observer-tender, or trainees that includes saturation diving procedures and hyperbaric medical related training which is considered a normal requirement to establish or maintain proficiency and/or qualifications;

(3) Inside observer-tender or test candidates during pressure and/or oxygen tolerance tests;

(4) Inside observer-tender, technicians or others involved in recompression chamber or hyperbaric complex preventive or corrective maintenance or during the use of a chamber or complex for the purpose of conducting preventive or corrective maintenance procedures; and

(5) Patients undergoing hyperbaric treatment or therapy.

C. Restriction. A member is entitled to only one payment of IP for experimental stress duty during any 1 month.
240602. Rates

See paragraph 240204.

240603. Performance Requirements

A member is entitled to IP for experimental stress duty when assigned to that duty by competent orders and performs such duty during the month involved. Competent medical authorities of the Military Service concerned must determine if the member is engaged in one or more stress experiments involving risk of experimental hazard.

240604. Right to Pay Under Certain Conditions

See Table 24-1.

2407 TOXIC FUELS (OR PROPELLANTS) DUTY

240701. Entitlement

A. A member is entitled to HDIP for duty involving the servicing of aircraft or missiles with highly toxic fuels or propellants when this duty is performed as a primary duty according to the requirements set forth in subparagraphs 240702.A - D and G.

B. A member is entitled to HDIP for duty involving the servicing of aircraft or missiles with highly toxic fuels or propellants for the testing of aircraft or missile systems (or components of such systems) during which highly toxic fuels are used when this duty is performed as a primary duty according to the requirements listed in paragraph 240702.

240702. Requirements

Primary duty under this section requires:

A. Removal, replacement, and servicing of the emergency power unit of an aircraft with H-70 propellant (30 percent water, 70 percent hydrazine);

B. Participation by those personnel performing duties in subparagraph 240702.A, who must also participate in an emergency response force, spill containment, or spill cleanup involving H-70 propellant (30 percent water, 70 percent hydrazine);

C. Handling and maintaining the liquid propellants (liquid oxidizer-nitrogen tetroxide; unsymmetrical dimethyl hydrazine) used in the Titan weapon system if such duty requires the qualification in the use of the rocket fuel handler's clothing outfit and involves:

1. Launch duct operations, including flow, pressurization, on-load, off-load, set-up, or tear down involving propellant transfer operations;
2. Set-up, installation, or tear down for fuel/oxidizer flow;

3. Decontamination of equipment, including but not limited to the rocket fuel handler's clothing outfit;

4. Venting or pressurizing missile fuel or oxidizer tanks;

5. Removing or replacing missile components while missile fuel and oxidizer tanks are loaded with such propellants;

6. Transferring propellants between commercial and military holding trailers; or between holding trailers and fuel/oxidizer pump rooms; and

7. Normal preventive maintenance activities including but not limited to seal changes;

D. Handling and maintaining the propellants, unsymmetrical dimethyl hydrazine and inhibited red-fuming nitric acid used in the LANCE missile system;

E. Handling, transporting, or working with toxic fuels/propellants by members assigned to the Air Force Rocket Propulsion Lab who:

1. Directly manage and inspect the activities of crew members conducting operations involving experimental rocket propulsion systems and components;

2. Directly monitor and set up measurement instruments in operational areas where contamination is suspected or may be physically present;

3. Install and remove instrumentation devices from propulsion systems and components;

4. Perform final test preparation and immediate safety inspection duties around pressurized, active systems during pre-run and post-run test periods; or

5. Install and repair electrical systems;

F. Handling, loading/unloading, and transporting toxic fuels and oxidizers at the precision sled track while working with the liquid rocket sled which uses JP-X (a mixture of jet fuel (JP-4) and unsymmetrical dimethyl hydrazine) and red-fuming nitric acid and a propulsion; or

G. Involvement with other toxic substances contained in missile or aircraft weapon system fuels or propellants as determined by the Secretary concerned.
240703. Rates

See paragraph 240204.

240704. Restriction

The entitlement to the pay under this section is based upon the performance of such duty, which has the potential for accidental or inadvertent exposure to highly toxic fuels or propellants or related substances and not upon actual quantifiable exposure to such substances. Therefore, neither this construction of the term nor the receipt of the pay provided for in this section may be construed as indicating that any person entitled to such pay has been actually exposed to highly toxic fuels or propellants, or related substances contrary to the provisions of any statute, executive order, rule or regulation relating to health or, safety which is applicable to the Uniformed Services.

2408 TOXIC PESTICIDES DUTY

240801. Entitlement

A member is entitled to HDIP for duty involving frequent and regular exposure to highly toxic pesticides when the member is assigned by competent orders to the entomology, pest control, pest management, or preventive medicine functions of a Uniformed Service for a period of 30 consecutive days or more.

240802. Requirements

A. Fumigation Duties. Members must perform fumigation duties during a calendar month to receive HDIP for the month. Duty under this section covers any fumigation task utilizing: (1) phosphine, sulfuryl fluoride, hydrogen cyanide, methyl bromide, or (2) a fumigant of comparable high-acute toxicity and hazard potential.

B. Restrictions. The use of solid fumigant formulations such as aluminum phosphide, magnesium phosphide, and calcium cyanide in the outdoor control of burrowing animals does not qualify a member for IP under this section.

240803. Rates

See paragraph 240204.

2409 DANGEROUS VIRUSES (OR BACTERIA) LAB DUTY

240901. Entitlement

A member is entitled to HDIP for duty involving laboratory work that utilizes live dangerous viruses or bacteria as a primary duty.
240902. Requirements

Under this section members must perform primary duty while assigned by competent orders for a period of 30 consecutive days or more to participate in or conduct applied or basic research that is characterized by a changing variety of techniques, procedures, equipment, and experiments. Duty under this section is primary duty performed by members who work with microorganisms:

A. That cause disease:
   1. With a high potential for mortality;
   2. For which effective therapeutic procedures are not available; and

B. For which no effective prophylactic immunization exists.

240903. Rates.

See paragraph 240204.

2410 CHEMICAL MUNITIONS DUTY

241001. Entitlement

A member is entitled to HDIP for duty involving the handling of chemical munitions (or components of such munitions) as a primary duty.

241002. Requirements

A. Primary Duties. Primary duty under this section requires direct physical handling of:

   1. Toxic chemical munitions incident to storage, maintenance, testing, surveillance, assembly, disassembly, demilitarization, or disposal of said munitions;

   2. Chemical surety material defined by the Secretary of the Military Department concerned, incident to manufacture, storage, testing, laboratory analysis, detoxification, or disposal of said material;

   3. Toxic chemical munitions incident to the technical escort of shipments of said munitions; or

   4. Chemical surety material, defined by the Secretary concerned, incident to technical escort of shipments of said material.

B. Restrictions. HDIP under this section does not include the following duties:
24-22

1. Handling of the individual components of binary chemical agents or munitions;

2. User handling incident to loading, firing, or otherwise launching the toxic chemical munitions, or field storage operations during hostilities;

3. Handling of research, development, testing, and evaluation dilute solutions of toxic chemicals as defined by the Secretary concerned; and

4. Handling of riot control agents, chemical defoliants and herbicides, smoke, flame and incendiaries, and industrial chemicals.

241003. Rates

See paragraph 240204.

241004. Restriction

The entitlement to the pay under this section is based upon the performance of such duty that has the potential for accidental exposure to chemical agents and not upon actual quantifiable exposure to such agents. Therefore, neither the construction of the term nor the receipt of pay provided for in this section may be construed as indicating that any person entitled to such pay actually has been exposed to chemical agents contrary to the provisions of any statute, executive order, rule, or regulation relating to health and safety which is applicable to the Uniformed Services.

2411 MARITIME VBSS DUTY

241101. Entitlement

A member of a uniformed service who is entitled to basic pay is also entitled to IP for hazardous duty involving regular participation as a member of a team conducting VBSS operations aboard vessels in support of maritime interdiction operations.

241102. Duty Involving Maritime VBSS

Navy has established that in order to qualify for HDIP for any month under this section a member must:

A. Be assigned for an entire month to a billet designated as requiring frequent and regular participation in VBSS operations;

B. Be properly trained for the VBSS billet; and

C. Participate in a minimum of three boarding missions (excluding training exercises) during each month of qualification.
2412 POLAR REGION FLIGHT OPERATIONS DUTY

241201. Entitlement

A member of a uniformed service who is entitled to basic pay is also entitled to IP for hazardous duty involving use of ski-equipped aircraft on the ground in Antarctica or on the Arctic Ice-Pack.

241202. Requirements

A member will be eligible in any calendar month during which that member participated in a take-off from or landing on the ground in Antarctica or the Arctic Ice-Pack, or the servicing of, or the handling of cargo in connection with such aircraft on the ground in such a polar region. The appropriate commander will certify those members who under competent orders perform such duty in a calendar month.

241203. Rates

See paragraph 240204.
Table 24-1. **IP for Hazardous Duty-Entitlement Under Certain Conditions**

<table>
<thead>
<tr>
<th>R U L E</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>sick in line of duty</td>
<td>any type of hazardous duty listed in paragraph 240203</td>
<td>orders to perform the hazardous duty involved</td>
<td>continues for the period of the illness.</td>
</tr>
<tr>
<td>2</td>
<td>on authorized leave</td>
<td>any type of hazardous duty listed in paragraph 240203</td>
<td>orders to perform the hazardous duty involved remain in effect and the member performs the duty involved during the month involved, or when appropriate, performs the minimum performance requirements for the duty involved</td>
<td>continues for the period of leave (note 1).</td>
</tr>
<tr>
<td>3</td>
<td>on TDY or TAD</td>
<td>any type of hazardous duty listed in paragraph 240203</td>
<td>orders to perform the hazardous duty involved</td>
<td>continues for the period of TDY or TAD.</td>
</tr>
<tr>
<td>4</td>
<td>reassigned PCS including TDY in conjunction with PCS</td>
<td>any type of hazardous duty listed in paragraph 240203</td>
<td>orders to perform hazardous duty involved are in effect at the TDY station only. Member meets minimum performance requirements at the TDY station</td>
<td>is not affected by the PCS (note 2).</td>
</tr>
<tr>
<td>5</td>
<td>on TDY or TAD</td>
<td>any type of hazardous duty listed in paragraph 240203</td>
<td>orders to perform hazardous duty involved are in effect at the TDY station only. Member meets minimum performance requirements at the TDY station</td>
<td>begins on the date of reporting for duty at the TDY location and exists for the period of TDY.</td>
</tr>
<tr>
<td>6</td>
<td>discharged and immediately reenlisted at the same station without a break in service</td>
<td>any type of hazardous duty listed in paragraph 240203</td>
<td>orders to perform hazardous duty involved are not specifically terminated</td>
<td>is determined as though there had been no discharge.</td>
</tr>
<tr>
<td>7</td>
<td></td>
<td></td>
<td>orders to perform the hazardous duty involved are specifically terminated</td>
<td>ceases on effective date shown in orders.</td>
</tr>
</tbody>
</table>
Table 24-1. IP for Hazardous Duty-Entitlement Under Certain Conditions (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>removed from hazardous duty</td>
<td>and the hazardous duty involved is</td>
<td>removal is for cause, disqualification, or the member's own request</td>
<td>ceases on the date that cause or disqualification is determined to exist or the date the member is removed per request, which will be the effective date established in orders terminating the hazardous duty. (See note 2 for pay proration.)</td>
</tr>
<tr>
<td>9</td>
<td>a member of an RC being released from active duty performed either: a. while member is part of strength accountability of the active military establishment (EAD); or b. while member is accountable to an RC (ADT) (note 5)</td>
<td>parachute</td>
<td>orders are not issued directing relief from assigned duties and requirements have been met for the period involved</td>
<td>continues for the period of allowable travel time (notes 3 and 5).</td>
</tr>
</tbody>
</table>
Table 24-1. IP for Hazardous Duty-Entitlement Under Certain Conditions (Continued)

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>10</strong></td>
<td>When a member under orders to perform hazardous duty is released from active duty performed either:</td>
<td>demolition, flight deck, experimental stress, toxic fuels, toxic pesticides, dangerous viruses, handling chemical munitions, maritime VBSS, or polar region flight operations</td>
<td>orders are not issued directing relief from assigned duties and requirements have been met for the period involved</td>
<td>ceases on detachment from last duty station.</td>
</tr>
<tr>
<td></td>
<td>a. while member is part of strength accountability of the active military establishment (EAD); or</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. while member is accountable to an RC (ADT) (note 4)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>11</strong></td>
<td>on ADT for any number of weeks (with or without a unit of assignment) (note 4)</td>
<td>any type of hazardous duty listed in paragraph 240203</td>
<td>orders to perform the hazardous duty involved are in effect at the ADT station. Member meets minimum performance requirements at ADT station</td>
<td>1. exists for the period of ADT. Entitlement for ADT is terminated per rules 9 or 10. 2. for IDT is determined under note 6.</td>
</tr>
<tr>
<td><strong>12</strong></td>
<td>on ADT for 20 weeks or more away from unit of assignment (note 4)</td>
<td>member is not ordered to perform the hazardous duty at the ADT station</td>
<td></td>
<td>1. does not exist for the period of ADT. 2. for IDT is determined under note 6.</td>
</tr>
</tbody>
</table>
Table 24-1. **IP for Hazardous Duty-Entitlement Under Certain Conditions (Continued)**

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RULE</strong></td>
<td><strong>A</strong></td>
<td><strong>B</strong></td>
<td><strong>C</strong></td>
</tr>
<tr>
<td>13</td>
<td>When a member under orders to perform hazardous duty is</td>
<td>and the hazardous duty involved is</td>
<td>orders to perform the hazardous duty involved remain in effect at unit of assignment. Member is not ordered to perform hazardous duty at ADT station. Member meets minimum performance requirements during IDT at unit of assignment</td>
</tr>
<tr>
<td>13</td>
<td>on ADT for less than 20 weeks away from unit of assignment (note 4)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTES:**
1. Performance of hazardous duty while on leave cannot be counted for pay purposes.
2. Orders to perform hazardous duty remain in effect when member is being reassigned PCS successively to hazardous duty. If the member cannot be immediately assigned to a hazardous duty position at a new station, orders to perform such duty will be terminated effective the date of arrival at new duty station and IP stopped as of that date. When successive assignment does not require hazardous duty as an essential part of military duty at the new permanent duty station, orders to perform such duty will be terminated effective the date of departure from old duty station (or TDY point if performance of hazardous duty is required as an essential part of military duty at the TDY point) and IP stopped as of that date. When effective date in the orders terminating hazardous duty is other than the last day of a calendar month and that month's performance requirements have been met, the month's hazardous duty pay will be prorated per subparagraph 240201.
3. Parachute pay may not be paid beyond the last day of the calendar month for which requirements are met.
4. ADT includes annual training, special tours of ADT, school tours, and the initial tour performed by enlistees without prior military service.
5. **HDIP** entitlement for ADT includes time allowed for necessary travel from home to first duty station ([Chapter 1, paragraph 010305](#)).
6. **HDIP** for IDT is paid per Chapter 58.
Table 24-2. When to Start the 3-Month Entitlement Period for Incapacity Resulting from Performance of Hazardous Duty

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>demolition, experimental stress, toxic fuels, toxic pesticides,</td>
<td>and</td>
<td>then the 3-month period during which requirements are considered</td>
</tr>
<tr>
<td></td>
<td>dangerous viruses, or handling chemical munitions</td>
<td></td>
<td>to have been met</td>
</tr>
<tr>
<td>2</td>
<td>parachute, flight deck, maritime VBSS, or polar region flight</td>
<td>performance requirements for the month of incapacity have been</td>
<td>the first day of the month following the month in which the</td>
</tr>
<tr>
<td></td>
<td>operations</td>
<td>met</td>
<td>incapacity occurred.</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>performance requirements for the month of incapacity have not been</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>met</td>
<td></td>
</tr>
</tbody>
</table>

Table 24-3. When IP for Incapacity Resulting from Hazardous Duty Stops on PCS

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>parachute</td>
<td>IP accrues</td>
</tr>
<tr>
<td>2</td>
<td>flight deck, demolition, experimental stress, toxic fuels, toxic</td>
<td>after PCS through the end of the 3-month entitlement period.</td>
</tr>
<tr>
<td></td>
<td>pesticides, dangerous viruses, handling chemical munitions,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>maritime VBSS, or polar region flight operations</td>
<td>through the date of departure from the old station.</td>
</tr>
</tbody>
</table>
Table 24-4. Parachute Jumps-IP for Parachute Duty-Performance Requirements

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>a jump is performed</td>
<td>any calendar month</td>
<td>member qualifies for parachute duty pay for that month and one preceding and succeeding month; or that month and 2 preceding months; or that month and 2 succeeding months (note 1).</td>
</tr>
<tr>
<td>2</td>
<td>jumps are made</td>
<td>2 or more consecutive months</td>
<td>new 3 consecutive-calendar-month period starts with each month a jump is made, except when rule 3 applies.</td>
</tr>
<tr>
<td>3</td>
<td>a member is unable to perform a jump because of military operations of the command or the absence of jump equipment or aircraft</td>
<td>a 3-month period</td>
<td>member may qualify for parachute duty pay on a 12-month basis. He or she may qualify for the 3-month period plus the following 9 consecutive-calendar-months by performing four jumps any time during the 9-month period (note 2).</td>
</tr>
<tr>
<td>4</td>
<td>a member is unable to perform a jump by reason of being engaged in combat operations in a hostile fire area</td>
<td></td>
<td>minimum jump requirements may be waived by the member's commanding officer (note 2).</td>
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<td>5</td>
<td>a member begins parachute training or reports for duty with a parachute unit</td>
<td>a fractional part of a month</td>
<td>the month the training or duty begins becomes the first month of the 3 consecutive-calendar-month period (note 1).</td>
</tr>
</tbody>
</table>

NOTES:
1. IP for parachute duty may be paid, provided prescribed requirements are met, only from the date of reporting for duty or training. If that day is other than the first day of a month, that month's rate of pay will be prorated in accordance with paragraph 240201.
2. Military operations, combat operations in a hostile fire area, or absence of jump equipment are the only authorized reasons for not complying with requirements over a 3-month period.
Table 24-5. Parachute Jump Examples

<table>
<thead>
<tr>
<th></th>
<th>Example 1</th>
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NOTES:
1. Entitled to IP for parachute duty based on jumps performed in 3 consecutive calendar months.
2. Entitled to IP for parachute duty based on that month's jump.
3. No jumps performed because of absence of jump equipment or aircraft or on account of military operations.
4. Entitled to IP for parachute duty based on jumps performed in 12 consecutive calendar months.
5. Incapacitated by reason of parachute accident.
6. No jumps performed because of incapacitation resulting from parachute accident.
7. Entitled to IP for parachute duty accident.
BIBLIOGRAPHY

CHAPTER 24 - INCENTIVE PAY - HAZARDOUS DUTY OTHER THAN AERIAL FLIGHTS

2402 - ENTITLEMENT

240201 Executive Order 13294, March 28, 2003
Title 37, United States Code (U.S.C.), section 301
240202 37 U.S.C. § 301(c)
240203 37 U.S.C. § 301(e)
240204 37 U.S.C. § 301(e)
240204.C 38 Comptroller General Decision 83

2403 - PARACHUTE DUTY

240301 37 U.S.C. § 301(a)(3)
37 U.S.C. § 301(c)(1)

2404 - FLIGHT DECK DUTY

240401 37 U.S.C. § 301(a)(8)
240402 OPNAVINST 7220.4 series
240403 37 U.S.C. § 301(c)
240405 OPNAVINST 7220.4 series

2405 - DEMOLITION DUTY

240501 37 U.S.C. § 301(a)(4)
240502 37 U.S.C. § 301(c)

2406 - EXPERIMENTAL STRESS DUTY

240601 37 U.S.C. § 301(a)(5),(6),(7)
240602 37 U.S.C. § 301(c)

2411 - MARITIME VBSS DUTY

* 241101 37 U.S.C. § 301(a)(11)

2412 - POLAR REGION FLIGHT OPERATIONS DUTY

* 241201 37 U.S.C. § 301(a)(12)
VOLUME 7A, CHAPTER 25: “SUBSISTENCE ALLOWANCES”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated April 2016 is archived.

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<td>Updated the Basic Allowance for Subsistence rates effective January 1, 2018.</td>
<td>Revision</td>
</tr>
<tr>
<td>Table 25-1</td>
<td>Updated the meal collection rates effective January 1, 2018.</td>
<td>Revision</td>
</tr>
<tr>
<td>Bibliography</td>
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<td>Revision</td>
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CHAPTER 25

SUBSISTENCE ALLOWANCES

2501  GENERAL

250101.  Purpose

Each member of a uniformed service entitled to basic pay is entitled to Subsistence Allowances subject to the conditions set forth in this chapter.

250102.  Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

2502  BASIC ALLOWANCE FOR SUBSISTENCE (BAS)

250201.  Eligibility

Upon completion of initial basic military training, unless otherwise restricted as described in paragraph 250203, a member becomes entitled to one of the following monthly BAS rates based upon their rank and circumstances.

A.  Officer BAS.  A single rate of BAS applies to all officers.

B.  BAS for Enlisted Members.  Enlisted members are entitled to one of the following BAS rates.

   1.  Enlisted BAS.  Enlisted BAS is the monthly standard rate that is payable to enlisted members unless they qualify for, and proper authority approves, BAS II.

   2.  Enlisted BAS II.  Enlisted BAS II is the monthly rate that may be payable to members on duty at a permanent station and assigned to single (unaccompanied) Government quarters, which do not have adequate food storage or preparation facilities, and where a Government mess is not available, and the Government cannot otherwise make meals available.  The BAS II rate is twice the rate of standard enlisted BAS.  BAS II may be paid to enlisted members of the Navy assigned to vessels in a pre-commissioning status or who otherwise meet criteria set forth in the Military Personnel Manual (MILSPERMAN) 7220-182.  Effective October 1, 2010, the Air Force authorized payment of BAS II to members at specific locations.

C.  Continuity of Enlisted BAS Entitlement

   1.  Enlisted members continue their existing BAS entitlement without interruption upon discharge or retirement, if reenlistment or recall to active duty is completed at the same station within 24 hours.
2. Enlisted members continue their existing BAS entitlement without interruption during weekends, holidays, administrative absence, pass, or liberty (not including leave).

*250202. Payment

A. Effective January 1, 2018, the rates for BAS are as follows:

1. **Officers.** The monthly BAS rate for officers is $254.39.

2. **Enlisted.** The monthly BAS rates for enlisted members are:
   a. Enlisted BAS (standard) – $369.39; and
   b. BAS II – $738.78.

B. **Enlisted BAS in Specific Situations.** The following policy will be used in determining whether BAS or BAS II applies in specific situations:

1. Enlisted BAS rates will be applied uniformly for all enlisted members under similar conditions permanently assigned to the same installation, station, base, or ship. The installation commander/commanding officer will ensure the uniform application of BAS rates for members under similar conditions, whether from a single Service or more than one Service. If there is conflict between Service directives that prevent uniform application of BAS, the commander/commanding officer will report the differences, through appropriate channels, to the Secretaries of the Military Departments concerned, who will confer to ensure uniform determinations on the authorized BAS rate.

2. Enlisted members on authorized leave (including proceed time, authorized delays enroute between duty stations chargeable as leave, and convalescent leave) are entitled to the standard enlisted BAS rate, regardless of the BAS rate authorized at their Permanent Duty Station (PDS).

3. Enlisted members performing Permanent Change of Station (PCS) travel (including Temporary Additional Duty or Temporary Duty (TAD/TDY)) enroute under orders away from their designated post of duty are entitled to the standard enlisted BAS rate, regardless of the BAS type authorized at their previous or subsequent PDS.

4. Enlisted members receiving BAS II at their PDS who are hospitalized or performing regular or permissive TAD/TDY (including field duty, sea duty, Essential Unit Messing (EUM), or members traveling together with limited or no per diem travel) under orders away from their PDS will revert to standard enlisted BAS for the period of hospitalization or absence from the PDS.
5. Enlisted members will be entitled to the standard enlisted BAS rate for any day they are under orders for leave or PCS travel. This includes the day of commencement and day of termination of the status under those orders.

6. Enlisted members who change BAS status at the direction or by permission of a commander, under blanket authority, or at the member’s request will have the entitlement change take effect at the beginning of the day specified in writing by the commander.

C. Advance Payments. Specific circumstances for advance payment of BAS are contained in Chapter 32, section 320205.

D. Effect on Overseas Station Allowances. BAS is paid in conjunction with the overseas Cost-Of-Living Allowances (COLA) authorized by the Joint Travel Regulations.

250203. Restrictions

A. Military members are not entitled to BAS of any type under the following conditions:

1. When undergoing Basic Military Training, including initial officer training (Officer Candidate School, Officer Training School), except when the member has continuous prior enlisted service (active or reserve). Members will be subsisted-in-kind while attending initial basic military training;

2. When in an excess leave status;

3. When in an absent-without-leave status, in excess of 24 hours, unless the absence is excused as unavoidable;

4. When on an approved educational leave of absence not exceeding 2 years;

5. When a member with no dependents is training for, attending, or participating in Pan American games, Olympic games, or other specifically authorized international amateur sport competitions and the sponsoring agency subsists them during that period; or

6. When a court-martial sentence imposes forfeiture of pay and allowances.

B. Enlisted members are not authorized BAS II when a government mess is temporarily closed for less than 14 days.
250204. Government Provided Meals

A. A military member being paid BAS must pay for all meals or rations provided by or on behalf of the Government, except as provided in subparagraph 250204.B. This is a personal obligation of the individual. Meals or rations may be paid for with cash tendered to the Government mess, by the member or, under certain circumstances, the amount owed may be collected/deducted from the member’s travel per diem (a member under orders for EUM has no entitlement to subsistence travel per diem), or from the member’s pay account. When payment is made from a pay account, the payment is not considered a deduction from or reduction of the entitled BAS; rather it is a collection for a debt owed to the Government (see Table 25-1).

B. A member is not required to pay for meals provided while the member undergoes medical recuperation or therapy, or is otherwise in the status of continuous care, including outpatient care, at a military treatment facility for an injury, illness or disease incurred while the member was on active duty in:

1. Support of:
   a. Operation Enduring Freedom;
   b. Operation Iraqi Freedom; or
   c. Operation New Dawn; or

2. Any other operation designated by the Secretary of Defense as a combat operation or in an area designated by the Secretary as a combat zone.

C. Mandatory pay account collection may be imposed for enlisted members in certain situations. These are circumstances where it is not feasible to control dining access or collect cash due to operational constraints or where efficiency of operation requires collection for all meals. When a commander/commanding officer requires mandatory pay account collection, the collection will be made for all meals available, whether the meals are actually eaten or not. Mandatory collections are made day-for-actual-day, not a 30-day month basis. Unless the member is receiving a per diem for subsistence, the collection will be at the discount meal rate.

1. Mandatory pay account collection may be required in the following situations:
   a. Field duty;
   b. Sea duty;
   c. Members traveling together with limited or no per diem travel;
   d. Accession Pipeline Military Training;
25-7

DoD 7000.14-R  Financial Management Regulation  Volume 7A, Chapter 25  * April 2018

e. EUM; or

f. Essential Station Messing (ESM).

2. Mandatory pay account collection for meals does not apply to the following:

a. Members, on official leave, in a PCS status, (including travel time and proceed time), in a military treatment facility, or on TAD/TDY other than TAD/TDY to another situation requiring mandatory pay account collection for meals. In these instances, pay account collections will be suspended or adjusted with a credit and the Government mess will be responsible for collecting from the member for any meals served.

b. Members, who have missed meals, as certified by the commanding officer/commander or their designee. Collections will be suspended or adjusted with a credit.

3. Pay account collections will be at 25-percent of the discount meal rate for the first and last day of assignment in situations requiring mandatory collection. A member transitioning directly between two mandatory meal collection situations will be treated as though the collection period were continuous and will not receive the 25-percent reduced charge for the transition. The 25-percent reduced meal charge does not apply for leave periods. Full collections will be made on the duty days before and after the leave period.

D. In circumstances other than those requiring mandatory pay account collection, members receiving BAS will pay for meals provided by or on behalf of the Government by using cash or by collection/reduction of subsistence per diem from their travel claims. Members on Joint Task Force operations, under per diem travel orders, usually will have the subsistence portion of their per diem withheld or deducted from their travel reimbursement as payment for meals provided in theater. Members deployed on regular TAD/TDY travel, who receive deductible meals (meals at “no cost”), will have the subsistence portion of their per diem reduced as payment for meals provided by or on behalf of the Government.

E. The standard meal rate applies unless there is a specific exception allowing application of the discount meal rate. Members actually paid subsistence per diem for meals must pay the standard meal rate unless the per diem is withheld or disallowed as payment for the meals.

F. Members being subsisted by or on behalf of the Government, where no other collection means exists or where normal collections were not made, may have a collection for meals made through their pay account at the appropriate rate upon proper documentation for a debt owed to the Government.

G. Collections from individual pay accounts for meals and rations provided by the Government or on behalf of the Government will be credited to the appropriation specified by each Military Service.
250205. Specialized Terms

A. ESM. Messing declared by the installation, base, or station commander responsible for single Government quarters that is essential to operate the Government mess efficiently and economically, or that is necessary for the health and safety of enlisted personnel permanently assigned to single quarters. Those categories of enlisted members included in ESM will be charged for all meals made available whether eaten or not, except for approved missed meals.

B. EUM. Group messing that is declared by an appropriate authority to be necessary for operational readiness, military operations, or effective training where members are required to eat Government–furnished meals. Members will be in a travel status and are entitled to travel reimbursement for incidental expenses, but not for subsistence. Designation for EUM will apply only to organizational units and to operational elements and detachments, not to individual Service members. All members on duty under circumstances where EUM has been declared will be charged for all meals made available whether eaten or not, except for approved missed meals.

C. Sea Duty. Service performed in a self-propelled vessel with berthing and messing facilities that is in an active status, in commission, or in service. This term applies to members who are either permanent party or aboard for TAD/TDY. All members on sea duty, not a member of an authorized private mess, will be charged for all meals made available whether eaten or not, subject to approved missed meals.

D. Subsisted on Behalf of the Government. A condition in which meals or rations are furnished without charge by a Government contractor or a foreign government, or through a fellowship, grant, or intern program, while a member is receiving basic pay, either under the terms of a contract or agreement or on a complimentary basis. Unless a member is entitled to be subsisted-in-kind, subsistence provided on behalf of the Government must be charged to the member.

E. Subsisted-in-Kind. Meals or rations furnished at no charge to members not entitled to BAS from a Government Mess or who are subsisted at no charge on behalf of the Government.

2503 FAMILY SUBSISTENCE SUPPLEMENTAL ALLOWANCE (FSSA)

250301. General Provisions

The FSSA program was established to supplement a member’s BAS to a level sufficient to remove the member’s household from or eliminate the need for benefits under the U.S. Department of Agriculture (USDA) Supplemental Nutrition Assistance Program (SNAP), formerly known as the food stamp program. FSSA is payable at a monthly rate as determined by the Military Service concerned under the guidance provided by the Secretary of Defense, and may not exceed $1,100 per month. FSSA is a nontaxable allowance payable in addition to, all other pays and allowances.
250302. Eligibility

FSSA is payable to any officer or enlisted member of the Armed Forces who meets all of the following criteria:

A. Is serving on active duty and receiving BAS;

B. Has a household income, including military income of the member and any other household income, that would make the member eligible for assistance under the USDA SNAP program for a given household size;

C. Has at least one person in the member’s household who is a military dependent;

D. Has made an application for and been certified, at a specific payment level, by the appropriate office; and

E. After September 30, 2016, is serving outside the United States, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, or Guam.

250303. Entitlement

FSSA is a monthly entitlement payable in whole dollar amounts not to exceed $1,100. It is not payable to any member, otherwise entitled, during periods in a non-pay status.

A. FSSA is payable in an amount that would bring the member’s household income to 130 percent of the Federal poverty line as established by the USDA.

B. For periods of less than a full month of entitlement, the FSSA is payable at 1/30 of the monthly amount for eligible day served.

C. If an eligible member is receiving SNAP benefits, the amount of the FSSA entitlement will be equal to the calculated FSSA or the SNAP allotment, whichever is higher, not to exceed $1,100 per month.

250304. Military Income

A. For the FSSA Program, the following sources of revenue will be counted as military income:

1. Basic Pay;

2. BAS;

3. Basic Allowance for Housing or cash equivalent for those who are living in Government–provided housing;
4. **Overseas Housing Allowance (OHA).** When a Service member lives in Government quarters while stationed overseas, the amount of the housing allowance to count as income for that member is the OHA ceiling for the local area; 

5. **All bonuses.** The monthly amount of military income attributable to a bonus will be the amount of the bonus, prorated over the period of time to which bonus is applicable; 

6. **All special and incentive pays except those excluded in subparagraph 250304.B.** 

**B.** The following sources of revenue will not be counted as military income: 

1. **Hostile Fire Pay;** 
2. **Imminent Danger Pay;** 
3. **Continental United States COLA;** 
4. **Overseas COLA;** 
5. **Family Separation Allowance;** 
6. **Clothing Allowances; and** 
7. **All travel and transportation related allowances and entitlements.**

250305. **Application and Certification** 

Members must **apply for the FSSA Program with** the appropriate organizational element as designated by their respective Service. The appropriate Service organization will make all decisions regarding eligibility and the amount of entitlement and will provide final certification for payment to include the entitlement start date.

250306. **Recertification and Termination**

**A.** When any of the following events occurs, in order to avoid termination of FSSA, a member receiving FSSA must report the event to the Service certifying organization within 30 days for recertification of FSSA eligibility:

1. **Member’s monthly** household income increases by $100 or more; 
2. **Member’s household size decreases;** 
3. **Member is promoted.** The **certification** ends the day prior to the effective date of promotion;
4. Member executes a PCS move. The certification ends the day prior to the date the member officially reports for duty at the new duty station; and

5. Annually on February 1.

B. Recertification must be completed in 30 days or less, before or after one of the events listed in subparagraph 250306.A, to maintain continuous qualification for the FSSA Program.

C. The effective date of recertification will be the day following the last day of the previous certification period.

D. If during recertification it is determined that the member’s gross household income increased by an amount greater than $100 more than 30 days prior to reapplication, the difference between the amount of the current entitlement and the amount being recertified (if less) will be recouped. The recoupment amount is calculated on a pro rata basis for each day, following the date the increased income exceeded $100 through the effective date of the recertification.

E. When a member’s eligibility is not timely recertified, eligibility for FSSA will be lost, and the date for termination of the entitlement will be the date of the event requiring recertification. An untimely recertification will be treated as an initial application.
Table 25-1. Meal Collection Rates

Effective January 1, 2018 (Notes 1 & 2)

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<tr>
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NOTES:

1. Collections from an enlisted member’s pay account will be made when the member has not otherwise paid for meals provided by or on behalf of the Government (i.e., by cash, a personal check or charge, or by deduction/reduction of per diem). Collections from pay will be deducted from the member’s pay account and credited to the appropriation specified by the Military Service concerned.

2. For the prior year rates, see: Office of Secretary of Defense (Comptroller) website.

3. The discount meal rate applies to meals and rations provided by or on behalf of the U.S. Government to a member not paid per diem or other travel reimbursement for subsistence who is performing duty in a U.S. Government vessel, a U.S. Government aircraft, on maneuvers, war games, field exercises, or similar operations, or to members traveling together with limited or no per diem travel status under EUM or assigned ESM. The discount meal rate also applies to meals and rations provided to a member assigned to Joint Task Force operations (for other than training) at temporary U.S. installations, or through a temporary dining facility.

4. The standard meal rate applies to meals and rations provided to any member not authorized the discount meal rate. This includes any member being paid per diem for subsistence, except those on Joint Task Force operations as described in note 3. Generally, when the standard meal rate is applicable, it will be collected in cash from the member by the dining facility.
CHAPTER 25 – SUBSISTENCE ALLOWANCES

2501 – GENERAL

Title 37, United States Code (U.S.C.), section 402

2502 – BASIC ALLOWANCE FOR SUBSISTENCE (BAS)

250201 Department of Defense Directive (DoDD) 1418.05, October 6, 2003

* 250201.B.1 37 U.S.C. § 402(d)

250201.B.2 MILSPERMAN 7220-182, March 17, 2006
Office of the Assistant Secretary of the Air Force
Financial Management Memo, June 8, 2010

* 250202.A & B Office of the Assistant Secretary of Defense
Manpower and Reserve Affairs Memo, November 22, 2017

250202.B.2 DoDD 1418.05, October 6, 2003

250203.A.5 37 U.S.C. § 420(c)

250203.A.6 10 U.S.C. § 857
10 U.S.C. § 858b

250203.C 37 U.S.C. § 402(h)

250204 37 U.S.C. § 1011
DoDD 1418.05, October 6, 2003
10 U.S.C. § 2603

2503 – FAMILY SUBSISTENCE SUPPLEMENTAL ALLOWANCE (FSSA)

37 U.S.C. § 402a
DoD Instruction 1341.11, March 4, 2008

250302.E 37 U.S.C. § 402a(b)(4)

*Table 25-1 Office of Under Secretary of Defense (Comptroller)
Memo, December 4, 2017
VOLUME 7A, CHAPTER 27: “FAMILY SEPARATION ALLOWANCE (FSA)”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by **bold, italic, blue, and underlined font**.

The previous version dated November 2015 is archived.

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<td>Updated to reflect the start date for FSA for the evacuation of dependents.</td>
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<td>Removed obsolete “NOTE” referencing the Joint Travel Regulation and renumbered subsequent note.</td>
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CHAPTER 27

FAMILY SEPARATION ALLOWANCE (FSA)

2701 GENERAL

270101. Purpose

The chapter provides policy for FSA. FSA provides compensation for added expenses incurred because of an enforced family separation under one of the conditions in subparagraphs 270203.A.1 through 3. FSA is payable to qualified members serving inside or outside the United States. It is not authorized when a member performs duty at any station under permissive orders (except when subparagraph 270401.C applies).

270102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

2702 ENTITLEMENT PROVISIONS

270201. Types Authorized

FSA is payable to members with dependents. FSA is payable in addition to any other allowance or per diem, to which a member may be entitled. The member, however, may not receive more than one payment of FSA for the same period, even though qualified for FSA - Restricted (FSA-R), FSA - Ship (FSA-S), and FSA - Temporary (FSA-T).

270202. Definitions

A. Dependents. The term “dependents” has the same meaning as defined in the Volume 7A, Definitions and is further defined in subparagraphs 270202.A.1 through 270202.A.3:

1. Child. A dependent child(ren) is an unmarried child(ren) of the member who is in the legal custody of the member. Legal custody includes a circumstance in which the member has been awarded joint physical and legal custody of a dependent child(ren) as a result of a court ordered custody agreement or finalized divorce decree, which provides that the child(ren) physically reside with the member on an equal basis (no less than 14 days during a month) as compared to the time the child(ren) reside(s) with the former spouse, and the member’s actual physical custody of the child(ren) is precluded due to an enforced family separation described under paragraph 270203. Such a custody arrangement must be stipulated in the signed court order or divorce decree, subject to the verification by the Secretary of the Military Department concerned. See subparagraph 270301.C.

2. Parents. The term “Parents” is defined in the Volume 7A, Definitions.
3. **Spouse.** An individual who is legally married to the Service member.

NOTE: Generally, a member of a Uniformed Service may not be paid an allowance (including FSA) for a dependent during any period for which the dependent is entitled to active duty basic pay. This does not negate an entitlement to FSA to a couple comprised of a member married to another member with no other dependents. Such a couple is entitled to FSA.

B. **Duty Station.** The term “duty station” is defined in the Volume 7A, Definitions.

C. **Permanent Duty Station (PDS).** The term “PDS” is defined in the Volume 7A, Definitions.

D. **Household.** The term “household” means the same as “home” or “family.” It applies to a collection of persons living under one roof, having one head or manager who controls and supervises the affairs of the family. For FSA purposes, this applies only to secondary dependents.

270203. **FSA**

A. **When Payable.** FSA is payable to a member serving in any grade as a member with dependents. The member must meet all general requirements and one of the following conditions:

1. **FSA - R**
   a. The member’s dependents, including dependents acquired after the effective date of PCS orders (see Table 27-1 (FSA Commencement Dates), rules 8 and 9), do not live in the vicinity of the member’s homeport/PDS, and their transportation to or near the PDS is not authorized at government expense (see paragraph 270401).
   b. Transportation of dependents is authorized at government expense, but member elects an unaccompanied tour of duty because a dependent cannot accompany the member to, or at that homeport/PDS due to certified medical reasons, regardless of the date on which the member first made the election to serve an unaccompanied tour.

2. **FSA - S.** The member is on duty aboard a ship, and the ship is away from the homeport continuously for more than 30 days.

NOTE: The dependents are not required to reside in the vicinity of the homeport.

3. **FSA - T.** The member is on Temporary Duty (TDY) or Temporary Assigned Duty (TAD) away from the PDS continuously for more than 30 days, and the member’s dependents do not reside at or near the TDY or TAD station. This includes members who are required to perform a period of the TDY or TAD before reporting to their initial station of
assignment. Members on an unaccompanied tour are entitled to FSA-T for TDY or TAD periods of over 30 continuous days if the member’s dependents do not reside at or near the TDY or TAD station and they do not reside near the PDS as defined in paragraph 270303.

B. **Amount Payable**

Effective October 1, 2002, FSA is payable in a monthly amount of $250.

C. **Conditions:**

1. For specific commencement dates, see Table 27-1;
2. For overseas eligibility, see Table 27-2;
3. For specific dates to stop FSA, see Table 27-3; and
4. For specific conditions of entitlement, see Table 27-4.

D. **Member Married to Member**

1. FSA is payable to a member married to another member regardless of whether the member has any non-active duty dependents, when all other general conditions are met, and provided members were residing together immediately before being separated by reason of execution of military orders.

   a. Except as provided in subparagraph 270203.D.2, not more than one monthly FSA may be paid with respect to a married military couple for any month. Each member may be entitled to FSA within the same month, but both cannot simultaneously be entitled. Payment will be made to a member whose orders resulted in the separation. If both members receive orders requiring departure on the same day, then payment will go to the senior member.

   b. If a member meets the requirements for credit of FSA, but entitlement is precluded by an existing entitlement status of the spouse, then the second member may, if still qualified, immediately become entitled to FSA upon termination of the spouse’s status. The couple may qualify for sequential entitlements to FSA provided military orders keep them continuously separated.

   c. In order to qualify for a subsequent entitlement to FSA, a married member couple, no longer separated by reason of military orders, must reestablish a joint household and reside together.

2. Effective October 1, 2008, FSA is payable to both married members when they reside together with their dependents immediately before being separated from dependents, by competent orders to assignments prescribed in subparagraphs 270203.A.1 through 3. Each member’s entitlement is determined individually based on assignment and separation from dependents. The dual allowance will continue until one of the members is no longer assigned to
one of those duty assignments. The other member will continue to receive the allowance until no longer assigned to one of those duty assignments. This is true even when both members are assigned to the same duty location away from their dependents.

3. In the case of a member married to another member, and the couple has a child, one member may claim the child for entitlement to Basic Allowance for Housing and the other member, when otherwise entitled, may claim the child for entitlement to FSA. The FSA entitlement may alternate between members based on the same dependent; however, FSA may not be paid simultaneously to both members on behalf of the same dependent, except as provided in subparagraph 270203.D.2. See subparagraph 270401.D.

2703 DEPENDENTS SEPARATION REQUIREMENTS

270301. Dependents

A member is not considered “a member with dependents” for FSA entitlement when:

A. The sole dependent is placed in an institution for a known period of over 1-year or for an indefinite period, which may be expected to exceed 1-year;

B. The sole dependent is a spouse legally separated or child(ren) in the legal custody of another person. An exception occurs when the member has joint physical and legal custody of the child(ren) otherwise would reside with the member at least 14 days each month, for the current assignment. In such assignment, the member will be considered as a “member with dependents” for FSA entitlement;

C. The member has been awarded joint legal and physical custody of the child(ren) as a result of a court ordered custody agreement or finalized divorce decree, which provides that the child(ren) physically reside with the member less than 14 days during the month; or

D. The member’s dependent parent does not reside in the home, which the member controls, supervises, and maintains for mutual use when circumstances permit.

270302. Temporary Social Visits by Dependents

A. FSA-R. Credit continues to accrue while the member’s dependents visit at or near the member’s PDS, but for no longer than 3 continuous months. Facts clearly must show that the dependents merely are visiting (not changing residence) and that the visit is temporary and not intended to exceed 3 months. If, for unforeseen reasons (due to illness or other emergency), a bona fide social visit extends beyond 3 months, then stop credit for FSA at the end of the 3-month period. If the visit initially is intended to exceed 3 months, then stop FSA credit the day before the dependents arrive at the member’s PDS. Credit is again authorized on and after the day that the dependents depart from the PDS. A member is entitled to FSA-R, even though one or more (but not all) dependents visit for longer than 3 months if the member is entitled on behalf of the dependents who are not visiting the member.
B. **FSA-S.** Credit continues to accrue to the member whose dependents are visiting at or near the duty station (or any port) continuously for 30 days or less. Facts must show that the dependents merely are visiting. If the visit exceeds 30 days, then entitlement to FSA-S ends on the day preceding the date of dependent arrival, unless the visit is extended because of illness or other emergency. Under such circumstances, payment of FSA-S is limited to 30 days. Entitlement to FSA-S exists if one or more (but not all) of the dependents visit for longer than 30 days if the member otherwise is entitled to FSA-S on behalf of the dependents who are not visiting the member.

C. **FSA-T.** Credit continues to accrue to a member whose dependents visit at or near the TDY or TAD continuously for 30 days or less. Facts must show that the dependents are merely visiting. If the visit exceeds 30 days, then the member is not entitled to FSA-T for any part of the period, unless the visit is extended because of illness or other emergency. Under such circumstances, payment of the allowance is limited to 30 days. Entitlement to FSA-T resumes on the day that the dependents depart the TDY or TAD, if the member’s TDY or TAD extends for more than 30 days from that date. Entitlement to FSA-T exists if one or more (but not all) of the dependents visit for longer than 30 days if the member otherwise is entitled on behalf of the dependents who are not visiting the member.

270303. **Dependents Reside Near Duty Station**

A. FSA does not accrue to a member if all of the dependents reside at or near the duty station. If some (but not all) of the dependents voluntarily reside near the duty station, then FSA may accrue on behalf of those dependents who do not reside at or near the duty station. Consider dependents as residing near a duty station if the member actually commutes daily, regardless of distance. Also, consider dependents as residing near a duty station if they live within a reasonable commuting distance of that station, whether or not the member commutes daily. A distance of 50 miles, one way, is normally considered to be within reasonable commuting distance of the station, but the 50-mile rule is not inflexible.

B. Unusual conditions may permit a determination that dependents do not live within a reasonable commuting distance, even though the distance involved is less than 50 miles one way. In a situation where the distance is less than 50 miles, but the time required to commute one way by commonly used route and method of transportation would exceed one and a half hours, the dependents will be considered as not residing near the member’s duty station, unless the member actually commutes daily.

C. If dependents are authorized concurrent travel with the member to the duty station and are subsequently authorized to reside at a point over 50 miles from the member’s duty station for personal reasons, rather than as a result of military restriction on dependents’ travel, then FSA entitlement does not accrue.

D. In questionable cases, commanders may submit requests for determination through channels to the appropriate office listed:
2704 CONDITIONS OF ENTITLEMENT

*270401. Entitlement Incident to Permanent Change of Station (PCS) Reassignments

A. Continental United States (CONUS) Assignments. Conditions of FSA entitlement incident to regular CONUS PCS reassignments and permissive PCS reassignments are detailed in subparagraphs 270401.A.1 through 270401.A.4.

1. Entitlement to FSA upon regular PCS is authorized only when movement of a member’s dependents to the new PDS is not authorized at government expense.

2. Members are entitled to FSA-S when performing duty onboard a ship if the ship is away from the homeport for more than 30 continuous days. If, however, the ship arrives and remains at a port other than the homeport for a period of more than 30 days at a location where the member’s dependents reside, then payment of the FSA-S is precluded if the member resides with the dependents. A member is entitled to FSA-S for redeployment if the member returned to the homeport after the original deployment for a period of 30 days or less and redeployed for a period of more than 30 continuous days.

3. A member who is otherwise entitled to transportation of dependents at government expense, but whose dependent cannot accompany the member to or at that homeport/PDS due to certified medical reasons, is entitled to FSA under this subparagraph.

4. A member who otherwise is authorized movement of dependents at government expense to PDS is not so authorized when he or she is voluntarily reassigned on PCS under permissive orders. Separation from dependents under these circumstances is not an enforced separation due to government requirements. The member, therefore, is not entitled to FSA under this subparagraph.
B. Waiver Provision. See subparagraph 270401.D. for circumstances in which waivers may be granted.

C. Overseas Assignments. Dependents are permitted in some areas overseas and not permitted in others (dependent-restricted areas). A member selected for PCS overseas to an area where his or her dependents are permitted must elect to serve either an unaccompanied or an accompanied tour.

1. Except as waived by the Secretary of the Military Department concerned, a member electing to serve an unaccompanied tour, in lieu of an accompanied tour at a PDS where his or her dependents are permitted, is not entitled to FSA-R for such a tour. A member who is in receipt of accompanied tour orders, and subsequently requests to serve an unaccompanied tour, to include a dependents-restricted tour, in lieu of an accompanied tour at a PDS where his or her dependents are permitted, is not entitled to FSA-R for such a tour. Secretarial waiver of this policy may be granted in situations where it would be inequitable to deny FSA-R to a member because of the unusual family or operational circumstances.

2. See applicable procedures for tour elections and secretarial waiver in the appropriate individual Military Service regulation.

3. Refer to Table 27-2 (FSA-R, Overseas Assignment) for FSA entitlement for otherwise eligible members assigned PCS overseas.

4. A member who voluntarily is reassigned PCS (overseas) under permissive orders from the station where he or she already is entitled to FSA-R remains entitled if reassigned to an area overseas where dependents are not permitted (dependent-restricted tour) or under circumstances authorized by secretarial waiver.

D. Unusual Family or Operational Circumstances Defined. Unusual family or operational circumstances are defined as those in which the Secretary of the Military Department concerned determines that it is in the best interest of the government to permit payment of FSA to members who, through no fault of their own, must relocate in an unaccompanied status under certain circumstances.

1. The Military Services may waive provisions of subparagraphs 270401.A.1, 2, and 3 when it is in the best interest of the government to permit payment to members who, through no fault of their own, must relocate in an unaccompanied status for reasons of equity in the unusual family or operational circumstances. Waiver under these circumstances is effective upon the date granted. This approval authority is hereby granted to:

   a. Service Secretaries or their designated representatives at the headquarters level which governs compensation policy; or

   b. Combatant commands and Service major commands.

2. Waiver authority should be used prudently.
3. Waiver under these circumstances is effective upon the date granted:
   a. When ordered to a new overseas duty station where terrorist activity would make it inappropriate for dependents to accompany the member; or
   b. When ships in overhaul make temporary homeport changes.

4. Provided the requirements of subparagraph 270203.A are met, other than the requirement that the member’s dependents reside at the homeport or PDS, a waiver issued by the Secretary of the Military Department concerned will apply to the entire period of the deployment, an interim period, and redeployment.

E. Delays Caused by the Government (Table 27-2, Note 4). The following are examples of delays in transportation of dependents due to government reasons:

Example 1: On July 1, a member’s advance application for concurrent travel of dependents to the overseas station was disapproved by the CONUS commander due to lack of available government-owned transportation facilities. The commander’s disapproval contained a statement that the anticipated delay for movement of dependents is more than 60 days. The member departed the old station on July 6 and arrived at the overseas station on July 7 where government quarters were not available. Dependents joined the member on September 26 having performed travel under orders dated September 10. The member was entitled to FSA for the period July 6 through September 25.

Example 2: The member applied for a dependency determination for his or her dependent mother on June 3 and was transferred overseas on September 14. After arrival overseas, the member received approval of the dependency application for his or her dependent mother retroactive to May 1. The mother was not authorized concurrent travel to the member’s PDS because the determination of dependency had not been made on the effective date of those orders. Delay in processing the dependency application was caused by the government. Before the transfer overseas, the member had maintained quarters to be shared with his or her mother. An enforced separation resulted upon transfer overseas. Credit for FSA accrues from the date the member departed from the PDS or the first day of authorized travel time, whichever is later, through the day before the date that his or her dependent mother arrived at the overseas station.

F. Changes in Tour Elections. See Table 27-2, rules 12 and 13.

G. Dependents Evacuated. A member is entitled to FSA if separated from dependents as a result of either an authorized evacuation or an ordered evacuation, provided that the requirements for FSA are otherwise met. Payment does not begin until the 31st day of an ordered evacuation. FSA is not payable when evacuation is due to member or dependent misconduct.
H. Dependents' Travel Prohibited Under Immigration Laws. No entitlement to FSA-R accrues if a dependent is authorized transportation at government expense but is not eligible under immigration laws for entry into the United States before a member reports to the new PDS. (Entitlement to FSA-T or FSA-S is not affected by this subparagraph.)

270402. Unit Ordered on Exercise for More Than 30 Days

Otherwise qualified members of a unit are entitled to FSA-T when the unit is ordered on an exercise for more than 30 days.

270403. FSA During a Missing Status

FSA-T continues to accrue to a qualified member while in a missing status unless there is a change in the status of the dependents, which would terminate entitlement. See Table 27-3 (Date to Stop FSA). A member may qualify for FSA-T while in a missing status if a continuous period of more than 30 days is completed after entry into the missing status. See paragraph 270404.

Example: A member departed the PDS on TDY or TAD August 9, was downed by hostile fire while flying over enemy territory on September 2, remained in a missing status until November 4, and returned to PDS on November 10. The member qualified for FSA-T on September 8. If otherwise qualified, then entitlement exists to FSA-T for the period August 9 to November 9.

270404. Computation of Single or Multiple Periods of More Than 30 Days

A. FSA-T for Single Periods. Credit for FSA-T may not be applied until the member has been on TDY or TAD away from his PDS continuously for more than 30 days. Compute this period as follows:

1. Count actual number of days in the month, including the day the member departs the PDS on TDY or TAD and the day of return to the PDS. Include the 31st day of the month in this computation, even though payment is made on a 30-day month basis, as prescribed in Chapter 1, section 0102.

2. Include days of authorized travel time to and from the TDY or TAD station. When there is no delay enroute chargeable as leave, count the day of departure from the PDS and the day of return to the PDS. When delay enroute chargeable as leave is authorized, count the constructive day of departure and the constructive day of return. Compute these days as follows:

   a. Constructive day of departure from the PDS either is the actual date of detachment plus days of authorized leave, proceed time, and permissive travel days used or the first day of authorized travel, whichever is later.
b. Constructive day of return to the PDS is the actual date of return minus number of days leave authorized and used, minus the number of permissive travel days actually used.

Example 1: The member permanently stationed at site A is ordered TDY or TAD to site B for training of approximately 30 days. Training is to begin June 1. The member is authorized travel by privately owned conveyance (POC) as more advantageous to the government, and 5 days of leave enroute. The member departs from site A on May 25 and uses 5 days of leave enroute to site B. The member completes the training on June 27, departs from site B on June 28, and returns to duty at site A on June 30. Constructive day of departure is May 30. The period of absence is 32 days (May 30 - June 30). If a member qualifies under paragraph 270203, then entitlement exists to FSA-T for 30 days (i.e., there is no entitlement for May 31 and June 30).

Example 2: Circumstances are the same as in Example 1, except that the member uses 5 days of leave after completion of training. The member departs from site A on May 30, completes training on June 27, departs from site B on June 28, and returns to duty at site A on July 5. The constructive day of return is June 30. The period of absence is 32 days, computed as in Example 1. If the member otherwise qualifies, then entitlement exists to FSA-T for 30 days.

3. When TDY or TAD is authorized in conjunction with PCS, include days of authorized travel time to the TDY or TAD station and from the TDY or TAD station to the new duty station. When there is no delay enroute or proceed time involved, count the day of departure from the old duty station and the day of arrival at the new duty station. When delay enroute and proceed time are authorized and used, the day of departure from the old station and the day of arrival at the new station will be constructed in the manner indicated in subparagraphs 270404.A.2.a and b. Proceed time authorized and used will be included with the delay when making the computation. Consecutive assignments to TDY or TAD in conjunction with PCS may be combined in determining the 30-day period.

4. Under specific circumstances, when travel in connection with TDY or TAD is performed by POC for the convenience of the traveler, payment based on actual travel expenses may be more economical to the government than payment based on constructive travel time over a usually traveled route. In that case, the Joint Travel Regulation (JTR) authorizes travel payment based on the actual mode of transportation. In computing the more than 30 days required for entitlement to FSA-T under these circumstances, ensure that the computation is based on the mode of transportation, which governed payment of a particular member’s travel allowance. Computation for FSA-T entitlement under this subparagraph is not necessarily based on constructive travel time.

5. If a member’s TDY or TAD status is interrupted, then do not combine days before the interruption with those after the interruption to compute a continuous period of more than 30 days. Periods of leave, hospitalization, military confinement in a pay status, or short visits to the PDS do not interrupt the period unless the member is relieved from the
attachment to the TDY or TAD station. A member who returns to the PDS to assume a duty status (such as participation in official flights) does interrupt a period of TDY or TAD. If leave enroute is authorized after detachment from the TDY or TAD station, then add constructive travel time from the TDY or TAD station to the PDS to the period of TDY or TAD in determining the 30-day period.

B. FSA-T for Multiple Periods of Deployment. Provided the conditions of subparagraph 270203.A.3 are met, the periods of FSA-T eligibility for multiple periods of TDY or TAD deployment, including the periods between such deployments, are calculated as follows:

1. **Count.** Although payment is made on a 30-day month basis, count the actual number of days in each applicable month, to include the 31st day of the month, as one of the actual days.

2. **Computation.** Calculate the FSA-T period of the initial TDY or TAD deployment to determine the initial deployment period as described in subparagraph 270404.A.

3. **Interim and Redeployment Period**
   a. The interim period begins on the day after the initial deployment through the day prior to redeployment. The interim period must be 30 days or less.
   b. The redeployment period begins the day that the member departs the PDS and ends upon return to the PDS. The redeployment period must be more than 30 days and will be added to the interim period.

**Example 1:** The member permanently stationed at site A is ordered to perform TDY or TAD at site B for 45 days, with departure from PDS on January 2 and return to PDS on February 15. The member departs from PDS on March 18 for redeployment of 35 days. Since the member qualified for FSA-T for the initial deployment, he or she is eligible for continued FSA-T for the total 65 days of interim/redeployment period (actual interim period of 30 days and redeployment of 35 days).

**Example 2:** The member permanently stationed at site A is ordered to perform TDY or TAD at site B for 60 days, with departure from PDS on March 1 and return to PDS on April 29. The member departs from PDS on May 31 for redeployment of 40 days. Although the member qualified for the initial 60-day period deployment, he or she is ineligible for the interim period. The actual interim period is 31 days (April 30 - May 30). The member would be entitled to FSA-T for the actual redeployment period (40 days).

**Example 3:** The member permanently stationed at site A is ordered to perform TDY or TAD at site B for 31 days, with departure from PDS on June 1 and returns to the PDS on July 1. The member departs from PDS on July 2 for redeployment
of 41 days. Since the member qualified for FSA-T for the initial deployment of 31
days, he or she is eligible for the continued FSA-T for the interim/redeployment
period (actual interim period is 0 days, actual redeployment period is 41 days).

C. FSA-S for Single Periods. Credit for FSA-S may not be applied until the
member has been on duty onboard a ship away from the homeport of the ship for a continuous
period of more than 30 days. Periods of leave, TAD, hospitalization, military confinement in a
pay status, or short visits by the member (not the ship) to the homeport of the ship do not interrupt
the qualifying period unless the member is detached (PCS) from the ship. Consecutive
assignments to duty onboard two or more ships away from the homeport may be combined to meet
this requirement. See Example 5. In computing the continuous period of more than 30 days, count
the actual number of calendar days (including the 31st day of the month) that the member was on
duty onboard a ship while it was away from its homeport. Include in this computation the day of
departure onboard a ship from its homeport (or the day the member joins or rejoins a ship away
from its homeport, if applicable) and the day of return onboard a ship to its homeport. The
following examples show how to compute the more-than-30-day period and the related amount of
FSA-S payable.

Example 1: A member onboard a ship that departs its homeport on June 15 and
returns on July 15 is entitled to FSA-S in the amount of $250 (actual period of 16
days in June and 15 days in July = 31 days; 16 days in June and 14 days in July =
30 days for payment).

Example 2: A member onboard a ship that departs its homeport on October 5
and returns on November 4 is entitled to FSA-S in the amount of $241.83 (actual
period of 27 days in October and 4 days in November = 31 days; 26 days in October
and 3 days in November = 29 days for payment).

Example 3: A member onboard a ship that departs from its homeport on
February 25 (non-leap year) and returns on March 26 is not entitled to FSA-S since
the absence is not more than 30 days (actual period of 4 days in February and 26
days in March).

Example 4: A member who reports onboard a ship on May 25 while it is away
from the homeport and returns with the ship to the homeport on June 30 is entitled
to FSA-S in the amount of $291.67 (actual period of 7 days in May and 30 days in
June = 37 days; 6 days in May and 29 days in June = 35 days for payment).

Example 5: A member onboard a ship A that departed from its homeport on
August 2 was transferred (PCS) to ship B on August 18 (detached and attached the
same day) while ship B was away from its homeport. The member remains aboard
ship B until it returns to the homeport on September 6. The member is entitled to
FSA-S in the amount of $283.33 (actual period of 30 days in August and 6 days in
September = 36 days; 29 days in August and 5 days in September = 34 days for
payment).
D. FSA-S for Multiple Periods of Deployment. Provided the conditions of subparagraph 270203.A.2 are met, the periods of FSA-S eligibility for multiple periods of TDY or TAD deployment aboard a ship, including the period between such deployments, are calculated as follows:

1. **Count.** Although payment is made on a 30-day month basis, count the actual number of days in each applicable month by including the 31st day of the month as one of the actual days.

2. **Computation.** Calculate the FSA-S period of the initial deployment aboard a ship as described in subparagraph 270404.C.

3. **Interim and Redeployment Period**
   a. The interim period begins on the day after the initial deployment through the day prior to redeployment. The interim period must be 30 days or less.
   
   b. The redeployment period begins on the day that the member departs the ship’s homeport and ends upon returning to the homeport. The redeployment period must be more than 30 days and will be added to the interim period.

**Example 1:** A member is onboard a ship that departed from the homeport on January 2 and returned to the homeport on February 15. The same member is onboard a ship that departed from the homeport on March 18 for a redeployment of 35 days. Since the member qualified for FSA-S for the initial deployment, the member is eligible for continued FSA-S for the total 65 days of interim/redeployment period (actual interim period of 30 days and redeployment of 35 days).

**Example 2:** A member is onboard a ship that departed from the homeport on March 1 and returned to the homeport on April 29. The member also was onboard a ship that departed the homeport on May 31 for a redeployment of 40 days. Although the member qualified for the initial 60-day deployment, the member is ineligible for the interim period. Consequently, the actual interim period is 31 days (April 30 through May 30). The member would be entitled to FSA-S for the actual redeployment (40 days).

**Example 3:** A member is onboard a ship that departed from the homeport on June 1 and returned to the homeport on July 1. The same member was onboard a ship that departed the homeport July 2 for a redeployment of 41 days. Since the member qualified for FSA-S for the initial deployment of 31 days, the member is eligible for the continued FSA-S for the interim/redeployment period (actual interim period is 0 days, actual redeployment period is 41 days).

E. **Restrictions.** The following restrictions apply to subparagraphs 270404.A and B:
1. There are separate 30-day requirements to qualify for FSA-T or FSA-S, and periods of TDY or TAD and duty aboard ship while away from homeport may not be combined for the purpose of FSA entitlement.

2. Periods of hospitalization or TDY or TAD for more than 30 days by the member at a place residing with his or her dependents may not be included when calculating whether the 30-day requirement was met.

270405. Ship Moves from Homeport

When a ship moves from its homeport to another port within 50 miles of the homeport (or one and a half hours travel time as prescribed in paragraph 270303), those members attached to the ship, whose dependents do not reside at or near such homeport under the criteria of paragraph 270303, do not become entitled to FSA-S.

Example 1: A member, upon reassignment to a ship, moves the family to a location outside the current 50-mile (or one and a half hours travel time) limit from the homeport of the ship. When the movement of the ship is less than 50 miles (or one and a half hours travel time) from the homeport, FSA-S is not payable to those members. If, however, the ship moves more than 50 miles (or one and a half hours travel time) from the homeport, then FSA-S is payable if members otherwise are entitled.

Example 2: A member, upon reassignment to a ship, moves the family to a location outside the current 50-mile (or one and a half hours) limit of the ship’s homeport of the ship. Subsequently, the ship moves from the homeport and, on the 29th day, docks at a port inside the 50-mile (or one and a half hours travel time) limit of the homeport for 5 days. The ship then returns to the homeport. The docking of the ship within the 50-mile limit would, for purposes of this example, have the same consequence as if the ship had returned to its homeport since (a) the member’s dependents do not reside at or near the homeport, and (b) the ship did not move to a location more than 50 miles (or one and a half hours travel time) from the port. Therefore, entitlement to FSA-S does not accrue.

Example 3: A member, upon reassignment to a ship, moves the family to a location outside the current 50-mile (or one and a half hours) limit of the homeport of the ship, but actually commutes. The movement of the ship from the homeport results in the member being unable to commute. In this example, the member’s dependents would be considered as being in the area of the homeport. Since, after movement of the ship to a new location, the member is unable to commute, the member would meet the requirement for FSA-S, provided the dependents resided more than 50 miles (or one and a half hours travel time) from the new location.

Example 4: A member, upon reassignment to a ship, moves the family to a location within the 50-mile (or one and a half hours travel time) limit, the movement of the ship resulting in the residence being located outside the 50-mile (or one and
a half hours travel time) limit for some of the members, but not all. Those members whose dependents reside more than 50 miles (or one and a half hours travel time) from the ship’s new location and who do not commute, would fulfill the vicinity requirement for entitlement to FSA-S. Those members whose dependents reside within 50 miles (or one and a half hours travel time) of the ship’s new location of the ship would not become entitled to FSA-S by virtue of the ship’s movement.

270406. Specific Conditions of Entitlement to FSA

**Table 27-1. FSA - Commencement Dates**

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>When an eligible member departs the PDS on PCS (not authorized FSA-R at old station), or TDY or TAD, including TDY or TAD in conjunction with PCS (note 1)</td>
<td>is not authorized proceed time or leave enroute</td>
<td>starts on date of detachment from old station (note 1).</td>
</tr>
<tr>
<td>2</td>
<td>departs homeport aboard ship, including a ship in an inactive status</td>
<td>remains in this status continuously for more than 30 days</td>
<td>starts on date of departure (note 2).</td>
</tr>
<tr>
<td>3</td>
<td>joins or rejoins a ship away from homeport</td>
<td>remains on duty onboard a ship away from its homeport continuously for more than 30 days</td>
<td>starts on first day that member boards ship away from its homeport (note 2).</td>
</tr>
<tr>
<td>4</td>
<td>acquires an initial dependent after the date of departure from old station enroute to PCS overseas, but no later than the effective date of the PCS order (FSA-R) (notes 3 and 4)</td>
<td>meets conditions of Table 27-2, rule 1</td>
<td>starts on the date that a member acquires a dependent or the constructive date of detachment from old station (Table 27-2, rule 2), whichever is later.</td>
</tr>
<tr>
<td>5</td>
<td>acquires an initial dependent after the date of departure from old station enroute to PCS overseas (member is not entitled to FSA-R, at the overseas station), but no later than the effective date of the PCS order (note 3)</td>
<td>meets conditions of Table 27-2, rule 13, note 3, or rule 14</td>
<td>(if any) starts according to Table 27-2, rule 13, note 3, or rule 14.</td>
</tr>
<tr>
<td>6</td>
<td>is on TDY or TAD enroute with 30 days or more remaining after the date dependent is acquired, and not within commuting distance of dependent's residence</td>
<td>for the period of TDY or TAD starts on the date the member acquires dependent (FSA-T) (note 1).</td>
<td></td>
</tr>
</tbody>
</table>
Table 27-1. FSA - Commencement Dates (Continued)

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>When an eligible member and the member is not on TDY or TAD</td>
<td>then FSA credit</td>
<td>starts FSA-R on date member acquires dependent.</td>
</tr>
<tr>
<td>9</td>
<td>is on leave (co-resident with dependent or not)</td>
<td></td>
<td>starts FSA-T on date member acquires dependent.</td>
</tr>
<tr>
<td>10</td>
<td>is on TDY or TAD not within commuting distance of dependent's residence</td>
<td></td>
<td>starts FSA-R on member’s date of return to PDS.</td>
</tr>
<tr>
<td>11</td>
<td>is on TDY or TAD within commuting distance of dependent's residence (paragraph 270303)</td>
<td></td>
<td>starts on the date that the member acquires a dependent (FSA-T) (note 1).</td>
</tr>
<tr>
<td>12</td>
<td>is on TDY or TAD with 30 days or more remaining after the date dependent is acquired, and not within commuting distance of dependent’s residence</td>
<td></td>
<td>for the period of TDY or TAD starts on the date that the member acquires a dependent (FSA-T) (note 1).</td>
</tr>
<tr>
<td>13</td>
<td>remains away from homeport aboard ship for more than 30 days after the date the dependent is acquired</td>
<td></td>
<td>starts on the date that the member acquires a dependent (FSA-S) (note 1).</td>
</tr>
<tr>
<td>14</td>
<td>has newly acquired dependent who joins member at duty station at member's expense</td>
<td>confirms whether dependent is making change of residence or temporary social visit</td>
<td>is based on paragraph 270302 or subparagraph 270303.C.</td>
</tr>
<tr>
<td>15</td>
<td>relocates dependent away from duty station at member's expense</td>
<td></td>
<td>starts FSA-R on the date of a dependent’s departure from the duty station (note 5).</td>
</tr>
</tbody>
</table>
Table 27-1. FSA - Commencement Dates (Continued)

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>*16</td>
<td>When an eligible member has dependent depart overseas duty station at government expense because of evacuation (other than medical), under determination of the Secretary concerned as being in national interest, or for other emergency reasons not personal or caused by dependent’s misconduct and the member</td>
<td>then FSA credit starts on the 31st day of a dependent’s departure from the duty station.</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>reports onboard a ship after a change of homeport has been declared</td>
<td>does not reside with dependents at or near the current homeport of the ship</td>
<td>starts on the date the member reports onboard a ship (note 6).</td>
</tr>
</tbody>
</table>

NOTES:
1. Do not pay FSA-T or FSA-S until the member has been on TDY or TAD or on duty aboard ship away from homeport continuously for more than 30 days (or, if applicable, for more than 30 days after the date that a dependent is acquired). In computing the amount payable, the 31st day of any month should be excluded from the computation and February should be treated as if it actually had 30 days. (See paragraph 270404.)
2. Does not apply if the ship is in a port (other than its homeport) located within commuting distance of the residence of the member’s dependents continuously for more than 30 days. Also, see paragraph 270405.
3. The effective date of PCS orders is the date a member is required to begin travel from the old PDS or the last TDY or TAD, in order to arrive at the new PDS on the date authorized by the mode of transportation authorized. (JTR, Appendix A, Effective Date of PCS Order)
4. A member who acquired an initial dependent after the date of departure from old station enroute PCS to CONUS from overseas or enroute PCS within CONUS, but no later than the effective date of the PCS order, is entitled to travel for dependent at government expense based on JTR, Chapter 5; therefore, the member is not entitled to FSA-R. (In this case, no tour election provision exists to overcome the travel provision.)
5. If already started under paragraph 270302, then entitlement continues upon departure of dependents from the duty station.
6. FSA-R does not accrue if the member was onboard a ship when the change in homeport was declared, except under paragraph 270401.
Table 27-2. FSA-R - Overseas Assignment

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>If an eligible member is selected for PCS overseas</td>
<td>the accompanied tour is not authorized</td>
<td>and</td>
<td>then the member(s) is entitled to FSA-R for the entire unaccompanied tour (notes 1 and 2).</td>
</tr>
<tr>
<td>2</td>
<td>elects the unaccompanied tour instead of the authorized accompanied tour</td>
<td></td>
<td></td>
<td>is not entitled to FSA-R for the length of such tour, including tour extensions (note 3).</td>
</tr>
<tr>
<td>3</td>
<td>elects the accompanied tour</td>
<td>concurrent travel is authorized and dependents travel with member</td>
<td></td>
<td>is not entitled to FSA-R.</td>
</tr>
<tr>
<td>4</td>
<td>is assigned to an automatic concurrent travel area or an advance application area</td>
<td>application for concurrent travel has been approved by the area commander</td>
<td></td>
<td>is entitled to FSA-R if dependents do not travel with the member for government reasons (notes 4 and 5).</td>
</tr>
<tr>
<td>5</td>
<td>in status covered by rule 4</td>
<td>dependents arrive at member's overseas station</td>
<td></td>
<td>FSA-R stops the day before date dependents arrive.</td>
</tr>
<tr>
<td>6</td>
<td>selected for PCS overseas to an advance application area</td>
<td>application for concurrent travel is disapproved by area commander</td>
<td></td>
<td>is entitled to FSA-R until dependents arrive at overseas station. (This rule is qualified by rules 7 and 8.)</td>
</tr>
<tr>
<td>7</td>
<td>member fails to comply with area regulations for entry of the dependents</td>
<td></td>
<td></td>
<td>FSA-R is stopped when timely action is not taken under applicable regulations (note 6).</td>
</tr>
<tr>
<td>8</td>
<td>there is a delay of more than 60 days in dependent's arrival (60-day period begins on date of orders)</td>
<td></td>
<td></td>
<td>entitlement to FSA-R continues through the day before dependents arrive at overseas station, not to exceed 60 days from date transportation of dependents is authorized, unless additional delay is caused by the government (note 5).</td>
</tr>
</tbody>
</table>
Table 27-2. FSA-R - Overseas Assignment (Continued)

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>If an eligible member is assigned overseas and one or more of the dependents live at or near the overseas station then the member('s) is entitled to FSA-R.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>After arrival at overseas station, an accompanied tour is authorized (previously unavailable) and member elects the accompanied tour entitlement to FSA-R continues through the day before dependents arrive at overseas station, not to exceed 60 days from date transportation of dependents is authorized, unless additional delay is caused by the government (note 5).</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Assigned overseas after arrival at overseas station, an accompanied tour is authorized (previously unavailable) and member does not elect the accompanied tour entitlements to FSA-R continues based on original assignment under rule 1.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Has previously elected the accompanied tour, but concurrent travel is not performed the member reelects the unaccompanied tour before dependents depart CONUS is not entitled to FSA-R on and after the date reelection is approved (note 3).</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Assigned overseas has failed to make a tour election before arrival at new duty station makes unaccompanied tour election after arrival at the overseas station is not entitled to FSA-R for the entire unaccompanied tour (note 3).</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Table 27-2. FSA-R - Overseas Assignment (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
<td>If an eligible member is assigned overseas and has failed to make a tour election before arrival at new duty station and elects accompanied tour after arrival at the overseas station</td>
<td>then the member(s) is entitled to FSA-R for the period starting with the date the tour is approved through the day before dependents arrive at overseas station, not to exceed 60 days from date transportation of dependents is authorized, unless additional delay is caused by the government (note 5).</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### NOTES:

1. In all cases, entitlement exists only if dependents do not live at or near the duty station. (See paragraph 270303.) In areas where dependents are not permitted, member does not have to apply for transportation of dependents or to elect type of tour.

2. **These tours include dependent restricted** tours and situations where the member is not authorized to serve an accompanied-with-dependents tour in those locations where such tours are authorized.

3. The Secretary of the Military Department concerned may waive the provision in this rule to authorize FSA-R in cases where unusual family or operational circumstances exist for the member. See subparagraph 270401.D for conditions subject to waiver and individual Military Service regulations for procedures for requesting a waiver from the Secretary of the Military Department concerned.

4. Where dependents’ travel delay is not due to government reasons, but member is required to perform TDY or TAD enroute, family separation for period of TDY or TAD is considered to be due to military requirements and member is entitled to FSA-R under Table 27-4, rule 11.

5. Delays due to government reasons include:
   a. lack of transportation facilities,
   b. disapproval by CONUS commanders,
   c. disapproval for reasons of health (i.e., pregnancy of wife), and
   d. insufficient service retainability or time remaining in the overseas tour.

6. FSA-R continues if member acted timely to apply for transportation of the dependents and the application was disapproved because of the lack of service retainability or time remaining in the overseas tour.
Table 27-3. Date to Stop FSA

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>If a member then FSA credit continues through</td>
<td>the day before dependents arrive (note 1).</td>
</tr>
<tr>
<td>2</td>
<td>has dependents who arrive at the duty station with intent to establish a residence</td>
<td>the day before the date on which the member arrives at new station (note 2).</td>
</tr>
<tr>
<td>3</td>
<td>returns from TDY or TAD of more than 30 days</td>
<td>the day before date of the member’s return from TDY or TAD (note 3).</td>
</tr>
<tr>
<td>4</td>
<td>is in a non-pay status for any period</td>
<td>the day before the date entering such status, except as provided in Chapter 1, subparagraph 010402.E.</td>
</tr>
<tr>
<td>5</td>
<td>has a sole dependent in an institution, and if the stay in the institution continues</td>
<td>the day before 1-year from the date that the member’s sole dependent entered an institution (note 4).</td>
</tr>
<tr>
<td>6</td>
<td>is onboard a ship away from its homeport</td>
<td>the day before ship returns to homeport or date of detachment from ship, whichever is earlier (note 5).</td>
</tr>
<tr>
<td>7</td>
<td>reports onboard a ship after a change of homeport has been declared</td>
<td>the effective date of the change of homeport.</td>
</tr>
<tr>
<td>8</td>
<td>has only secondary dependents who reside with relatives or friends</td>
<td>the day before the date the dependents move to home of relatives or friends.</td>
</tr>
<tr>
<td>9</td>
<td>completes period of TDY or TAD of more than 30 days in conjunction with PCS</td>
<td>the day before the date the member arrives at the new station (note 3).</td>
</tr>
<tr>
<td>10</td>
<td>has dependent(s) who return to the PDS after departing in conjunction with authorized or ordered evacuation</td>
<td>the day before the date dependent(s) return.</td>
</tr>
</tbody>
</table>

NOTES:
1. See paragraph 270302 for temporary social visits.
2. If a delay enroute and/or proceed time is authorized and used, then use a constructive date of arrival. Constructive date will be computed by deducting the number of days' leave and/or proceed time authorized and used from the actual date of arrival.
3. If delay enroute and/or proceed time is authorized, then use the constructive date. (See subparagraph 270404.A.)
4. Applies when stay in the institution is initially not expected to exceed 1-year.
5. FSA-S continues if the member is detached and attached the same day to another ship away from its homeport.
Table 27-4. FSA - Conditions of Entitlement

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>If a member and the member is entitled to FSA-R when entering such status (note 1)</td>
<td>and the member’s PDS remains unchanged</td>
<td>then FSA-R credit continues during TDY or TAD.</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>is hospitalized at or away from member’s PDS including hospitalization in the United States</td>
<td>FSA-R credit continues during period hospitalized.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>is in military confinement or otherwise restricted by military authority</td>
<td>FSA-R credit continues during period confined or restricted.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>is on authorized leave (accrued or advance) at or away from member’s PDS, including leave in the United States</td>
<td>FSA-R credit continues during leave.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>is on authorized leave (accrued or advance) at residence where member's dependents reside</td>
<td>member’s leave is followed by a period of TDY or TAD (any number of days) within commuting distance of residence where member’s dependents reside (paragraph 270303)</td>
<td>FSA-R credit continues during leave but is suspended during period of TDY or TAD.</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>is on any status covered by rules 1 through 4, or enters such status</td>
<td>member’s PDS changes</td>
<td>FSA-R credit stops (note 2).</td>
<td></td>
</tr>
</tbody>
</table>
Table 27-4. FSA - Conditions of Entitlement (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>If a member and and then</td>
<td>is reassigned PCS from a PDS in the United States to a hospital for observation or treatment</td>
<td>the member’s application for transportation of dependents to the hospital is disapproved by the hospital commander upon determination that prolonged treatment is not expected (note 3)</td>
<td>the member is entitled to FSA-R.</td>
</tr>
<tr>
<td>8</td>
<td>enters any status covered by rules 2, 3, and 4</td>
<td>the member is entitled to FSA-T when entering such status</td>
<td>member is not relieved from attachment to the TDY or TAD station</td>
<td>member continues to receive FSA-T.</td>
</tr>
<tr>
<td>9</td>
<td>is ordered to a hospital as a patient in attached status</td>
<td></td>
<td></td>
<td>the member is not entitled to FSA-T.</td>
</tr>
<tr>
<td>10</td>
<td>is on TDY or TAD for more than 30 days from member's PDS</td>
<td>the member does not qualify for FSA-R at PDS</td>
<td>member’s PDS remains unchanged</td>
<td>the member is entitled to FSA-T for authorized travel time to and from TDY or TAD station and for duty at that station (note 4).</td>
</tr>
<tr>
<td>11</td>
<td>is performing recruit/basic training, pipeline school, Officer Candidate School (OCS), travel or TDY or TAD enroute to initial PDS</td>
<td>the member is entitled to FSA-R at new PDS (notes 1 and 4)</td>
<td></td>
<td>the member is entitled to FSA-R for recruit/basic training, pipeline school, OCS, travel or TDY or TAD and authorized travel period (note 4).</td>
</tr>
<tr>
<td>Rule</td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>D</td>
</tr>
<tr>
<td>------</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>12</td>
<td>If a member and and then</td>
<td>the member does not qualify for FSA-R at this new station</td>
<td>the member is entitled to FSA-T for authorized travel time to and from the TDY or TAD station and for duty at that station (note 4).</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>is on TAD</td>
<td>the member is entitled to FSA-S when entering such status (note 1)</td>
<td>member remains assigned to duty aboard a ship which is away from its homeport</td>
<td>FSA-S accrues during the entire period of TDY or TAD (note 5).</td>
</tr>
<tr>
<td>14</td>
<td>is hospitalized away from the ship</td>
<td></td>
<td></td>
<td>FSA-S accrues during the period of hospitalization (note 5).</td>
</tr>
<tr>
<td>15</td>
<td>is on authorized leave</td>
<td></td>
<td></td>
<td>FSA-S accrues during period of leave (note 5).</td>
</tr>
<tr>
<td>16</td>
<td>is in military confinement on or away from the ship or otherwise restricted by military authority from performing duty</td>
<td></td>
<td></td>
<td>FSA-S accrues during the period that the member is confined or restricted.</td>
</tr>
<tr>
<td>17</td>
<td>is in any status covered by rules 13 through 16</td>
<td>the ship returns to homeport</td>
<td></td>
<td>entitlement to FSA-S ends on the day before ship returns to homeport.</td>
</tr>
<tr>
<td>18</td>
<td></td>
<td></td>
<td>member is detached from the ship while it is away from homeport</td>
<td>entitlement to FSA-S ends on date of detachment from ship (note 6).</td>
</tr>
</tbody>
</table>
Table 27-4. FSA - Conditions of Entitlement (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>19</td>
<td>If a member and and member is detached from ship while it is away from homeport and is later reassigned to ship while it is away from its homeport FSA-S accrues from date of reassignment to ship provided ship does not return to homeport in less than 31 days (note 6).</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>is on TDY or TAD redeployment of more than 30 days current TDY or TAD follows earlier TDY or TAD of more than 30 days which qualified member for FSA-T period between deployments is 30 days or less member’s entitlement to FSA-T continues.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>is onboard a ship redeployed for more than 30 days redeployment follows earlier deployment of more than 30 days which qualified member for FSA-S period between deployments is 30 days or less member’s entitlement to FSA-S continues.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>meets the qualifying requirements of any of the rules 1 through 21 member is married to another active duty member the couple was residing together immediately before being separated by reason of military orders member is entitled to FSA under the subparagraph 270203.A.3.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>executes PCS orders causing a separation from the member’s spouse member is entitled to FSA-R under subparagraph 270203.A.1.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>meets the qualifying requirements of any of the rules 1 through 21 the member is married to another active duty member and the couple has dependents the couple and dependents were residing together immediately before each member is separated by reason of military orders each member is entitled to FSA under the specific rule. (note 7)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 27-4. FSA - Conditions of Entitlement (Continued)

NOTES:
1. Must meet the requirements of paragraph 270203.
2. A new determination of entitlement is required if member’s PDS changes.
3. More than 90 days is prolonged hospitalization.
4. Members are not entitled to FSA-R or FSA-T during authorized leave enroute or proceed time (see Table 27-1, rules 1 and 2). See Table 27-3, rule 9 for date to stop FSA.
5. If the dependent’s residence is within commuting distance of the place where member is in such status, then FSA-S will continue for 30 days only.
6. Does not apply if member is detached and attached the same day to another ship away from its homeport (subparagraph 270404.B).
7. Not more than one monthly allowance may be paid with respect to each member of a married military couple for any month. The dual allowance will continue until one of the members is no longer assigned to one of those duty assignments. The other member will continue to receive the allowance until no longer assigned to one of those duty assignments.
CHAPTER 27: - FAMILY SEPARATION ALLOWANCE (FSA)

2702 - ENTITLEMENT PROVISIONS

270201, Title 37, United States Code (U.S.C.), section 427
Department of Defense Instruction, 1340.24, September 17, 2009
47 Comptroller General (Comp Gen) 788

270202.A, 51 Comp Gen 116
37 U.S.C. § 421
37 U.S.C. § 401

270202.D, 46 Comp Gen 148
270203.B, 37 U.S.C. § 427(b)
270203.B.3, 37 U.S.C § 427(a)
270203.D, 37 U.S.C. § 427(d)
270203.D.3, 60 Comp Gen 154

2703 - DEPENDENTS SEPARATION REQUIREMENTS

270301.A, 51 Comp Gen 97
270301.B, 43 Comp Gen 332, (Question 23)
43 Comp Gen 332, (Question 26)
44 Comp Gen 572
44 Comp Gen 217
52 Comp Gen 912
55 Comp Gen 991

2704 - CONDITIONS OF ENTITLEMENT

270401, 37 U.S.C. § 427(d)
43 Comp Gen 527

270401.A.4, 37 U.S.C. § 427(c)
270401.C, (Example 2) 44 Comp Gen 434

27-30
270401.D.3    37 U.S.C. § 427(c)  
270401.E    43 Comp Gen 332  
270401.G    43 Comp. Gen. 332  
270402    43 Comp Gen 596  
270403.B    45 Comp Gen 633  
270404.A.1    43 Comp Gen 596  
270404.A.2    44 Comp Gen 537  
270404.A.2.b (Example 1)    44 Comp Gen 537  
270404.A.5    43 Comp Gen 755  
270404.B    45 Comp Gen 838  
270404.A.2    44 Comp Gen 537  
270404.A.2.b (Example 1)    44 Comp Gen 537  
270404.A.5    43 Comp Gen 748  
270404.B    43 Comp Gen 748  
52 Comp Gen 912  
55 Comp Gen 991  

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Rule 7    43 Comp Gen 596  
Rule 8    43 Comp Gen 332  
Rule 9    43 Comp Gen 596  
Rules 12-17    43 Comp Gen 332  
Notes 4 and 5    43 Comp Gen 332  

Table 27-3  
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Rule 5    43 Comp Gen 332  
Rule 10    43 Comp Gen 332  
Note 3    43 Comp Gen 332  

Table 27-4  
Note 4    45 Comp Gen 838
VOLUME 7A, CHAPTER 29: “CLOTHING MONETARY ALLOWANCES”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by **bold, italic, blue, and underlined font**.

The previous version dated February 2017 is archived.

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<th>EXPLANATION OF CHANGE/REVISION</th>
<th>PURPOSE</th>
</tr>
</thead>
<tbody>
<tr>
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<td>Updated the Clothing Monetary Allowances effective October 1, 2017.</td>
<td>Revision</td>
</tr>
<tr>
<td>Bibliography</td>
<td>Updated references.</td>
<td>Revision</td>
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CHAPTER 29

CLOTHING MONETARY ALLOWANCES

2901 GENERAL

290101. Purpose

The Secretary of Defense (SecDef) may, on an annual basis by law and under Presidential Executive Order, prescribe the quantity and kind of clothing to be furnished to an enlisted member of the Military Services and may prescribe the amount of cash allowance to be paid if the clothing is not furnished. It is Department of Defense (DoD) policy that the quantities and kinds of items of individual clothing to be furnished will be prescribed by the Service Secretary or the Commandant of the Marine Corps, under the parameters set by the Deputy Under Secretary of Defense – Military Personnel Policy (DUSD MPP).

290102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

2902 ALLOWANCES

290201. Initial Clothing Allowance

Enlisted members receive the initial clothing allowance upon initial enlistment or upon other special qualification for entitlement to a prescribed outfitting of uniforms. The initial issue may be an in-kind issue or a combination of in-kind issue and cash payment.

290202. Cash Clothing Replacement Allowance

Enlisted members receive the cash clothing replacement allowance, upon the anniversary month, each successive year following the provision of an initial clothing allowance. Cash clothing replacement allowances are for replacement of required uniform items based on a normal wear rate.

290203. Extra Clothing Allowances

Extra clothing allowances are additional to initial and replacement allowances and do not reduce, replace or otherwise affect them. Extra clothing allowances provide for unusual circumstances when:

A. An enlisted member may require additional uniform items; or

B. An officer (with a permanent duty station outside the United States) or enlisted member may require civilian clothes to perform their assigned duties.
2903 INITIAL CLOTHING ALLOWANCES


The standard initial clothing allowance is an in-kind issue, although a cash payment may be made for items not furnished in-kind. Each Service, as approved by the DUSD MPP, may prescribe cash payments for items specifically designated to be purchased by the member, rather than to be furnished in-kind. Additionally, if any of the items of clothing normally prescribed to be furnished in-kind are not available for issuance, then the initial allowance may be completed by paying the member the cash value of the balance remaining. The standard initial clothing allowance rates, including prescribed cash payments for personal purchase of specified items, are in Table 29-1.

A. The total monetary value of items furnished in-kind, plus any cash payments, may not exceed the amounts for the total value of the applicable standard initial clothing allowance as established in Table 29-1.

B. If a Service member dies, is discharged, or is released from active duty within 6 months of entitlement to an initial allowance, then the value of the initial allowance must be reduced to the items of clothing already supplied or amount credited up to that date.

C. Army and Marine Corps members, entitled to a standard initial clothing allowance, are furnished the allowance on an item or issue in-kind basis without establishing a monetary credit. Payment of the amount prescribed in the initial allowance as a cash allowance may be made immediately. Shortages of items being furnished on an in-kind basis must be recorded and issued when available to the Service member.

D. Navy and Air Force members, entitled to a standard initial clothing allowance, are credited with the amount of the allowance against which the authorized clothing is furnished. A member will receive the amount prescribed in the initial allowance as a cash payment for personal purchase of specified items. At the conclusion of the basic training period or within a period the Service considers appropriate, if any of the prescribed items of clothing to be furnished in-kind against the established credit are not available for issuance, then the initial allowance may be completed by paying the member the remaining balance in cash.

290302. Standard Initial Clothing Allowance – Entitlement Criteria

Enlisted personnel (except those entitled to a special initial clothing allowance) must be furnished a standard initial clothing allowance under one or more of the following circumstances:

A. Upon first enlistment in the Service, or reenlistment in the same branch of the regular Military Service, if 3 months has expired from the date of last discharge or release from active duty and the member is not reporting from a Reserve component that requires the member to maintain uniform clothing;
B. Upon enlistment or reenlistment in a Service, other than the one from which last discharged;

C. Upon reporting for or upon recall to active duty for more than 6 months, after 3 months have expired from the date of last discharge or release from active duty with the clothing required for service in a Reserve Component. In these cases, the initial allowance must be reduced to a partial standard initial clothing allowance under regulations of the appropriate Service, to account for clothing required to be in the person’s possession upon call or recall to active duty;

D. Upon being restored to duty, after being sentenced to confinement and punitive discharge, to the extent needed to fill the individual’s clothing requirement;

E. Upon reenlisting within 3 months of last discharge or release from active duty, when the Service member did not receive the complete initial allowance or was required to turn in issued clothing. The amount allowed, will be the difference between the current initial clothing allowance and the current value of issued clothing that remained in the member’s possession upon the date of last discharge or release from active duty, further reduced by any prior cash clothing payments toward the initial clothing allowance. The entitlement of replacement allowances, issues or payments are not considered the last authorization of the initial allowance;

F. Upon recall to active duty after 3 months from the date of the last release from active duty, or retired enlisted personnel (including Service members of the Fleet Reserve and the Fleet Marine Corps Reserve) recalled to active duty after 3 months from the date of the last release from active duty or retirement. Only one such allowance will be authorized during any period of four consecutive years;

G. Upon reversion to service on active duty for commissioned officers, or warrant officers, under temporary appointments who enlisted or reenlisted, or who reverted to service on active duty in an enlisted (other than Chief Petty Officer) status, except for purposes of retirement. Only one such allowance is authorized in any period of 4 consecutive years; or

H. Upon reversion to enlistment in or reenlistment in the regular Navy, Naval officer candidates, and Naval Reserve Chief Petty Officers, who revert to or are enlisted or reenlisted in the regular Navy in pay grade E-6 or below, except for purposes of retirement, provided they previously have not received a standard initial clothing allowance during their current period of continuous active duty.

290303. Special Initial Clothing Allowance – General Provisions

Enlisted members assigned to a tour of duty, or who attain a status, requiring the wear of uniform clothing (other than special dress uniforms), may be authorized a special initial clothing allowance. Special initial clothing allowance is authorized only once during any period of continuous active duty. The special initial clothing allowance rates are in Table 29-2.
A. The special initial clothing allowance is provided in lieu of the standard initial clothing allowance when it is the first initial allowance qualified for and issued. The special initial clothing allowance supersedes and replaces the standard initial clothing allowance and is considered the last authorization of an initial clothing allowance for a member who previously received a standard initial clothing allowance and subsequently qualifies for and is provided a special initial clothing allowance. The special initial clothing allowance may be issued in-kind, paid as a monetary payment, or provided as a combination, as established by the Service concerned.

B. Examples of uses for special initial clothing allowance are when members in an enlisted status enter an officer training program, are advanced to Chief Petty Officer in the Navy, or are assigned to a military band with uniform styles different than those for others in their pay grade.

290304. Special Initial Clothing Allowance – Eligibility Criteria

Enlisted members will be furnished a special initial clothing allowance under one or more of the following circumstances:

A. Upon selection and acceptance for specified officer-training programs;

B. In pay grade E-6 or below, upon assignment to either the U.S. Naval Academy Band, U.S. Navy Band, Washington, DC, or selection for appointment as a Limited Duty Officer in the Navy;

C. Upon first advancement to or first enlistment as a Chief Petty Officer in the Navy, while serving on active duty, unless special initial clothing allowance was previously paid. Effective October 1, 2009, Chief Petty Officers of the Naval Reserve assigned to Selected Reserve and Voluntary Training Units are entitled to a full special initial clothing allowance upon first advancement to Chief Petty Officer;

D. For Chief Petty Officers in the Naval Reserve who were advanced before October 1, 2009, upon first reporting for active duty for a period of 6 months or greater as a Chief Petty Officer of the Naval Reserve, provided no special initial clothing allowance has been previously paid either on active or inactive duty. If a special initial clothing allowance has been previously paid on inactive duty, then the Chief Petty Officer is entitled to a partial special initial clothing allowance in accordance with the Note at Table 29-2; or

E. Upon active duty reenlistment or receipt of orders to active duty as a Chief Petty Officer in the Navy, provided all of the following requirements are met:

1. Over 3 months has expired from the date of last discharge, release from active duty or retirement;

2. The enlistment or reenlistment period is for a period of more than 6 months;
3. Appointment to temporary officer status is not coincident with the enlistment or reenlistment; and

4. The member has not received a special initial clothing allowance within the last 4 years while on inactive duty.

290305. Partial Initial Clothing Allowances

Enlisted members will be paid a reduced or partial initial clothing allowance when payment of a full standard initial clothing allowance or full special initial clothing allowance is not warranted, due to an enlisted member reporting for or being recalled to active duty for more than 6 months, after 3 months have expired from the date of last discharge or release from active duty with the clothing required for service in a Reserve component.

2904 CASH CLOTHING REPLACEMENT ALLOWANCES

290401. General

Enlisted members receive cash clothing replacement allowances for uniform items for the replacement of military unique items required for wear. Enlisted members engaged in officer training programs or who are attending academy preparatory schools are not eligible for cash clothing replacement allowances. See Table 29-3 for specific entitlement rules. See Table 29-4 for the cash clothing replacement allowance rates.

290402. Basic Cash Clothing Replacement Allowance

Basic cash clothing replacement allowance is a preliminary replacement allowance for uniform items. It is used during the first 3 years of active service subsequent to receipt of a standard initial clothing allowance or a reduced or partial standard initial clothing allowance.

A. Basic cash clothing replacement allowance accrues to each enlisted member, beginning the first day of the month following the date of completion of 6 months of active duty without regard to time lost. At the end of the member’s anniversary month completing 1-year of uninterrupted active military service, the first payment is equal to one-half the applicable fiscal year rate then in effect.

B. When authorized under regulations of the Service concerned, enlisted members of a Reserve Component who received a reduced or partial standard initial clothing allowance may be authorized to accrue the basic cash clothing replacement allowance, beginning with the first day of the month following the date of call or recall to active duty in a pay status.

C. The basic cash clothing replacement allowance continues for the first 3 years of continuous active duty. It is payable for the second and third years at the end of the member’s anniversary month, using the applicable rate then in effect.
290403. Standard Cash Clothing Replacement Allowance

Standard cash clothing replacement allowance provides for replacement of uniform items after completion of 3 years of active service subsequent to receipt of a standard initial clothing allowance or a reduced or partial standard initial clothing allowance. It is the preliminary replacement allowance during the first 3 years of active service, subsequent to receipt of a reduced or partial or special initial clothing allowance.

A. When used as the follow-on to the basic cash clothing replacement allowance, the standard cash clothing replacement allowance accrues beginning with the first day of the month following the date the member completes 36 months active duty, without regard to time lost. It continues during the remaining period of continuous active duty and is payable annually at the end of the Service member’s anniversary month, using the applicable rate then in effect.

B. When used as the preliminary replacement allowance for the special initial clothing allowance, the standard cash clothing replacement allowance accrues, beginning with the first day of the month following the date the special initial clothing allowance or a reduced or partial special initial clothing allowance was authorized without regard to time lost. It is payable annually, for the first 3 years of continuous active duty, at the end of the Service member’s anniversary month, using the applicable rate then in effect.

290404. Special Cash Clothing Replacement Allowance

Special cash clothing replacement allowance provides for replacement of uniform items, after completion of 3 years of active service, subsequent to receipt of a special initial clothing allowance. It accrues beginning with the first day of the month following the date the member completes 36 months active duty, subsequent to receiving a special initial clothing allowance or a reduced or partial special initial clothing allowance, without regard to time lost, and continues during the remaining period of continuous active duty. It is payable annually at the end of the Service member’s anniversary month, using the applicable fiscal year rate then in effect. During the period for which the special cash clothing replacement allowance is payable, the Service member is not entitled to any other cash clothing replacement allowance.

2905 EXTRA CLOTHING ALLOWANCES

290501. General

Members may receive extra clothing allowances, in addition to any other entitled clothing allowance. Entitlement to or payment of an extra clothing allowance does not replace or reduce any other clothing allowance.

290502. Supplementary Clothing Allowances

In addition to any other clothing allowance authorized, an enlisted member may become entitled to a supplementary clothing allowance. Supplementary clothing allowances may be
authorized only for an enlisted member, assigned to duty in a special organization or detail, where the nature of the duty necessitates that he or she have, as a military requirement, additional quantities or special items of individual uniform clothing normally not required for most enlisted members in the same Service. Except for maternity uniforms, supplementary clothing allowances may not exceed 30 percent of the current value of the standard initial clothing allowance.

A. Entitlement

1. A supplementary clothing allowance may be issued in-kind, as a cash payment, or as a combination of issued in-kind and a cash payment. Generally, supplementary clothing allowances are cash payments to Navy and Air Force members, while Army and Marine Corps members receive in-kind issues.

2. A member scheduled to serve in a qualifying assignment for at least 6 additional months, may receive a subsequent supplementary clothing allowance, on the anniversary of the initial supplementary clothing allowance. A Service member who has received a supplementary clothing allowance may not be authorized a subsequent supplementary allowance for the same items upon reassignment to duty if less than 12 months have elapsed since the last payment. Under circumstances deemed appropriate, the Service Secretary or the Commandant of the Marine Corps may waive this restriction.

3. As an exception to subparagraph 290502.A.2, an otherwise qualified member may not receive the supplementary clothing allowance for maternity uniforms more often than once every 3 years.

B. Rates Payable

1. The Army provides supplementary clothing allowances as in-kind issues as described in Army Regulation 700-84.

2. See Table 29-5 for the Navy supplementary clothing allowance rates.

3. See Table 29-6 for the Air Force supplementary clothing allowance rates.

4. The Marine Corps provides supplementary clothing allowances as a combination of in-kind issues and cash payments. See Table 29-7 for the Marine Corps supplementary clothing allowance cash payments.

290503. Civilian Clothing Allowances for Officers and Enlisted Personnel

In addition to any other clothing allowance authorized, Service members (officer or enlisted) directed by competent authority to dress in civilian clothing more than half the time when performing official duty, as a military requirement, may be authorized a civilian clothing allowance. By law, an officer is authorized a civilian clothing allowance only if his or her
permanent duty station is outside the United States. During any period in which an enlisted member is on an assignment requiring the wear of civilian clothing, the applicable replacement allowance for uniform items continues to accrue. The Service Secretary or the Commandant of the Marine Corps may prescribe reduced civilian clothing allowances, as appropriate for their respective Service, for personnel serving under conditions where the full authorized civilian clothing allowances in Table 29-8 are not required.

A. Permanent Duty Civilian Clothing Allowances. The permanent duty civilian clothing allowance has two parts: the initial civilian clothing allowance; and the replacement civilian clothing allowance. The initial civilian clothing allowance is payable upon assignment to qualifying permanent duty when authorized by the Service concerned. When entitled, the replacement civilian clothing allowance is payable annually at the end of the service member’s anniversary month using the applicable rate then in effect. The rates payable for the permanent duty civilian clothing allowances are in Table 29-8.

1. Initial Civilian Clothing Allowance. An initial civilian clothing allowance is paid only once in any 3-year period. It is not paid if the member has been out of a qualifying assignment for less than 12 months. If the member receives a follow-on permanent assignment requiring the wear of civilian clothing within 3 years of receiving an initial civilian clothing allowance, or within 12 months of occupying a qualifying assignment, then he or she will receive the replacement civilian clothing allowance at the end of the original anniversary month.

2. Replacement Civilian Clothing Allowance. At the end of the anniversary month of the member commencing the qualifying assignment, a replacement civilian clothing allowance is payable if it is projected that he or she will serve at least 6 additional months in a qualifying assignment. The member becomes entitled, upon authorization of the Service concerned. A replacement civilian clothing allowance is not payable if it is projected the member will remain in the assignment less than 6 months beyond the anniversary month. A replacement civilian clothing allowance is payable, if the member actually serves 6 or more months in the assignment past the anniversary month.

3. Lump-Sum Payments. A member who will continue to meet the eligibility criteria for a civilian clothing allowance, on a career basis, may receive the initial civilian clothing allowance, and up to two replacement civilian clothing allowance payments, in an up-front lump-sum payment. The member may receive payment at the time of eligibility and only once in their career. During the member’s first or second anniversaries after a lump-sum initial payment, if it is determined the member actually will not be remaining in a qualifying position for at least the next 6 months, the annual unearned portion for the year(s) not served will be recouped from the member. At the end of the anniversary months for the third and subsequent years of eligibility, the member will receive their replacement civilian clothing allowance payment.

4. Prior Civilian Clothing Payments. A member, authorized to receive permanent duty civilian clothing allowance, will have that allowance reduced by the prevailing value of any temporary duty civilian clothing allowance received within the preceding 12 months.
B. Temporary Duty Civilian Clothing Allowances. Generally, the temporary
duty civilian clothing allowance is used when the permanent duty civilian clothing allowance is
not applicable. The total amount of all temporary duty civilian clothing allowances payable in any
36-month period will not exceed the maximum allowed for temporary duty of at least 30 days.
The amounts authorized by the Service concerned will be within the rates established in Table 29-
8. The temporary duty civilian clothing allowance has two maximum rates based on the number
of days the member is on temporary duty.

1. 15-Days. When competent authority determines the member will
be on temporary duty at least 15 consecutive or accumulative days within a 30-day period, the
maximum amount payable is found in Table 29-8. The 15-day threshold requirement does not
apply to Explosive Ordnance Disposal and Explosive Detector Dog Personnel on U.S. Secret
Service Support Duty, Defense Courier Service couriers, or Defense Threat Reduction Agency
military personnel. These personnel may receive the maximum payment for temporary duty of at
least 30 days, upon their initial temporary duty assignment, regardless of the length of their
temporary duty.

2. 30 Days. When competent authority determines that a member will
be on temporary duty at least 30 consecutive or accumulative days within a 36-month period, the
maximum amount payable will be found in Table 29-8, less any amount paid within the past 36-
month period.

C. Additional Temporary Duty Payments. In exceptional circumstances, the
appropriate official, or the designated official, may make an exception to the maximum allowance
permitted in a 36-month period and may authorize an additional payment of a 15-day or 30-day
allowance or some lesser amount. The Assistant Secretaries of the Army, Navy and Air Force for
Manpower and Reserve Affairs (M&RA), or the Deputy Chief of Staff for M&RA in the Marine
Corps, may approve the additional allowance. They cannot delegate their authority.

2906 MISCELLANEOUS CLOTHING PROVISIONS

290601. Reserve Component Allowances

Reserve Component personnel on active duty for periods of less than 6 months, or while
on inactive duty, are generally furnished the required individual clothing items as in-kind issues.
Reserve Component personnel may receive the standard initial clothing allowance cash portion for
items designated to be personally procured and not issued in-kind. Members of Reserve
Components on active duty for periods of less than 6 months or on inactive duty are not entitled
to any civilian clothing allowances. Further guidance for payment of clothing allowances for
Reserve members is set forth in Chapters 57 and 58.
290602. Lost or Damaged Clothing

The Service concerned will compensate an enlisted member for clothing items destroyed, damaged, lost, abandoned, captured, or otherwise rendered unusable, by an incident to military training or service, not caused by any fault or negligence of the member.

290603. Clothing Price Adjustments

Enlisted members of the Navy and Air Force, entitled to an initial or partial initial clothing monetary allowance upon entering the Service, may require an adjustment to their pay records. A member’s pay record is adjusted to reflect the difference between the old and the new fiscal year prices for items not issued, if the entitlement date is on or before September 30, for all clothing items not issued prior to October 1.

290604. Settlement of Cash Clothing Allowances

A member will receive the cash clothing replacement allowance on the last day of their anniversary month. A member will receive a prorated cash clothing replacement allowance when discharged before the end of their anniversary month. The authorizing official approves payment for supplementary clothing allowances. See Table 29-9 for settlement of other cash clothing allowances.
*Table 29-1. Standard Initial Clothing Allowances
Effective October 1, 2017

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Army</td>
<td>male</td>
<td>$1,581.51</td>
<td>$7.50</td>
<td>$0</td>
</tr>
<tr>
<td>2</td>
<td>female</td>
<td>$1,553.31</td>
<td>$314.67</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Navy (E1-E6)</td>
<td>male</td>
<td>$2,023.31</td>
<td>$171.90</td>
<td>$0</td>
</tr>
<tr>
<td>4</td>
<td>female</td>
<td>$2,153.92</td>
<td>$356.87</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Air Force</td>
<td>male</td>
<td>$1,431.20</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>6</td>
<td>female</td>
<td>$1,638.98</td>
<td>$297.75</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Marine Corps</td>
<td>male</td>
<td>$1,923.34</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>8</td>
<td>female</td>
<td>$1,859.57</td>
<td>$175.00</td>
<td>$0</td>
<td></td>
</tr>
</tbody>
</table>
**Table 29-2. Special Initial Clothing Allowances**
Effective October 1, 2016

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>When an entitled enlisted member is</td>
<td>then the total value of the Special Initial Clothing Allowance is</td>
<td>and the prescribed cash payment portion to be paid is</td>
<td>and the Partial Initial Clothing Allowance for a member of the Reserves or Guard called to active duty is</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>in pay grade E-6 or below and assigned to the U.S. Navy Band, Washington, DC, or the U.S. Naval Academy Band, or selected for appointment as a Limited Duty Officer in the Navy</td>
<td>male</td>
<td>$1,044.13</td>
<td>$1,044.13</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>female</td>
<td>$1,095.12</td>
<td>$1,095.12</td>
<td>$0</td>
</tr>
<tr>
<td>2</td>
<td>eligible to wear the uniform of a chief petty officer (E7-E9) (See Note)</td>
<td>male</td>
<td>$1,044.13</td>
<td>$1,044.13</td>
<td>$522.07</td>
</tr>
<tr>
<td></td>
<td></td>
<td>female</td>
<td>$1,095.12</td>
<td>$1,095.12</td>
<td>$547.56</td>
</tr>
<tr>
<td>3</td>
<td>selected for officer training in the Navy and enters Officer Candidate School, the Enlisted Commissioning Program, or the Seaman to Admiral Program</td>
<td>male</td>
<td>$1,862.21</td>
<td>$1,862.21</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>female</td>
<td>$2,030.48</td>
<td>$2,030.48</td>
<td>$0</td>
</tr>
<tr>
<td>4</td>
<td>a direct civilian accession student to the Air Force Officer Training School (OTS)</td>
<td>male</td>
<td>$928.00</td>
<td>$928.00</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>female</td>
<td>$1,201.41</td>
<td>$1,201.41</td>
<td>$0</td>
</tr>
<tr>
<td>5</td>
<td>an enlisted accession student to the OTS</td>
<td>male</td>
<td>$388.92</td>
<td>$388.92</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>female</td>
<td>$388.92</td>
<td>$388.92</td>
<td>$0</td>
</tr>
<tr>
<td>6</td>
<td>assigned to the U.S. Air Force Academy Preparatory School</td>
<td>male</td>
<td>$1,020.43</td>
<td>$1,020.43</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>female</td>
<td>$1,020.43</td>
<td>$1,020.43</td>
<td>$0</td>
</tr>
</tbody>
</table>

**NOTE:**
Navy Reserve personnel advanced to Chief Petty Officer on or after October 1, 2009 are entitled to the full special initial clothing allowance. Chief Petty Officers in the Navy Reserve who were advanced before October 1, 2009, were only paid a partial special initial clothing allowance and are entitled to a partial initial clothing allowance when called to active duty for 6 months or more.
Table 29-3. Entitlement to Cash Clothing Replacement Allowances

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>completes 6 months of active duty after last entitlement to a standard initial, partial standard initial or reduced standard initial clothing allowance (Note 1)</td>
<td>missing, missing-in-action, captured, or detained in a foreign country; nor forfeiting total pay; nor in confinement under approved sentence providing a punitive discharge (Note 2); nor assigned to a command where clothing is replaced by an in-kind issue; nor undergoing training leading to a commission or attending an academy preparatory school; nor terminated from the status for which a special initial clothing monetary allowance was awarded</td>
<td>basic cash clothing replacement allowance, accruing from the first day of the month following the date of completion of 6 months active duty through the end of 36 months of active duty. On completion of 12 months of uninterrupted active duty, payment will be made for one-half the annual rate and the full annual rate thereafter. Annual payments will be made at the end of the member’s anniversary month of active duty (Note 3).</td>
</tr>
<tr>
<td>2</td>
<td>completes 6 months of active duty as an officer candidate (Note 1)</td>
<td>standard cash clothing replacement allowance accruing from the first day of the month following the date the special initial clothing allowance is awarded and continuing for the first 36 months of such active duty. Annual payments will be made at the end of the member’s anniversary month of active duty (Note 3).</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>becomes entitled to a special initial, partial special initial or reduced special initial clothing allowance</td>
<td>standard cash clothing replacement allowance accruing from the first day of the month following the date of completion of 36 months active duty. Annual payments will be made at the end of the member’s anniversary month of active duty (Note 3).</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>completes 36 months of active duty after last entitlement to a standard initial, partial standard initial, or a reduced standard initial clothing allowance (Note 1)</td>
<td>standard cash clothing replacement allowance accruing from the first day of the month following the date of completion of 36 months active duty. Annual payments will be made at the end of the member’s anniversary month of active duty (Note 3).</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>completes 36 months of active duty after last entitlement to a special initial, partial special initial, or a reduced special initial clothing allowance (Note 1)</td>
<td>special cash clothing replacement allowance accruing from the first day of the month following the date of completion of 36 months active duty. Annual payments will be made at the end of the member's anniversary month of active duty (Note 3).</td>
<td></td>
</tr>
</tbody>
</table>

NOTES:
1. The time period is computed without regard to lost time.
Table 29-3. Entitlement to Cash Clothing Replacement Allowances (Continued)

2. The term “approved sentence” means the date the sentence was approved by the convening authority.
3. If a member serves on this active duty less than 12 months or less than 12 months after the last annual payment, then a prorated amount will be paid, calculated at one-twelfth of the annual rate for each whole month or fractional month served. Example: A member on a 3-year enlistment leaves service after serving 2 years, 6 months, and 10 days. The final payment would be an amount equal to 7/12 of the annual amount.
Table 29-4. Cash Clothing Replacement Allowances

(See Note)

Effective October 1, 2016

<table>
<thead>
<tr>
<th>R</th>
<th>U</th>
<th>L</th>
<th>E</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Army</td>
<td>male</td>
<td></td>
<td>$331.86</td>
<td>$474.08</td>
<td>$0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>female</td>
<td></td>
<td>$347.91</td>
<td>$497.02</td>
<td>$0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Navy</td>
<td>male</td>
<td></td>
<td>$482.40</td>
<td>$687.60</td>
<td>$860.40</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
<td>female</td>
<td></td>
<td>$471.60</td>
<td>$673.20</td>
<td>$781.20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Air Force</td>
<td>male</td>
<td></td>
<td>$252.22</td>
<td>$360.32</td>
<td>$0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
<td>female</td>
<td></td>
<td>$252.81</td>
<td>$361.15</td>
<td>$0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Marine Corps</td>
<td>male</td>
<td></td>
<td>$439.20</td>
<td>$630.00</td>
<td>$0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td></td>
<td>female</td>
<td></td>
<td>$432.00</td>
<td>$619.20</td>
<td>$0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTE:**

Members of the U.S. Naval Academy Band, the U.S. Navy Band, Washington, DC, and all Navy Chief Petty Officers receive special cash clothing replacement allowances as follow-on to the special initial clothing allowances.
Table 29-5. Navy Supplementary Clothing Allowances  
Effective October 1, 2016

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>When a Navy enlisted member is assigned to</td>
<td>then the Supplementary Clothing Allowance to be paid in cash is</td>
<td>and the frequency of payment is (Note 1)</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>shore duty in a Bureau of Personnel (BUPERS) controlled recruiting billet or a recruiting support billet (Note 2)</td>
<td>$220.00</td>
<td>annual.</td>
</tr>
<tr>
<td>2</td>
<td>the U.S. Navy Ceremonial Guard</td>
<td>$200.00</td>
<td>only upon assignment.</td>
</tr>
<tr>
<td>3</td>
<td>the Ceremonial Guard Unit, Naval Air Facility, Washington DC</td>
<td>$120.00</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>duty in the executive part of the Department of the Navy located at the seat of government (field activities excluded)</td>
<td>$15.00</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>duty in the Office of the SecDef including the Office of the Joint Chiefs of Staff</td>
<td>$15.00</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>duty as a recruit company commander at Naval training centers or Naval Air Reserve training unit (Memphis) and meets eligibility requirements (Note 3)</td>
<td>$220.00</td>
<td>annual.</td>
</tr>
<tr>
<td>7</td>
<td>duty as a recruit drill instructor at naval training centers and meets eligibility requirements (Note 3)</td>
<td>$220.00</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>duty with Naval Administrative Unit, Washington, DC</td>
<td>$125.00</td>
<td>only upon assignment.</td>
</tr>
<tr>
<td>9</td>
<td>the USS CONSTITUTION</td>
<td>$220.00</td>
<td>only upon assignment.</td>
</tr>
<tr>
<td>10</td>
<td>a unit of the Armed Forces police or permanent shore patrol</td>
<td>$50.00</td>
<td>only upon assignment.</td>
</tr>
<tr>
<td>11</td>
<td>duty as a member assigned to: Transient Monitoring Unit, Enlisted Personnel Management Center, New Orleans; Personnel and Administrative Assistance Team, Atlantic; Personnel and Administrative Assistance Team, Pacific; or Reserve Personnel Management Assistance Team</td>
<td>$185.00</td>
<td></td>
</tr>
</tbody>
</table>
Table 29-5. Navy Supplementary Clothing Allowances (Continued)
Effective October 1, 2016

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A</td>
<td>B</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>duty as the Master Chief Petty Officer of the Navy or a Master Chief Petty Officer of a Fleet or Force</td>
<td>$220.00</td>
</tr>
<tr>
<td>13</td>
<td>active duty or Selected Reserve duty and the individual’s condition requires the wearing of a maternity uniform</td>
<td>$350.35</td>
</tr>
<tr>
<td>14</td>
<td>duty as a musician with a Fleet/Area Band, U.S. Navy Band, Washington, DC or Naval Academy Band</td>
<td>$220.00</td>
</tr>
<tr>
<td>15</td>
<td>duty as a midshipmen company advisor in pay grade E7 – E9 at the U.S. Naval Academy</td>
<td>$220.00</td>
</tr>
</tbody>
</table>

NOTES:
1. The supplementary clothing allowances listed are, unless otherwise noted, payable upon initial assignment to a normal tour of the duties described at the frequency specified in this table. Annual allowances will be paid upon assignment and upon each subsequent anniversary date of the initial assignment or entitlement, provided the member is projected to remain in the assignment for at least 6 additional months. Allowances to be paid as once in 3-year allowances, will be paid after 36 months from the date of any prior payment provided the individual’s condition/duties continue to require the supplementary allowance, and they are projected to remain in the assignment for at least 6 additional months. Members will be paid allowances only when first assigned to specified duty. A supplementary allowance may not be paid more frequently than once per year for similar duty, even if at different locations or commands or for subsequent recalls to active duty within 1-year, except by special authority of the Service Secretary or designee.

2. Recruiting or recruiting support duty means active duty assignment to: Navy recruiting areas, Navy recruiting districts, Navy recruiting “A” stations, Navy recruiting stations, Military Entrance Processing Stations, or to Naval Reserve activities. It also includes Naval aviation cadet procurement teams at Naval Air Reserve activities. It is payable to recruiters after reporting to the enlisted Navy Recruiter Orientation Course or upon completion of the Veteran Recruiter Orientation. It is payable to recruiting support personnel upon receipt of orders to such duty. It is payable to members in BUPERS controlled recruiting billets or a recruit support billet upon initial assignment, when specialized training is not required prior to the recruiting assignment.

3. Eligibility requires completion of Recruit Company Commander or Recruit Drill Instructor School.
Table 29-6. Air Force Supplementary Clothing Allowances
Effective October 1, 2016

<table>
<thead>
<tr>
<th>Rule</th>
<th>Description</th>
<th>Allowance</th>
<th>Payment Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>duty as an in-flight passenger service steward</td>
<td>$204.09</td>
<td>annual.</td>
</tr>
<tr>
<td>2</td>
<td>Detachment 1, 4950th Test Wing</td>
<td>$204.09</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>89th Air Wing Presidential Aircrew</td>
<td>$204.09</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Headquarters U.S. Air Force/Chief of Staff as member of the security police</td>
<td>$138.62</td>
<td>only upon assignment.</td>
</tr>
<tr>
<td>5</td>
<td>89th Air Wing as a member of the security police</td>
<td>$138.62</td>
<td>annual.</td>
</tr>
<tr>
<td>6</td>
<td>the U.S. Air Force Band, the Air Force Band of the Rockies, or a numbered Air Force Band</td>
<td>$204.09</td>
<td>once in 3 years.</td>
</tr>
<tr>
<td>7</td>
<td>Hammer Ace</td>
<td>$204.09</td>
<td>only upon assignment.</td>
</tr>
<tr>
<td>8</td>
<td>duty as a basic military training instructor or manager</td>
<td>$261.84</td>
<td>annual.</td>
</tr>
<tr>
<td>9</td>
<td>duty as a cadet military training advisor at the U.S. Air Force Academy</td>
<td>$204.09</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>duty as a basic military training instructor at the U.S. Air Force Academy Preparatory School</td>
<td>$204.09</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>a recruiting group or squadron</td>
<td>$261.84</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>represent the Air Force as one of the 12 Outstanding Airmen of the Year</td>
<td>$261.84</td>
<td>only upon assignment.</td>
</tr>
<tr>
<td>13</td>
<td>duty as a professional military education instructor</td>
<td>$261.84</td>
<td>annual.</td>
</tr>
<tr>
<td>14</td>
<td>duty at a Major Command as a member of the security police</td>
<td>$138.62</td>
<td>only upon assignment.</td>
</tr>
<tr>
<td>15</td>
<td>duty as a member of the security police Elite Gate Guards</td>
<td>$138.62</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>duty as a student at the Security Forces Specialist Course (Law Enforcement &amp; Security Specialist Students)</td>
<td>$111.67</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>duty as the Chief Master Sergeant of the Air Force</td>
<td>$261.84</td>
<td>annual.</td>
</tr>
<tr>
<td>18</td>
<td>duty as the Chief Master Sergeant of the Air Force Staff</td>
<td>$261.84</td>
<td>only upon assignment.</td>
</tr>
<tr>
<td>19</td>
<td>duty as a U.S. Air Force Academy radio maintenance work center technician</td>
<td>$169.42</td>
<td>once in 3 years.</td>
</tr>
</tbody>
</table>
Table 29-6. Air Force Supplementary Clothing Allowances (Continued)
Effective October 1, 2016

<table>
<thead>
<tr>
<th>RULE</th>
<th>When an Air Force enlisted member is assigned to</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>a military entrance processing station</td>
<td></td>
<td>$169.42</td>
<td>annual.</td>
</tr>
<tr>
<td>21</td>
<td>active duty and the individual’s condition requires the wearing of a maternity uniform (Note 2)</td>
<td></td>
<td>$373.50</td>
<td>once in 3 years.</td>
</tr>
<tr>
<td>22</td>
<td>active duty and the individual’s condition requires the wearing of a maternity uniform when the individual is provided, as government issue, maternity working uniforms (e.g., hospital workers, Note 2)</td>
<td></td>
<td>$134.77</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>duty as a Military Training Leader (Technical Training Schools)</td>
<td></td>
<td>$261.84</td>
<td>annual.</td>
</tr>
</tbody>
</table>

NOTES:
1. The supplementary clothing allowances listed are, unless otherwise noted, payable upon initial assignment to a normal tour of the duties described and at the frequency specified in this table. Annual allowances will be paid upon assignment and upon each subsequent anniversary date of the initial assignment or entitlement, provided the member is projected to remain in the assignment for at least 6 additional months. Allowances to be paid as once in 3-year allowances, will be paid after 36 months from the date of any prior payment provided the individual’s condition/duties continue to require the supplementary allowance, and they are projected to remain in the assignment for at least 6 additional months. Members will be paid allowances only when first assigned to specified duty. A supplementary allowance may not be paid more frequently than once per year for similar duty, even if at different locations or commands or for subsequent recalls to active duty within 1-year, except by special authority of the Service Secretary or designee.

2. When the reduced maternity uniform allowance has been paid and the member subsequently qualifies for a full maternity uniform allowance within 3 years of the reduced payment, the member will receive only the difference between the two allowances. A member may not receive more than the full maternity uniform allowance value within any 36-month period. A reduced maternity uniform allowance may not be paid within 36 months of a full maternity uniform allowance.
**Table 29-7. Marine Corps Supplementary Clothing Allowances**

*Effective October 1, 2016*

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>When a Marine Corps enlisted member is assigned to</td>
<td>then the Supplementary Clothing Allowance to be paid in cash is</td>
<td>and the frequency of payment is (Note 1)</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>male Staff Non-Commissioned Officer (SNCO) White Trousers (note 2)</td>
<td>$58.00</td>
<td>only upon assignment.</td>
</tr>
<tr>
<td>2</td>
<td>female SNCO White Skirt (note 2)</td>
<td>$72.00</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>female SNCO White Slacks (note 2)</td>
<td>$64.00</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>duty as a male student at the Naval Academy Preparatory School</td>
<td>$1,348.38</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>duty as a female student at the Naval Academy Preparatory School</td>
<td>$1,370.10</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Sergeant Major of the Marine Corps</td>
<td>$247.07</td>
<td></td>
</tr>
</tbody>
</table>

**NOTES:**

1. The supplementary clothing allowances listed are, unless otherwise noted, payable upon initial assignment to a normal tour of the duties described and at the frequency specified in this table. Annual allowances will be paid upon assignment and upon each subsequent anniversary date of the initial assignment or entitlement, provided the member is projected to remain in the assignment for at least additional months. Allowances to be paid as one in 3-year allowances, will be paid after 36 months from the date of any prior payment provided the individual’s condition/duties continue to require the supplementary allowance, and they are projected to remain in the assignment for at least 6 additional months. Members will be paid allowances only when first assigned to specified duty. A supplementary allowance may not be paid more frequently than once per year for similar duty, even if at different locations or commands or for subsequent recalls to active duty within 1-year, except by special authority of the Service Secretary or designee.

2. Required for all SNCO whose approved duty assignment requires the white Skirt, Slacks, and Trousers.
Table 29-8. Civilian Clothing Allowances for Officer and Enlisted Members
Effective October 1, 2017

<table>
<thead>
<tr>
<th>R</th>
<th>U</th>
<th>A</th>
<th>B</th>
</tr>
</thead>
<tbody>
<tr>
<td>L</td>
<td>E</td>
<td>When an officer or enlisted member is entitled to a Civilian Clothing Allowance for</td>
<td>then the amount of payment is</td>
</tr>
<tr>
<td>1</td>
<td></td>
<td>permanent duty initial payment</td>
<td>$1,062.00</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>permanent duty annual replacement payment</td>
<td>$354.24</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>temporary duty of at least 15 days in a 30-day period (Note 3)</td>
<td>$354.24</td>
</tr>
<tr>
<td>4</td>
<td></td>
<td>temporary duty of at least 30 days in a 36-month period</td>
<td>$708.12</td>
</tr>
</tbody>
</table>

NOTES:
1. By law, an officer is authorized a civilian clothing allowance only if the officer’s permanent duty station is outside the United States.
2. Unless exception is given, the maximum amount payable for all temporary duty performed in any 36-month period will not exceed the maximum prescribed for duty of at least 30 days.
3. The 15-day qualification requirement does not apply to Explosive Ordnance Disposal and Explosive Detector Dog personnel on U.S. Secret Service support duty, Defense Courier Service couriers, or Defense Threat Reduction Agency military personnel. These personnel may be authorized up to the maximum temporary duty civilian clothing allowance for 30 days upon their initial temporary duty travel requirement.
Table 29-9. Settlement of Cash Clothing Allowances
(See Note)

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>When member is entitled to and is a member of the</td>
<td></td>
<td>and has</td>
<td>then</td>
</tr>
<tr>
<td>1</td>
<td>a standard initial clothing allowance, a</td>
<td>X</td>
<td>completed 6 months of active duty (Note)</td>
<td>settle balance of allowance due.</td>
</tr>
<tr>
<td></td>
<td>reduced or partial standard initial clothing allowance</td>
<td></td>
<td>drawn clothing equaling or exceeding the allowance</td>
<td>settle amount, collect amount due from member, if appropriate.</td>
</tr>
<tr>
<td>2</td>
<td>X</td>
<td>X</td>
<td>completed 30 days of active duty (Note)</td>
<td>settle balance of allowance due.</td>
</tr>
<tr>
<td>3</td>
<td>X</td>
<td>X</td>
<td>completed recruit training</td>
<td>settle balance of allowance due.</td>
</tr>
<tr>
<td>4</td>
<td>X</td>
<td>X</td>
<td>reenlisted in the same branch of the Regular Service</td>
<td>pay or credit amount authorized immediately.</td>
</tr>
<tr>
<td>5</td>
<td>X</td>
<td>X</td>
<td>subsequent to expiration of 3 months from the date of last</td>
<td></td>
</tr>
<tr>
<td></td>
<td>reenlisted in the same branch of the Regular Service</td>
<td></td>
<td>discharge or release from active duty</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>a special initial clothing allowance or a reduced or partial</td>
<td>X</td>
<td>X</td>
<td>pay or credit amount authorized immediately.</td>
</tr>
<tr>
<td></td>
<td>special initial clothing allowance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>an initial cash allowance for personal purchase of specified</td>
<td>X</td>
<td>X</td>
<td>pay or credit amount authorized immediately.</td>
</tr>
<tr>
<td></td>
<td>items</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>a civilian clothing allowance</td>
<td>X</td>
<td>X</td>
<td>pay or credit amount authorized immediately.</td>
</tr>
</tbody>
</table>
Table 29-9. Settlement of Cash Clothing Allowances (Continued)

**NOTE:**

On discharge, release from active duty, or death, before completion of 6 months of active duty (Navy), or 30 days (Air Force), reduce the monetary clothing allowance to amount of clothing already supplied.
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CHAPTER 29—CLOTHING MONETARY ALLOWANCES

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290101 Title 37, United States Code (U.S.C.), section 418

2902 – CLOTHING ALLOWANCE ENTITLEMENT

37 U.S.C. § 418
DoD Directive 1338.05, January 12, 2005
DoD Instruction (DoDI) 1338.18, January 7, 1998
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2903 – INITIAL CLOTHING ALLOWANCES

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2904 – CASH CLOTHING REPLACEMENT ALLOWANCES

290402.A DoDI 1338.18, January 7, 1998
290403.A DoDI 1338.18, January 7, 1998

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290502 Assistant Secretary of Defense – Force Management & Personnel (ASD (FMP)) Memo, March 31, 1998
OUSD (P&R) Memo, March 25, 2003
37 U.S.C. § 419

2906 – MISCELLANEOUS CLOTHING PROVISIONS

290602 DoDI 1338.18, January 7, 1998

*Table 29-1

DoDI 1338.18, January 7, 1998
Assistant Secretary of the Army (ASA), Acquisition, Logistics, and Technology (ALT) Memo, October 18, 2017
Assistant Secretary of the Navy (ASN), M&RA Memo, September 13, 2017
Department of the Air Force (DAF) Headquarters Air Force (HQ AF)/A1 Memo, August 24, 2017
<table>
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</thead>
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                  |
|       |                | DAF HQ AF/A1 Memo, August 24, 2017 |
| 29-4  |                | ASA ALT Memo, October 18, 2017  
                  |
|       |                | ASN M&RA Memo, September 13, 2017 |
|       |                | DAF HQ AF/A1 Memo, August 24, 2017 |
| 29-5  |                | ASN M&RA Memo, September 13, 2017 |
| 29-6  |                | DAF HQ AF/A1 Memo, August 24, 2017  
                  |
|       | Rule 1         | ASD (FMP) Memo, February 26, 1996 |
| 29-7  |                | ASN M&RA Memo, September 13, 2017 |
| 29-8  |                | DoDI 1338.18, January 7, 1998  
                  |
|       |                | ASD M&RA Memo, September 11, 2017 |
**VOLUME 7A, CHAPTER 30: “OFFICERS’ UNIFORM AND EQUIPMENT ALLOWANCE”**

**SUMMARY OF MAJOR CHANGES**

All changes are denoted by blue font.

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CHAPTER 30

OFFICERS’ UNIFORM AND EQUIPMENT ALLOWANCE

3001 GENERAL

300101. Purpose

In accordance with guidance contained in this chapter, officers of the Armed Forces of the United States may be entitled to an initial uniform allowance and/or an additional active duty uniform allowance as reimbursement for the purchase of required uniforms and equipment.

300102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

3002 INITIAL UNIFORM ALLOWANCE

300201. General

Officers of the Armed Forces of the United States are entitled to an initial uniform allowance as provided in this section.

300202. When Payable

A. Except as provided in subparagraph 300202.B, the initial uniform allowance is payable only once to an officer upon:

1. First reporting for active duty (other than for training) for a period of more than 90 days. A member entering active duty as an officer in a Regular Component or upon Reserve Officer Training Corps (ROTC) graduation is considered to have entered into active duty for more than 90 days;

2. Completing at least 14 days of active duty or active duty for training as a member of a Reserve Component;

3. Completing 14 periods of inactive duty training as a member of the Ready Reserve. Each period of inactive duty training must be of at least 2 hours duration; or

4. Reporting for the first period of active duty required of a member of the Armed Forces Health Professions Scholarship Program.

B. In the case where a Reserve officer transfers to another Reserve Component that requires a different uniform, that Reserve officer may receive another initial uniform allowance.
300203. Amount Payable

All officer personnel, commissioned or appointed in the Regular or Reserve Components of the Army, Navy, Air Force, and Marine Corps, are authorized $400 as reimbursement for the purchase of uniform and equipment, regardless the source of commission or previous enlisted status.

300204. Restrictions

A. If a member has received an initial uniform allowance in any amount as an officer, under conditions other than those listed in subparagraph 300202.A, then the member cannot again be entitled to the initial uniform allowance.

B. Regular officers may not receive this allowance when transferring to another Military Service.

C. Only periods of duty that require wearing of the uniform are counted for entitlement to the initial uniform allowance.

D. An officer must be determined physically qualified for active duty before entitlement to an initial uniform allowance accrues.

3003 ADDITIONAL ACTIVE DUTY UNIFORM ALLOWANCE

300301. General

Officers of Reserve Components, officers of the Army or Air Force of the United States without specification of component, and ROTC graduates appointed in the Regular Components are entitled to an additional active duty uniform allowance as provided in this section.

300302. When Payable

A. The additional active duty uniform allowance is payable for each instance of entry or reentry into active duty, or active duty for training (including authorized travel time) for more than 90 days. The period served may be under orders specifying active duty for more than 90 days, or under two or more orders requiring a continuous period of more than 90 days active duty.

B. An officer commissioned in a Regular Component, upon ROTC graduation, accrues entitlement to the allowance on commencement of duty as a Regular officer. The officer is considered to have entered on active duty for more than 90 days.

300303. Amount Payable

The additional active duty uniform allowance is payable, to qualified officers in the amount of $200, as reimbursement for the purchase of required uniforms and equipment.
300304. Restrictions

A. The additional active duty uniform allowance is not payable if the officer has received an initial uniform allowance of more than $400 during the current tour of active duty, or within 2 years prior to entering the current tour.

B. The additional active duty uniform allowance is not payable when the tour of duty for which payment is being considered began within 2 years after the end of a previous period of active duty, or active duty for training, of more than 90 days. This applies whether or not a uniform allowance was paid for the previous tour of duty. It applies only if the prior service was performed as a Reserve officer, as an officer of the Army or Air Force of the United States without specification of component, or as a Regular officer commissioned upon ROTC.

C. An officer of a Reserve Component or of the Army or Air Force of the United States, without specification of component, is not due this allowance solely because of appointment in or transfer to the Army, Air Force, or another Reserve Component.

D. A Reserve officer ordered to an indefinite tour of active duty, or active duty for training, is not entitled to this allowance until the member completes more than 90 days of that tour.

E. Only periods of duty requiring the wearing of the uniform are counted for entitlement to the allowance prescribed in this paragraph.

F. To be entitled under this paragraph, an officer must be determined physically qualified for active duty.

300305. Computation of 2-Year Period

Compute the 2-year period during which no active duty or active duty for training was performed as follows:

A. When an officer is ordered to active duty, or active duty for training, for a period of more than 90 days, the 2-year period begins on the day following the day of release from active duty or active duty for training.

Example 1: A Reserve officer was ordered to active duty for training under orders specifying a 92-day tour of duty to begin March 1, 2012, and to end May 31, 2012. The officer actually was released from active duty for training May 31, 2012. The 2-year period began on June 1, 2012. Entitlement to the next additional active duty uniform allowance accrues if the officer is called to active duty, or active duty for training, for a period of more than 90 days on or after June 1, 2014.

Example 2: If the officer in Example 1 served 35 days of a tour of active duty under orders specifying duty of more than 90 days, and was
released from active duty for training April 4, 2012, then the 2-year period started April 5, 2012. Entitlement to the next additional active duty uniform allowance accrues if the officer is called to active duty, or active duty for training for a period of more than 90 days, on or after April 5, 2014. Refund of allowance or any portion thereof is not required since entitlement was based on reporting for active duty for a period of more than 90 days.

B. When an officer is ordered to active duty for training for an indefinite period, and serves more than 90 days, the 2-year period begins on the day following the day of release from active duty.

Example 1: A Reserve officer was ordered to active duty for training for an indefinite period to begin March 1, 2012. The officer was released from active duty July 1, 2012. On the 91st day of duty (May 30, 2012), the officer was entitled to the allowance as of the first day of duty (March 1, 2012) if other conditions of entitlement were met. The 2-year period starts July 2, 2012. Entitlement to the next additional active duty uniform allowance accrues if the officer is called to active duty, or active duty for training, for a period of more than 90 days on or after July 2, 2014.

Example 2: If the Reserve officer in Example 1 (subparagraph 300305.B) was released from active duty on April 4, 2012 after serving only 35 days, then he or she would not be entitled to the additional active duty uniform allowance for that period of active duty for training.

C. When an officer is separated from a Regular Component and is later appointed an officer in a Reserve Component and ordered to active duty, or active duty for training, for more than 90 days, the 2-year period restriction in subparagraph 300304.B does not apply. Exception: Regular officers appointed upon completion of ROTC training after October 12, 1994, are subject to the 2-year restriction.

Example: An officer was separated from a Regular Component on June 30, 2012, and was appointed an officer in a Reserve Component on July 1, 2012. The member reported for active duty for more than 90 days on May 1, 2014. The member was entitled to the additional active duty uniform allowance when reporting on the present tour of active duty, since the previous tour was as a Regular officer.

3004 DETERMINATIONS

300401. First Time Reporting for Active Duty and Allowances

An officer reporting for active duty for the first time, who meets the requirements for entitlement to the initial uniform allowance and the additional active duty uniform allowance, is entitled to receive both allowances subject to the restrictions of paragraphs 300204 and 300304.
300402. Received Initial Uniform Allowance

An officer who receives, or has previously received, an initial uniform allowance as an officer, under any conditions other than those listed in subparagraph 300202.A, is not eligible to receive the initial uniform allowance upon transfer to, or appointment in, another Reserve Component or the Army or Air Force of the United States, without specification of component.

300403. Reserve Officers’ Uniform Allowance Entitlements

A Reserve officer who receives, or has previously received, an initial uniform allowance, under the conditions listed in subparagraph 300202.A, and again qualifies for the initial uniform allowance and/or the additional active duty uniform allowance by meeting the basic requirements, is eligible to receive the initial and/or the additional allowance upon transfer to, or appointment in, another Reserve Component or the Army or Air Force of the United States, without specification of component, if the wearing of a different uniform is required.

300404. Reserve Officers’ Additional Allowance Entitlement

If otherwise eligible, a Reserve officer is entitled to be paid the additional active duty uniform allowance, even if the member has not received an initial uniform allowance.

3005 CIVILIAN CLOTHING MONETARY ALLOWANCE

300501. Officers’ Civilian Clothing Allowance

Officers assigned to a permanent duty station outside the United States, who are required to wear civilian clothing all or a substantial portion of the time in the performance of official duty, may be authorized an allowance for civilian clothing.

300502. Entitlement and Rate for Civilian Clothing Allowance

Entitlement criteria and allowance rates for civilian clothing allowances are specified in Chapter 29, paragraph 290503.
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**CHAPTER 30 – OFFICERS’ UNIFORM AND EQUIPMENT ALLOWANCE**

3002 – INITIAL UNIFORM ALLOWANCE

300202.B Title 37, United States Code (U.S.C.), section 417(b)
300204.A 37 U.S.C. § 415(b)

3003 – ADDITIONAL ACTIVE DUTY UNIFORM ALLOWANCE

300302.A 33 Comptroller General (Comp Gen) 250
300303 37 U.S.C. § 416(b)(1)
300304.B 43 Comp Gen 265
300304.D 33 Comp Gen 242
300305 42 Comp Gen 550

3004 – DETERMINATIONS

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300404 43 Comp Gen 729

3005 – CIVILIAN CLOTHING MONETARY ALLOWANCE

37 U.S.C. § 419
VOLUME 7A, CHAPTER 31: “PERSONAL MONEY ALLOWANCE”

SUMMARY OF MAJOR CHANGES

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<td>Updated formatting to comply with current administrative instructions.</td>
<td>Revision</td>
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<td>Revision</td>
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<td>Updated statutes and references.</td>
<td>Revision</td>
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CHAPTER 31

PERSONAL MONEY ALLOWANCE

3101 GENERAL

*310101. Purpose

This chapter establishes policy pertaining to Personal Money Allowance.

310102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

3102 ENTITLEMENT

310201. Officers

Officers, in the capacities listed in Table 31-1 (Personal Money Allowance - Amounts Payable), who are entitled to receive basic pay are also entitled to receive a personal money allowance. This allowance is in addition to any other pay or allowance authorized.

310202. Allowance for Certain Naval Officers

A Naval officer, assigned to a position listed in rules 5 through 9 of Table 31-1 and who simultaneously serves in the grade of Admiral or Vice Admiral, is entitled to the Personal Money Allowance for his/her current grade in addition to the one set forth for the position.

310203. Enlisted Members

An enlisted member, serving as the Senior Enlisted member of his or her Military Service, is also entitled to receive a Personal Money Allowance. This allowance is in addition to any other pay or allowance authorized.

3103 MONTHLY AMOUNTS PAYABLE

See Table 31-1

3104 TAXABILITY AND WITHHOLDING TAX

Personal Money Allowance is subject to federal and state income tax withholding.
### Table 31-1. Personal Money Allowance — Amounts Payable

<table>
<thead>
<tr>
<th>Rule</th>
<th>If the member is serving</th>
<th>A (Then the annual amount payable is)</th>
<th>B (And is paid monthly at the rate of)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>as Chairman of the Joint Chiefs of Staff, Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army or Air Force, Chief of Naval Operations, Commandant of the Marine Corps, Commandant of the Coast Guard, or Chief of the National Guard Bureau (note 1)</td>
<td>$4,000 (note 2)</td>
<td>$333.33</td>
</tr>
<tr>
<td>2</td>
<td>as a senior member of the Military Staff Committee of the United Nations and entitled to the grade, pay, and allowances of a lieutenant general or vice admiral (note 1)</td>
<td>$2,200 plus $500 authorized in rule 4</td>
<td>$225.00</td>
</tr>
<tr>
<td>3</td>
<td>in the grade of general or admiral</td>
<td>$2,200</td>
<td>$183.33</td>
</tr>
<tr>
<td>4</td>
<td>in the grade of lieutenant general or vice admiral</td>
<td>$500</td>
<td>$41.67</td>
</tr>
<tr>
<td>5</td>
<td>as the Director of Naval Intelligence (note 1)</td>
<td>$5,200</td>
<td>$433.33</td>
</tr>
<tr>
<td>6</td>
<td>as the Superintendent of the Naval Academy (note 1)</td>
<td>$800</td>
<td>$66.67</td>
</tr>
<tr>
<td>7</td>
<td>as the President of the Naval War College (note 1)</td>
<td>$1,000</td>
<td>$83.33</td>
</tr>
<tr>
<td>8</td>
<td>as the Commandant of Midshipmen at the Naval Academy (note 1)</td>
<td>$800</td>
<td>$66.67</td>
</tr>
<tr>
<td>9</td>
<td>as the President of the Naval Postgraduate School (note 1)</td>
<td>$400</td>
<td>$33.33</td>
</tr>
<tr>
<td>10</td>
<td>as the Sergeant Major of the Army, the Master Chief Petty Officer of the Navy, the Chief Master Sergeant of the Air Force, the Sergeant Major of the Marine Corps, the Senior Enlisted Advisor for the Chairman of the Joint Chiefs of Staff, the Master Chief Petty Officer of the Coast Guard, or the Senior Enlisted Advisor to the Chief of the National Guard Bureau (note 1)</td>
<td>$2,000</td>
<td>$166.67</td>
</tr>
</tbody>
</table>

**NOTES:**
1. This allowance is based on a specific duty assignment, and it does not accrue before the date member starts or after the date member is released from such duty assignment.
2. This amount is in place of any other Personal Money Allowance authorized.
**BIBLIOGRAPHY**

CHAPTER 31 – PERSONAL MONEY ALLOWANCE

3102 – ENTITLEMENT

* 310201  
   Title 37, United States Code (U.S.C.), sections 413-414
310202  
   37 U.S.C. § 414(b)
310203  
   37 U.S.C. § 414(c)

3103 – MONTHLY AMOUNTS PAYABLE

   37 U.S.C. § 414(a)

3104 – TAXABILITY AND WITHHOLDING TAX

*  
   Title 26, Code of Federal Regulations (CFR), part 1.62-2
*  
   26 CFR 31.3401(a)-1
   31 CFR 215.8

Table 31-1  
   37 U.S.C. §§ 413-414
   37 U.S.C. § 414(c)
VOLUME 7A, CHAPTER 32: “ADVANCE, LOCAL, PARTIAL AND EMERGENCY PARTIAL PAY”

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CHAPTER 32

ADVANCE, LOCAL, PARTIAL AND EMERGENCY PARTIAL PAY

3201 GENERAL

*320101. Purpose

This chapter establishes policy pertaining to advance, local, partial and emergency partial pay for members of the active and reserve components.

*320102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

3202 ADVANCE PAYMENTS

320201. Advance Pay for Permanent Change of Station (PCS)

A. Commander’s Responsibility. The member’s commander has a responsibility to ensure that the advance of pay is used only to help with the financial burden of a PCS.

1. This financial burden can be complicated when a member files for bankruptcy. Commanders should be aware when a member has filed for bankruptcy and then makes a request for an advance pay. Some Bankruptcy Court jurisdictions hold that a creditor does not have the authority to recoup any post-petition debt, including advance pay, without permission from the Bankruptcy Court. This is true in cases when a member has filed a Chapter 13 bankruptcy.

2. In such instances, the government may not be able to collect any amount of the advance pay unless the Defense Finance and Accounting Service (DFAS) receives approval from the court or after the bankruptcy is discharged or terminated. Additionally, in situations when DFAS has withheld funds for repayment of the advanced pay, DFAS will have to return the funds to the member. Accordingly, commanders should approach such advance pay requests fully aware that the government may not be able to collect the advance pay from the member even though the advanced pay was issued after the member filed for bankruptcy.

B. Entitlement. The conditions and amounts payable are contained in Table 32-1.

C. Repayment. Advances are repaid per Table 32-2.

D. Effect on Allotments. Do not pay an advance of pay in an amount that will require the stoppage of allotments for insurance or support of dependents. No allotment may be started after the advance is made if that allotment would prevent repayment of the
advance of pay within the allowed period. If the separation of a member from the Service is imminent, then stop all allotments necessary to collect the advance.

320202. Advance of Pay and Allowances

An advance of pay is to ease hardships imposed by the lack of regular payments when a member is mobilized, ordered to duty at a distant station, or deployed aboard ship for more than 30 days.

A. **Entitlement.** The conditions and amounts payable are contained in Table 32-1.

B. **Repayment.** These advances are repaid per Table 32-2.

320203. Advance Pay for Assignment of 1 Year or More to Hostile Fire/Imminent Danger Pay Area

A. **Entitlement.** A member may be paid an advance of basic pay not to exceed 3 months less deductions. The conditions and amounts payable are contained in Table 32-1, rule 3.

B. **Repayment.** This advance is repaid based on Table 32-2, rule 11; however, advance pays not fully collected prior to the death of a member will not be collected against the estate of a deceased member.

320204. Advance Pay When Ordered to Indoctrination Center

A. **Entitlement.** A member may be paid an advance of basic pay not to exceed 15 days. The conditions and amounts payable are contained in Table 32-1, rule 4.

B. **Repayment.** Collect the advance in full from the member’s next available payday.

320205. Advance of Basic Allowance for Subsistence (BAS)

A. **Entitlement.** An enlisted member may be paid an advance of BAS not to exceed 3 months if the member is entitled to BAS and the Commanding Officer (CO) authorizes the payment following a determination that it is necessary. Individual Military Service regulations may limit BAS advances to less than 3 months.

B. **Repayment.** This advance is repaid based on Table 32-2, rule 12.

320206. Advance Pay Upon Evacuation of Members or Dependents

The purpose of this advance is to give funds to evacuated members or dependents to cover costs of travel, food, and other needs.
A. **Entitlement.** The conditions and amounts payable are contained in Table 32-1, rule 5.

B. **Repayment.** The advances are repaid per Table 32-2, rule 13.

320207. Advance of Allotment(s) to Dependents

The purpose of this advance payment is to allow a member to be paid the amount of an allotment(s) to dependent(s) if the member is assigned or scheduled for assignment to sea duty or other duty with a unit or command deployed or to be deployed outside the United States and the allotment(s) is made by the member not more than 60 days before the scheduled date of the assignment of the member to this duty.

A. **Entitlement.** The conditions and amounts payable are contained in Table 32-1, rule 6.

B. **Repayment.** This advance is repaid per Table 32-2, rule 14.

320208. Advance Pay for Members of the Armed Forces Health Professions Scholarship Program (AFHPSP) on Active Duty

A. **Entitlement.** An advance of pay, not to exceed basic pay for 1 month, may be paid to a member of the AFHPSP when reporting for the annual 45-day active duty tour.

B. **Repayment.** Collect the advance in full by the end of the 45-day active duty tour.

320209. Advance of Housing Allowances

An advance of Basic Allowances for Housing and overseas housing allowance may be authorized under the terms and conditions in the Joint Travel Regulations (JTR), Chapters 9 and 10.

320210. Advance Pay for Senior Reserve Officer Training Corps (SROTC) Cadets and Midshipmen Ordered to Field Training or Practice Cruises

A. **Entitlement.** An advance of pay, not to exceed the entitlement for 1 month, or the amount the SROTC member will accrue for the training, whichever is less, may be paid to an SROTC member who is ordered to perform field training or a practice cruise.

B. **Repayment.** Collect the advance in full from the member’s field training or practice cruise entitlement.
320211. Military Paydays

A. Payday is the first calendar day of the month after the month in which the entitlement was earned.

B. Except for payrolls otherwise payable on October 1, if the payday falls on a Saturday, Sunday, or Federal legal holiday, payment is authorized on the preceding workday, but not more than 3 days before the scheduled payday. This exception applies to foreign holidays recognized abroad by United States Forces. It also applies to payments made to members upon separation from the Military Service through retirement or discharge when the last day of active duty falls on a Saturday, Sunday, or Federal legal holiday.

C. For payrolls otherwise payable on October 1, the Secretary of Defense will determine if the payroll may be dated in September.

3203 LOCAL, PARTIAL, AND EMERGENCY PARTIAL PAYMENTS

320301. Local and Partial Payments

Local and partial payments are authorized only for overseas areas where on-base military banking facilities are not readily available. Exceptions may be granted for members assigned to classified or contingency operations where the exigencies of their assignments may require local cash or partial payments. In this circumstance, the member’s commander may authorize immediate cash payments up to the amount of accrued entitlement to date, when deemed appropriate to the mission (see Table 32-3).

320302. Emergency Partial Payment

A. For members residing or assigned within the United States (including Alaska and Hawaii), this is a payment deemed time sensitive and required within 24 hours due to unforeseen set of circumstances or the resulting state that calls for immediate action (see Table 32-3). Payment will be made in an expeditious manner, e.g., Direct Deposit (DD) or check payment. The supporting DFAS site may be able to affect overnight Electronic Funds Transfer (EFT) payment if circumstances warrant.

B. The member’s commander, in coordination with the supporting finance office, may authorize emergency payments, up to the amount of accrued entitlement to date in the following circumstances:

1. Emergency pay and allowances earned to date as reflected on the member’s pay account, when no pay was received on a regular payday or when there is a major medical emergency or death in the member’s immediate family and payment is needed within 24 hours;

2. Emergency travel advance, when a traveler does not have a government travel charge card;
3. Discharge gratuity (as required by Chapter 35, Table 35-7), when payment is needed within 24 hours;

4. Payment of military death gratuity benefit to a beneficiary, when payment is needed within 24 hours;

5. Payment to military member of advance pay and allowances and/or evacuation allowance, when dependents must be evacuated as a result of a natural disaster or life threatening situations; or

6. Payment to dependents, when forfeiture of pay and allowances is waived under conditions defined in Chapter 48, subparagraph 480307.C.
### Table 32-1. Advance Payments - Eligibility and Amounts Payable

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
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<tbody>
<tr>
<td>1</td>
<td>A member in receipt of orders for (to)</td>
<td>and</td>
<td>when approved in writing by</td>
<td>may be paid in an amount</td>
<td>to be paid by the supporting DFAS site (note 1)</td>
<td></td>
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<tr>
<td>1</td>
<td>a PCS move, to include (note 2): -between stations -to new station upon reenlistment (following a break in service) -commencement of active duty by newly commissioned regular officer -change of home port -Reserve forces member in receipt of orders to active duty of 140 days or more -extended active duty (Reserve or retired members)</td>
<td>the member signs a form confirming that the intended uses of the funds are for the purposes stated in the form; and the PCS is not due to separation from service or trial by court-martial</td>
<td>the member’s commanding or recruiting officer (including enlisted commandant of the Noncommissioned Officer (NCO) Academy) for grades E-3 and below (except as more restrictively prescribed in regulations of the Military Service concerned)</td>
<td>advance of basic pay of 1 month of basic pay, less deductions (note 3)</td>
<td>to member’s financial institution not earlier than 30 days prior to departure (note 4); en route; first duty station or after beginning travel to first duty station after completion of physical examination; or within 60 days after arrival at new/first duty station (home port, note 4) (note 5).</td>
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Table 32-1. Advance Payments - Eligibility and Amounts Payable (Continued)

<table>
<thead>
<tr>
<th>Rule</th>
<th>A member in receipt of orders for (to)</th>
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</thead>
<tbody>
<tr>
<td>3</td>
<td>assignment for duty (permanent or temporary) for 1 year or more (or extended beyond 1 year) to an area where the member would receive hostile fire/imminent danger pay under Title 37, United States Code (U.S.C.), section 310</td>
<td>and</td>
<td>when approved in writing by the member’s commanding or recruiting officer (including enlisted commandant of the NCO Academy)</td>
<td>may be paid an advance of basic pay of 1 month of basic pay, not to exceed 3 months, less deductions (notes 3 and 7)</td>
<td>in an amount to be paid by the supporting DFAS site (note 1)</td>
<td>to member’s financial institution (note 8).</td>
</tr>
<tr>
<td>4</td>
<td>a training or indoctrination center on induction or enlistment</td>
<td></td>
<td>the center commander (including enlisted commandant of the NCO academy)</td>
<td></td>
<td>not to exceed 15 days of basic pay (notes 9 and 10)</td>
<td>advances will be deposited, via DD/EFT by the supporting DFAS site, to the basic trainee’s account at the designated financial institution.</td>
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</table>
Table 32-1. Advance Payments - Eligibility and Amounts Payable (Continued)

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<tr>
<th>RULE</th>
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</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>A member in receipt of orders for (to) and when approved in writing by in an amount to be paid by the supporting DFAS site (note 1)</td>
<td>evacuation of member or all military dependents in the area is ordered by the area commander, the State Department, or other authorized U.S. official</td>
<td>advance of basic pay, payable to member or to member’s dependents, in one or more installments as designated by the member, in a total amount of not more than 2 months of basic pay (net of any forfeiture and Montgomery G.I. Bill; no other deduction considered)</td>
<td>paid as an emergency local payment at permanent station or any military disbursing office either overseas or in the United States.</td>
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<tr>
<td>6</td>
<td>for assignment to sea duty or other duty with a unit or command deployed or to be deployed outside the United States (note 12)</td>
<td></td>
<td>amount of an allotment(s) for dependent(s) equal to amount of the allotment(s) for 1 month (note 13)</td>
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<tr>
<td>7</td>
<td>mobilization or recall to active duty under 10 U.S.C. § 12301, § 12302, § 12303, § 12304, or § 688</td>
<td>has reported for duty but cannot be paid pay and allowances due within 14 days of reporting for that duty</td>
<td>advance of pay and allowances not to exceed 3 months of pay and allowances less deductions (note 3 and rule 4)</td>
<td>to member’s financial institution or mailed from DFAS central site to an address.</td>
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</tbody>
</table>
Table 32-1. Advance Payments - Eligibility and Amounts Payable (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A member in receipt of orders for (to) and when approved in writing by</th>
<th>may be paid in an amount to be paid by the supporting DFAS site (note 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>assignment to a distant duty station pay and allowances cannot be paid regularly the member’s commander (including enlisted commandant of the NCO academy) advance of pay and allowances not more than 3 months of basic pay and allowances, less deductions (note 3) to member’s financial institution or mailed from DFAS central site to an address.</td>
<td></td>
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<tr>
<td>9</td>
<td>assignment to a distant duty station pay and allowances cannot be paid regularly the member’s commander (including enlisted commandant of the NCO academy) advance of pay and allowances more than 3 months of basic pay and allowances, less deductions, when approved by: Army or Air Force--Major Command; Navy--Office of Comptroller; USMC--Commandant of the Marine Corps (note 3) to member’s financial institution or mailed from DFAS central site to an address.</td>
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</tbody>
</table>
Table 32-1. Advance Payments - Eligibility and Amounts Payable (Continued)

<table>
<thead>
<tr>
<th>Rule</th>
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<tbody>
<tr>
<td>10</td>
<td>A member in receipt of orders for (to) and when approved in writing by may be paid in an amount to be paid by the supporting DFAS site (note 1)</td>
<td>pay and allowances cannot be paid regularly</td>
<td>the member’s commander (including enlisted commandant of the NCO academy.)</td>
<td>advance of pay and allowances not more than the basic pay (plus submarine and sea duty pay for members attached to submarines) and allowances that will accrue during the period of deployment, less deductions (note 3).</td>
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<tr>
<td>1. For emergency payment exceptions, see paragraph 320302.</td>
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<td>2. Temporary duty en route does not preclude payment. An advance payment for a PCS move in the same geographical area of the member’s prior duty station or home port, or place from which ordered to active duty, is authorized only when movement of the member’s household at government expense is authorized per JTR, Chapter 5, Part A, Section 5.</td>
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<td>3. Deductions: a. For advance pay computation (rules 1 and 2), the following deductions will be made:</td>
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<td>1. forfeitures;</td>
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<td>2. Montgomery G.I. Bill;</td>
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<td>3. Federal/state income tax;</td>
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<td>4. Federal Insurance Contribution Act;</td>
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<td>5. Servicemembers Group Life Insurance;</td>
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<td>6. Armed Forces Retirement Home;</td>
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<tr>
<td>7. Dependent Dental Plan;</td>
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</tbody>
</table>
Table 32-1. Advance Payments - Eligibility and Amounts Payable (Continued)

NOTES: (Continued)

8. TRICARE;
9. monthly repayment of a prior advance;
10. indebtedness to the United States or its instrumentalities, whether scheduled (monthly debt installment) or unscheduled (one-time collection);
11. garnishments;
12. statutorily-required support allotments in force;
13. court-ordered bankruptcy payments; and
14. Thrift Savings Plan (TSP) (basic pay designation only).

b. For advance of pay and allowances computation (rules 6, 7, 8, 9) include total of all allotments in force and TSP designations i.e. special pay incentive pay, and bonuses (if paid monthly).

4. The “30-day window” may be expanded to not exceed 90 days prior, and the “60-day window” may be expanded to not exceed 180 days after, when justified for extenuating circumstances; requires written approval of the member’s commander (including enlisted commandant of the NCO academy). The member must provide written justification indicating the specific circumstances requiring the early or late advance payment.

5. The request of Advance of Pay must be made not later than 60 days after effective date of change or 60 days after vessel arrives at new home port/home yard, whichever is later.

6. The member must provide written justification clearly showing that accrual or anticipated out-of-pocket PCS expenses equal or exceed the amount of advance requested; requires written approval of the member’s commander. The advance payment may be made in 1, 2, or 3 installments.

7. Upon request, the member will be granted an advance payment equaling 1 month of basic pay. The Secretary concerned, at his discretion, may grant a request for up to 2 or 3 months of advanced basic pay if member can justify financial hardship.

8. The member may request the advance at any time during the period of assignment. The earliest that the member may apply and receive the advance is the effective or start date of the assignment, as specified in the member’s orders. This is generally when the member is authorized to begin travel to comply with the assignment order.

9. This advance is collected in full when the member receives their first regular pay.

10. For Army members only. Advance will be paid using services Stored Value Cards. An exception to the 15-day limit is authorized and an Army member may be advanced up to 21 days of basic pay for the purpose of paying the cost of round trip travel to the member’s home during annual holiday leave period (mid-December through early January). Collection of the advance will be made in the January processing cycle.

11. This advance is not payable for evacuation of individual dependents.

12. The advance payment may not be made more than 60 days before the scheduled date of the duty assignment.

13. Establish an allotment(s) for dependents in the member’s pay record simultaneous to paying the advance.
Table 32-2. Repayment of Advances

<table>
<thead>
<tr>
<th>RULE</th>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>When a member was paid an advance(s) of pay incident to a PCS and when justified by the member that repayment within 12 months would create severe hardship (note 5)</td>
<td>the first day of the month following payment of advance(s)</td>
<td>the member’s commander (including enlisted commandant of the non-commissioned officer (NCO) academy)</td>
<td>1/12 of the amount(s) advanced each month for the next 12 months (notes 2, 3, and 4).</td>
<td>1/24 of the amount(s) advanced each month for the next 24 months (notes 2, 3, 6, and 7).</td>
</tr>
<tr>
<td>2</td>
<td>member’s separation is imminent (includes members unexpectedly forced to retire under the Selected Early Retirement Board (SERB) (note 8)</td>
<td>immediately the remaining outstanding advance prorated over the remaining months of service</td>
<td>all unpaid pay and allowances, except enlisted separation advanced travel allowance, are used to collect the outstanding advance (notes 9, and 10).</td>
<td></td>
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</tr>
<tr>
<td>3</td>
<td>member’s orders are revoked/cancelled member dies</td>
<td>immediately the outstanding balance in full.</td>
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<td>4</td>
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</thead>
<tbody>
<tr>
<td>6</td>
<td>advance(s) of pay and allowances (for duty at a distant station or deployed aboard ships for more than 30 days) and</td>
<td>begin collecting (note 1) and when approved in writing by</td>
<td>the first day of the month following payment of advance(s)</td>
<td>1/12 of the amount(s) advanced each month for the next 12 months (notes 2, 3, and 4).</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>duty ends earlier than expected</td>
<td></td>
<td></td>
<td>equal monthly installments of not less the 1/12 of the unliquidated amount advanced per month for 12 months (notes 2 and 3).</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>member’s separation is imminent (includes members unexpectedly forced to retire under the SERB (note 8)</td>
<td>immediately the remaining outstanding advance prorated over the remaining months of service</td>
<td></td>
<td>all unpaid pay and allowances, except enlisted advanced travel allowance, are used to collect the outstanding advance (notes 9 and 10).</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>member’s orders are revoked/cancelled</td>
<td>immediately the outstanding balance in full.</td>
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<tr>
<td>10</td>
<td>member dies</td>
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Table 32-2. Repayment of Advances (Continued)

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<tbody>
<tr>
<td>11</td>
<td>When a member was paid an advance of basic pay when deployed in a combat zone for 1 year or more and when approved in writing by the advance on the first day of the first month beginning on or after the date on which the member receives the advance</td>
<td>begin collecting (note 1)</td>
<td>at the rate of 1/12 of the amount(s) advanced each month for the next 12 months (notes 2, 11, and 12).</td>
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</tr>
<tr>
<td>12</td>
<td>advance of BAS (enlisted members)</td>
<td>the first day of the first month beginning after the payment of the advance</td>
<td></td>
<td>the amount of BAS accruing to the member’s credit. If entitlement to BAS ends before repayment, then collect the balance due as an overpayment.</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>advance pay for evacuation of member or dependents</td>
<td>the first day of the month following payment of advance(s) (note 13)</td>
<td></td>
<td>1/12 of the amount(s) advanced (or remaining amounts if waiver applies) each month for the next 12 months (notes, 2, 11, 13, and 14).</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>advance payment in the amount of an allotment(s) to dependents</td>
<td>the advance in the month following the month payment was made</td>
<td></td>
<td>1/6 of the amount(s) advanced each month for the next 6 months (notes 2 and 3).</td>
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Table 32-2. Repayment of Advances (Continued)

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<tr>
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<tbody>
<tr>
<td>15</td>
<td>When a member was paid an advance of pay and allowances upon being mobilized or recalled under 10 U.S.C. 12301, 12302, 12303, 12304, or 688 and when approved in writing by the rate of 1/3 of the amount advanced each month for 3 months, or at the rate needed to repay the advance by the scheduled termination date of the orders, whichever is earlier.</td>
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</tbody>
</table>

NOTES:

1. The repayment period will, in all cases, be scheduled to repay the advance before the member’s expected date of separation. In unusual circumstances, the initiation of collection action may be delayed if the delay is approved by the Director, DFAS, or designee.

2. Upon the member’s request, repayment may be made in lump-sum or increased monthly amounts.

3. The repayment period will be scheduled to repay the advance before the member’s expected date of separation. Repayment should be scheduled for completion before the start of a subsequent PCS move.

4. When executing PCS orders of less than 12 months, Reserve Component recipients of advance pay must accept a repayment schedule that provides for repayment by termination date of orders.

5. The member must provide written justification clearly showing that a 12-month repayment schedule would create severe financial hardship. The request must be approved in writing by the member’s commander (including enlisted commandant of the NCO academy).

6. When request is disapproved, collection will be at the rate specified in rule 1.

7. When the repayment period is extended after the repayment schedule of less than 24 months is operating, repayment will be prorated per Military Service regulations, not to exceed the 24 months from the initial collection month.

8. If the member immediately reenlists, then repayment of the advance pay may be continued into the new enlistment. To extend repayment of an advance into retired pay, projected SERB retirees must submit a written request to extend repayment into retired pay that clearly demonstrates the circumstances of their hardship. The requests will be submitted via the member’s chain of command to the servicing central site for review and approval on a case-by-case basis by DFAS-IN/SPR.
Table 32-2. Repayment of Advances (Continued)

NOTES: (Continued)

9. Uncollected advances are treated as accounts receivable in the accounts of the disbursing officer. Such amounts remain a debt owed the United States by the member.

10. If a member is entitled to separation payment under 10 U.S.C. § 1174, § 1174a, § 1175, or § 1175a and has a separation payment pending equal to or greater than the outstanding advance pay balance at separation, then the member may request that the repayment rate not be accelerated and the existing rate continue. That portion of the advance not collected prior to separation will be deducted from the separation payment.

11. The repayment period will, in all cases, be scheduled to repay the advance before the member’s expected date of separation.

12. The estate of a deceased member will not be required to repay any portion of the advanced pay paid to the member and not repaid before the death of the member.

13. The Secretary of the Military Service concerned is authorized to waive recovery of an advance of not more than basic pay for 1 month when such recovery would be against equity and good conscience or against the public interest.

14. The Secretary of the Military Service concerned is authorized to extend repayment period up to a 24 month schedule.
Table 32-3. Payment Procedures

<table>
<thead>
<tr>
<th>RUL E</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>local partial payment (note 2)</td>
<td>to pay bonuses, annual special pays, separation, death, unpaid pay and allowance, health and comfort, waiver of forfeitures for dependents.</td>
<td>not authorized.</td>
</tr>
<tr>
<td>2</td>
<td>an emergency partial payment</td>
<td></td>
<td>no local payment is made (note 3).</td>
</tr>
<tr>
<td>3</td>
<td>advance PCS</td>
<td>to pay all pay grades 1 month pay (E-3 and below with CO’s approval), max 3 months pay (E-4 and above) with CO’s approval.</td>
<td>paid centrally via DD/EFT.</td>
</tr>
<tr>
<td>4</td>
<td>advance basic pay</td>
<td></td>
<td>to pay not more than 15 days basic pay at training or indoctrination center or centrally via DD/EFT as systems become available.</td>
</tr>
<tr>
<td>5</td>
<td>advance BAS</td>
<td>to pay a maximum of 3 months entitlement (note 2)</td>
<td>paid centrally via DD/EFT.</td>
</tr>
<tr>
<td>6</td>
<td>advance dependent evacuation allowance</td>
<td>to pay a maximum of 2 months entitlement (note 2)</td>
<td>to pay a maximum of 2 months of basic pay locally as an emergency partial payment.</td>
</tr>
<tr>
<td>7</td>
<td>advance for an AFHPSP participant</td>
<td></td>
<td>to pay a maximum of 1 month of basic pay when reporting for 45 days active duty tour; paid centrally via DD/EFT.</td>
</tr>
<tr>
<td>8</td>
<td>advance for a person in the SROTC</td>
<td></td>
<td>to pay 1-month entitlement or the amount the member will accrue for the training; paid centrally via DD/EFT.</td>
</tr>
<tr>
<td>9</td>
<td>advance overseas housing allowance</td>
<td>to pay 1 year accrued allowances determined on the basis of housing expenses, and the authorized overseas housing allowance and interim housing allowance may be paid locally if required.</td>
<td>not applicable</td>
</tr>
<tr>
<td>10</td>
<td>advance basic allowance for housing</td>
<td></td>
<td>paid centrally via DD/EFT.</td>
</tr>
</tbody>
</table>
Table 32-3. Payment Procedures (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>If payment type is a/an</td>
<td><strong>Overseas Command is (note 1)</strong></td>
<td><strong>Continental United States</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(includes Alaska and Hawaii) is</td>
</tr>
<tr>
<td>11</td>
<td>advance for mobilization deployment of a member</td>
<td>to pay a maximum of 3 months pay.</td>
<td>paid centrally via DD/EFT.</td>
</tr>
<tr>
<td>12</td>
<td>advance for shipboard deployment of a member</td>
<td>to pay all pay due for Navy and Marine Corps members. Not applicable to Army and Air Force members.</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>advance for distant duty</td>
<td>to pay a maximum of 3 months basic pay and allowances.</td>
<td></td>
</tr>
</tbody>
</table>

NOTES:
1. Payments may be paid locally when consistent with mission requirements and nonavailability of DoD military banking facilities.
2. Local payments are authorized with commander’s approval.
3. Emergency partial payment may be made when approved by the member’s commander and coordinated with the local finance office for the following circumstances:
   a. Pay and allowances earned to date on the Master Military Pay Account when no pay was received on regular payday or when there is a major medical emergency or death in the immediate family of the member;
   b. Emergency travel advance when the traveler does not have a government travel charge card;
   c. Discharge gratuity (as required by Chapter 35 Table 35-7);
   d. Payment of death gratuity benefit to beneficiary;
   e. Payment to military member of advanced pay and allowances and/or evacuation allowance to evacuate dependents as a result of a natural disaster or life threatening situation; or
   f. Payment to dependents when a member’s forfeiture is waived in favor of those dependents.
BIBLIOGRAPHY

CHAPTER 32 – ADVANCE, LOCAL, PARTIAL AND EMERGENCY PARTIAL PAY

3202 – ADVANCE PAYMENTS

<table>
<thead>
<tr>
<th>Rule</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>320201</td>
<td>37 U.S.C. § 1006(a)</td>
</tr>
<tr>
<td>320202</td>
<td>37 U.S.C. § 1006(b)</td>
</tr>
<tr>
<td>320203</td>
<td>37 U.S.C. § 212</td>
</tr>
<tr>
<td>320205</td>
<td>37 U.S.C. § 402(c)</td>
</tr>
<tr>
<td>320206</td>
<td>37 U.S.C. § 1006(c)</td>
</tr>
<tr>
<td>320207</td>
<td>37 U.S.C. § 1006(a) (2)</td>
</tr>
<tr>
<td>320208</td>
<td>37 U.S.C. § 1006(i)</td>
</tr>
<tr>
<td>320209</td>
<td>37 U.S.C. § 1006(h)</td>
</tr>
<tr>
<td>320210</td>
<td>37 U.S.C. § 403(a)</td>
</tr>
<tr>
<td>320211</td>
<td>37 U.S.C. § 1006(j)</td>
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Table 32-1

<table>
<thead>
<tr>
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<th>Reference</th>
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<tbody>
<tr>
<td>3</td>
<td>37 U.S.C. § 212</td>
</tr>
<tr>
<td>5</td>
<td>37 U.S.C. § 1006(c)</td>
</tr>
<tr>
<td>13</td>
<td>37 U.S.C. § 212</td>
</tr>
</tbody>
</table>

Table 32-2

<table>
<thead>
<tr>
<th>Rule</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>37 U.S.C. § 1006</td>
</tr>
<tr>
<td>10</td>
<td>37 U.S.C. § 1006</td>
</tr>
<tr>
<td>11</td>
<td>37 U.S.C. § 212</td>
</tr>
<tr>
<td>13</td>
<td>37 U.S.C. § 1006(c)</td>
</tr>
<tr>
<td>6</td>
<td>Comptroller General B-144839, December 13, 1966</td>
</tr>
<tr>
<td>12</td>
<td>37 U.S.C. § 212</td>
</tr>
<tr>
<td>13</td>
<td>37 U.S.C. § 1006(c)</td>
</tr>
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</table>
VOLUME 7A, CHAPTER 33: “PAYMENTS ON BEHALF OF MENTALLY INCOMPETENT MEMBERS”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated January 2015 is archived.

<table>
<thead>
<tr>
<th>PARAGRAPH</th>
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<tr>
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<td>Revision</td>
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<tr>
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<td>Addition</td>
</tr>
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<td>330102</td>
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</tr>
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<td>Revision</td>
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</tbody>
</table>
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CHAPTER 33

PAYMENTS ON BEHALF OF MENTALLY INCOMPETENT MEMBERS

3301 GENERAL

*330101. Purpose

This chapter establishes policy for members entitled to active duty pay and allowances while serving on active duty even though mentally incapable of managing their own affairs. This includes miscellaneous payments authorized on separation from the Military Service. See Chapter 35, section 3507.

*330102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

3302 PAYMENT

The appointment of a guardian, trustee, or other legal representative is a prerequisite to payment. For the designation of trustee and payment offices, see Table 33-1.

3303 MEMBER MENTALLY INCOMPETENT BEFORE ENTRY ON ACTIVE DUTY

When it is shown that a member was judicially declared mentally incompetent before induction or enlistment, the member is not entitled to pay and allowances. See Chapter 1, paragraph 010505, and Table 1-15, rule 8.

3304 FINALITY OF PAYMENTS TO TRUSTEE

Any payments on behalf of a mentally incompetent member to a designated trustee(s) are a complete discharge of the obligation of the United States as to amounts paid.

3305 RESTRICTION AGAINST ACCEPTANCE OF FEES

A person serving in a legal, medical, fiduciary, or other capacity may not demand or accept a fee, commission, or other charge (except bonding fee) for any service performed in administration of a mentally incompetent member account.
Table 33-1. Payment of Mentally Incompetent Members

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>When a court of competent jurisdiction has not appointed a guardian, committee, or other legal representative</td>
<td>Army or Air Force</td>
<td>designated by the Director, Defense Finance and Accounting Service - Cleveland (DFAS)-CL</td>
<td>DFAS-Indianapolis.</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>Navy or Marine Corps</td>
<td></td>
<td>DFAS-CL.</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>Army, Air Force Navy, or Marine Corps</td>
<td>not required</td>
<td>the appropriate office shown in rules 1 or 2, except as indicated in the note.</td>
</tr>
</tbody>
</table>

NOTE: Army Only: Local disbursing officer servicing the member’s financial record may make payments.
CHAPTER 33: PAYMENTS ON BEHALF OF MENTALLY INCOMPETENT MEMBERS

3301 - GENERAL

Title 37, United States Code, sections 601-604

Table 33-1

Deputy Secretary of Defense Memo, January 29, 1991
Comptroller of the Department of Defense Memo, February 1, 1991
DFAS Memo, August 26, 2010
DFAS Memo, September 9, 2010

* DFAS Memo, August 29, 2011
VOLUME 7A, CHAPTER 34: “PAY ENTITLEMENT OF MEMBERS MISSING, MISSING IN ACTION, INTERNED, AND PAYMENTS TO DEPENDENTS”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

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<td>Addition</td>
</tr>
<tr>
<td>340102</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bibliography</td>
<td>Updated statutes and references.</td>
<td>Revision</td>
</tr>
</tbody>
</table>
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340402. Basic Allowance for Housing (BAH) and Basic Allowance for Subsistence (BAS) Entitlement ........................................................................................................................................ 4

3405 ALLOTMENTS FOR MEMBERS IN MISSING STATUS ..................................................... 5

3406 TAX WITHHOLDING FOR MEMBERS IN MISSING STATUS ........................................ 5

3407 REVIEW OF CASE AFTER 12 MONTHS AND FINDING OF DEATH ................................ 5

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340702. Continuance of Member’s Missing Status .................................................................. 5
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3408 CONCLUSIVENESS OF SETTLEMENTS ........................................................................ 6

3409 PAYMENT OF DEATH GRATUITY ................................................................................ 6

3410 ACCRUED LEAVE ......................................................................................................... 6

341001. Accumulation .......................................................................................................... 6
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3401 GENERAL

*340101. Purpose

This chapter establishes policy regarding pay entitlements of service members missing, missing in action (MIA), interned, and payments to dependents. A member in a missing status is entitled to the pay and allowances to which the member was entitled when the missing status began, or to which the member later becomes entitled. The fact that the member did not receive payment before entering a missing status does not affect the right to a certain pay or allowance.

*340102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

3402 DEPENDENT

See Volume 7A, Definitions for the general definition of a dependent. For the purposes of this chapter, the term dependent also means a person designated as a dependent in the “missing” member’s official records, or a person determined to be a dependent of the “missing member” by the Secretary of the Military Service concerned or the Secretary's designee.

3403 AUTHORITY TO MAKE OFFICIAL DETERMINATIONS FOR THE ADMINISTRATION OF MISSING PERSONS’ PAY ACCOUNTS UNDER THE MISSING PERSONS ACT

See Table 34-1.

Note: The Secretary of the Military Service concerned (or designee) makes official determinations on missing status or death.

3404 ENTITLEMENT TO PAY AND ALLOWANCES WHILE IN A MISSING STATUS

340401. General

See Table 34-2 for a list of all pay and allowances.

340402. Basic Allowance for Housing (BAH) and Basic Allowance for Subsistence (BAS) Entitlement

Members without dependents are entitled to BAH at the without-dependent rate. Enlisted members are entitled to BAS. Payments of these allowances are authorized from the beginning
of the missing status, even though there was no housing or subsistence allowance entitlement before the missing status began.

3405 ALLOTMENTS FOR MEMBERS IN MISSING STATUS

Allotments in effect before a member enters a missing status may be continued. As directed by the Secretary of the Military Service concerned (or designee), allotments may be initiated, suspended, resumed, increased, decreased, or discontinued where circumstances so warrant in the interests of the missing member, the dependents, or the government.

3406 TAX WITHHOLDING FOR MEMBERS IN MISSING STATUS

See Chapter 44, paragraph 440201 and subparagraph 440203.E.2.

3407 REVIEW OF CASE AFTER 12 MONTHS AND FINDING OF DEATH

340701. Review of Case After 12 Months

When a 12-month period (starting from the date of the member’s absence) is about to end and the member has not been reported officially as dead, imprisoned or interned, the case is fully reviewed. After this review and when the 12-month period has ended, or following any later review warranted by information received, or other circumstances, the Secretary of the Military Service concerned (or designee):

A. Directs continuance of the member’s missing status, if the member reasonably may be presumed to be living, or

B. Makes a finding of death.

340702. Continuance of Member’s Missing Status

When a member continues in a missing status under subparagraph 340701.A, credit pay and allowances to his or her account. Allotments are continued, discontinued, increased, or initiated as provided in Chapters 40 through 43. When the Secretary of the Military Service concerned (or designee) officially reports that a missing member is alive and in the hands of a hostile force, or is interned in a foreign country, allotment payments are authorized. These payments on the member’s behalf continue through the date on which the Secretary of the Military Department concerned (or designee) receives evidence that the member is dead. When a member returns to Military Service control, the member resumes control of allotments.

340703. Finding of Death

A finding of death includes the date upon which death is presumed to have occurred for the purposes of stopping pay and allowances, settlement of accounts, and payment of death gratuities. This date is the day following the day the member has been absent 12 months, unless
the missing status continues beyond that day. In this case, the date of death is the date determined by the Secretary of the Military Department concerned (or designee).

340704. Change in Date of Death

Payment of an account made following a report, determination, or finding of death may not be recovered, and the case may not be reopened, because of a later report or determination fixing an earlier date of death. If a later date of death is established, then the account is reopened and settled on the basis of the later date.

3408 CONCLUSIVENESS OF SETTLEMENTS

Settlements made under this chapter are conclusive upon the accounting officers of the government in effecting settlement of the accounts of a disbursing officer. The Secretary of the Military Department concerned (or designee) is authorized to settle members’ accounts for payment under the Missing Persons Act. In the absence of fraud or criminal intent on the part of the disbursing officer, credit is allowed for any erroneous payment or overpayment made by the disbursing officer under this chapter. No recovery may be made from any officer or employee who authorizes any payment under this chapter in the absence of fraud or criminal intent on the part of that officer or employee.

3409 PAYMENT OF DEATH GRATUITY

See Chapter 36 for payments when a member in a missing status is reported dead, or for whom a finding of death is made.

3410 ACCRUED LEAVE

341001. Accumulation

Members, while in a missing status, can accumulate leave without regard to any leave accrual limitations stated in Chapter 35, paragraph 350202.B. However, a member whose death is determined under section 3407 may, in addition to leave accrued before entering a missing status, accrue not more than 150 days of leave during the period of a missing status, unless the actual date of death is found to have occurred on a date when the member had accrued leave in excess of 150 days. Leave accumulated while in a missing status may not be taken, but shall be paid.

341002. Settlement

Leave accumulated while in a missing status will be accounted for separately and settled as follows:

A. Return From Missing Status. Members will be paid for all leave accumulated while in a missing status as soon as possible after return from a missing status. Items to be included in the accrued leave payment are provided in Table 35-5. Computation will
be based on the rates to which the member was entitled on the date that his or her name was removed from the missing status.

B. **Death in a Missing Status.** Notwithstanding the death of a member while in a missing status, leave will continue to accrue to his or her account through the date that the Secretary of the Military Department concerned (or designee) receives evidence that the member is dead or through the date of death as prescribed or determined under section 3407. Although leave will accrue for the entire missing status period, the actual accrued leave settlement will vary according to circumstances.

1. **Death Prior to Fifth Year MIA Status.** Payment for unused leave accrued to the member's credit while in a missing status is for 150 days, providing that he or she was continued in a missing status for 5 or more years. Payment for 150 days is made even though it later is found that member's actual death occurred within the first 5 years after entry into missing status or upon entry into such status. Settlement for accrued leave is based on the amount of leave accrued to the member's credit before entering the missing status and the 150 days of leave described in paragraph 341001. Items to be included in the accrued leave payment are identified in Chapter 35, Table 35-5. Computation is based on the rates to which the member was entitled on the date of death.

2. **Death Subsequent to Fifth Year MIA Status.** When it is found that the member’s actual death occurred subsequent to the fifth year after entry into a missing status, payment for unused leave accrued to his or her credit while in a missing status is for the total accrued until death. Settlement for accrued leave is based on the amount of leave accrued to the member's credit before entering the missing status plus the accrual until death described herein. Items to be included in the accrued leave payment are identified in Chapter 35, Table 35-5. Computation is based on the rates to which the member was entitled on the date of death.

3. **Death, MIA Status Less Than 5 Years.** Payment for unused leave accrued to a member's credit while in a missing status, when he or she was continued in a missing status for less than 5 years, is for the total accrued through the date that the Secretary of the Military Department concerned (or designee) makes a finding of death. Settlement for accrued leave is based on the amount of leave accrued to the member’s credit before entering the missing status plus the accrual until finding of death described herein. Items to be included in the accrued leave payment are identified in Chapter 35, Table 35-5. Computation is based on the rates to which the member was entitled on the date of death.

4. **Special Conditions of Entitlement.** Settlement of accrued leave for a deceased member who was promoted while in a missing status is based on the amount of leave accrued to his or her credit before entering the missing status and the amount of leave accumulated in a missing status as provided in the applicable provisions of subparagraphs 341002.B.1, 2, or 3. Computation is based on the grade to which promoted and rate of pay in effect on the date of the presumed finding or the date of the determination of death. This will apply even though the Secretary of the Military Department (or designee) concerned later determines that the member died before the date of promotion. See Table 34-2, rule 6.
3411 REFERENCES

341101. Army
   A. See Army Regulation 600-8-1 for casualty accounting, reporting, and notification.
   B. See Defense Finance and Accounting Service Indianapolis (DFAS-IN) Regulation 37-1 and Joint Travel Regulation (JTR) for transportation of dependents, household goods, and personal effects.

341102. Navy
   A. See Military Personnel Management (MILPERSMAN) 1770 series for casualty accounting, reporting, and notification.
   B. See MILPERSMAN 4050 and 4650 series, and the JTR for transportation of dependents, household goods, and personal effects.

341103. Air Force
   A. See Air Force Instruction 36-3002 for casualty accounting, reporting, and notification.
   B. See the JTR for transportation of dependents, household goods, and personal effects.

341104. Marine Corps
   A. See Marine Corps Order (MCO) 3040.4 for casualty accounting, reporting, and notification.
   B. See MCO P4600.7C, Marine Corps Transportation Manual, and the JTR for transportation of dependents, household goods, and personal effects.
Table 34-1. Authority to Make Official Determinations for the Administration of Missing Persons’ Pay Accounts Under the Missing Persons Act

<table>
<thead>
<tr>
<th>Rule</th>
<th>If missing member is</th>
<th>The authority to make all determinations is vested with the</th>
<th>Who has the authority to make determinations and all determinations are conclusive in the absence of fraud or criminal intent.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Army or Air Force</td>
<td>Director, DFAS</td>
<td>Pertaining to facts of dependency, starting, stopping, or changing allotments of pay, waiving recovery of erroneous payment or overpayment, and settling accounts of members affected.</td>
</tr>
<tr>
<td>2</td>
<td>Navy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Marine Corps</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTE:** The approving authority pertaining to the disposition of net pay or deposits to the Savings Deposit Program for members held captive is the Secretary of the Military Service concerned (or designee). The Secretary of the Military Service concerned (or designee) makes official determinations on missing status or death.
Table 34-2. Pay and Allowances Which Accrue to Missing Members

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Arm&lt;br&gt;y</td>
<td>When the member is missing, MIA, interned in a foreign country, beleaguered or besieged by a hostile force, or detained in a foreign country against the member's will</td>
<td>and is entitled to receive or have credited to the member's account the pay and allowances to which entitled when missing status began or to which the member becomes entitled later, as follows: Basic pay, Special pay, Incentive pay for hazardous duty, BAH (note 1), BAS (note 1), Family Separation Allowance (FSA) (note 2), Family Separation Housing (FSH), Station per diem allowances for not more than 90 days (note 3), and Hostile Fire Pay if the member qualified immediately before entry to a missing status (note 4)</td>
<td>with accounts maintained in or administered by DFAS-IN and payments continue through the date the Military Service concerned receives evidence of death of the member, or date of presumption of death made by the Secretary of the Military Department concerned or Secretary's designee, or date of return to Military Service jurisdiction (note 5).</td>
<td></td>
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</tr>
<tr>
<td>2 Navy</td>
<td>missing, MIA, interned in a foreign country, beleaguered or besieged by a hostile force, or detained in a foreign country against the member's will</td>
<td>entitlement to receive or have credited to the member's account the pay and allowances to which entitled when missing status began or to which the member becomes entitled later, as follows: Basic pay, Special pay, Incentive pay for hazardous duty, BAH (note 1), BAS (note 1), Family Separation Allowance (FSA) (note 2), Family Separation Housing (FSH), Station per diem allowances for not more than 90 days (note 3), and Hostile Fire Pay if the member qualified immediately before entry to a missing status (note 4)</td>
<td>with accounts maintained in or administered by DFAS-IN and payments continue through the date the Military Service concerned receives evidence of death of the member, or date of presumption of death made by the Secretary of the Military Department concerned or Secretary's designee, or date of return to Military Service jurisdiction (note 5).</td>
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<tr>
<td>3 Marine Corps</td>
<td>missing, MIA, interned in a foreign country, beleaguered or besieged by a hostile force, or detained in a foreign country against the member's will</td>
<td>entitlement to receive or have credited to the member's account the pay and allowances to which entitled when missing status began or to which the member becomes entitled later, as follows: Basic pay, Special pay, Incentive pay for hazardous duty, BAH (note 1), BAS (note 1), Family Separation Allowance (FSA) (note 2), Family Separation Housing (FSH), Station per diem allowances for not more than 90 days (note 3), and Hostile Fire Pay if the member qualified immediately before entry to a missing status (note 4)</td>
<td>with accounts maintained in or administered by DFAS-IN and payments continue through the date the Military Service concerned receives evidence of death of the member, or date of presumption of death made by the Secretary of the Military Department concerned or Secretary's designee, or date of return to Military Service jurisdiction (note 5).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Air Force</td>
<td>missing, MIA, interned in a foreign country, beleaguered or besieged by a hostile force, or detained in a foreign country against the member's will</td>
<td>entitlement to receive or have credited to the member's account the pay and allowances to which entitled when missing status began or to which the member becomes entitled later, as follows: Basic pay, Special pay, Incentive pay for hazardous duty, BAH (note 1), BAS (note 1), Family Separation Allowance (FSA) (note 2), Family Separation Housing (FSH), Station per diem allowances for not more than 90 days (note 3), and Hostile Fire Pay if the member qualified immediately before entry to a missing status (note 4)</td>
<td>with accounts maintained in or administered by DFAS-IN and payments continue through the date the Military Service concerned receives evidence of death of the member, or date of presumption of death made by the Secretary of the Military Department concerned or Secretary's designee, or date of return to Military Service jurisdiction (note 5).</td>
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Table 34-2. Pay and Allowances Which Accrue to Missing Members (Continued)

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<tr>
<th>A</th>
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<tbody>
<tr>
<td><strong>When the member is and is</strong></td>
<td><strong>then the member is</strong></td>
<td><strong>with accounts maintained in or administered by</strong></td>
<td><strong>and</strong></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Army, Navy, Marine Corps, or Air Force</td>
<td>officially determined to be absent without authority rather than in a missing status</td>
<td>not entitled to pay and allowances for any such period.</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>an officer, warrant officer, or enlisted member who receives a promotion while in a missing status (note 6)</td>
<td>entitled to pay and allowances of the pay grade to which promoted from the date of orders announcing the promotion.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>in a missing status and has a change of conditions upon which pay and allowances are based</td>
<td>entitled to the pay and allowances based on the changed conditions (note 7).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>an enlisted member who continues in missing status after expiration of term of service</td>
<td>entitled to continuance of pay and allowances.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>in receipt of or has placed to member's credit pay, wages, allowances, or other compensation from the hostile force</td>
<td>not charged or debited with any such amount against member's pay and allowances.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTES:**
1. Members without dependents are entitled to BAH at the without-dependent rate. Enlisted members are entitled to BAS. See paragraph 340402.
Table 34-2. Pay and Allowances Which Accrue to Missing Members (Continued)

NOTES (Continued)
2. A member may qualify for FSA-Temporary while in a missing status if the continuous period of more than 30 days is completed after entering the missing status. (See paragraphs 270303 and 270304.)
3. Travel per diem and clothing monetary allowances do not accrue during a missing status, even though member was entitled to them when missing status began.
4. See paragraph 440102 and subparagraph 440103.E.2 to determine possible Combat Zone Tax Exclusion implications.
5. When facts or events warrant, the Secretary of the Military Department concerned (or designee) may change or modify a prior determination.
6. This applies even though the Secretary of the Military Department concerned (or designee) is later made aware that the member died before the date of promotion.
7. For example, if the sole dependent of a missing member dies, credit for BAH at the with-dependent rate ceases, and any allotment in force in the dependent's favor is stopped and deductions cease.
CHAPTER 34 - PAY ENTITLEMENT OF MEMBERS MISSING, MISSING IN ACTION, INTERNED, ETC., AND PAYMENTS TO DEPENDENTS

3403 - AUTHORITY TO MAKE OFFICIAL DETERMINATIONS FOR THE ADMINISTRATION OF PERSONS’ PAY ACCOUNTS UNDER THE MISSING PERSONS ACT

Title 37, United States Code (U.S.C.), section 555

3404 - ENTITLEMENT TO PAY AND ALLOWANCES WHILE IN A MISSING STATUS

52 Comptroller General (Comp Gen) 23

3406 – TAX WITHHOLDING FOR MEMBERS IN MISSING STATUS

26 U.S.C. § 112 (d)

3407 - REVIEW OF CASE AFTER 12 MONTHS AND FINDING OF DEATH

37 U.S.C. § 555 and § 556

3408 - CONCLUSIVENESS OF SETTLEMENTS

37 U.S.C. § 557

3410 - ACCRUED LEAVE

10 U.S.C. § 701(g)

37 U.S.C. § 501(h)

51 Comp Gen 759

Table 34-1

37 U.S.C. § 551-557

* Department of Defense Directive (DoDD) 5118.03, section 6.v. (9), April 20, 2012

* DoDD 5118.05, section 6.s, April 20, 2012

Table 34-2

37 U.S.C. § 551-557

Note 1
45 Comp Gen 633

Note 7
52 Comp Gen 23

34-13
VOLUME 7A, CHAPTER 35: “SEPARATION PAYMENTS”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated October 2015 is archived.

<table>
<thead>
<tr>
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<th>PURPOSE</th>
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</thead>
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<tr>
<td>350202.B.4</td>
<td>Clarified Special Leave Accrual carryover for Fiscal Year 2015 in accordance with Title 10, United States Code (U.S.C.), section 701.</td>
<td>Revision</td>
</tr>
<tr>
<td>350202.B.4 Example 3</td>
<td>Inserted an example supporting the revision to subparagraph 350202.B.4.</td>
<td>Addition</td>
</tr>
<tr>
<td>350301.A.1.b</td>
<td>Removed obsolete paragraph that references members who are no longer on active duty and renumbered subsequent paragraphs accordingly.</td>
<td>Deletion</td>
</tr>
<tr>
<td>350504.A.1 350504.A.2 350504.B 350504.D</td>
<td>Removed the directive type language and the statement “for the same illness or injury that caused the entitlement to disability severance pay,” in accordance with 26 U.S.C. § 104.</td>
<td>Deletion</td>
</tr>
<tr>
<td>3508</td>
<td>Removed the obsolete section on Special Separation Benefit and renumbered subsequent sections and paragraphs accordingly.</td>
<td>Deletion</td>
</tr>
<tr>
<td>3509</td>
<td>Removed the obsolete section on Voluntary Separation Incentive and renumbered subsequent sections and paragraphs accordingly.</td>
<td>Deletion</td>
</tr>
<tr>
<td>Table 35-6 Rule 8</td>
<td>Removed obsolete rule for members involuntarily discharged because of substandard performance of duty, moral or professional dereliction.</td>
<td>Deletion</td>
</tr>
<tr>
<td>Table 35-6 Rule 9</td>
<td>Removed obsolete rule for officers involuntarily discharged because of written notification that member must show cause for retention and who subsequently requests discharge or release from active duty.</td>
<td>Deletion</td>
</tr>
<tr>
<td>Bibliography</td>
<td>Updated references.</td>
<td>Revision</td>
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CHAPTER 35

SEPARATION PAYMENTS

3501 GENERAL

350101. Purpose

This chapter prescribes the policy for entitlements that members may receive when separating from military service.

350102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

3502 ACCRUED LEAVE PAY

350201. General Entitlement

A. A member who is discharged or separated under honorable conditions is entitled to payment of unused accrued leave unless the member continues on active duty under conditions that require accrued leave to be carried forward, or in the case of a Reserve Component member, the member elects to have the leave carried forward to the member’s next period of active service. An enlisted member who voluntarily extends their enlistment for the first time is also entitled to payment for unused accrued leave.

1. Conditions for Payment of Unused Accrued Leave. See Tables 35-1 through 35-4 for specific rules governing whether a member may be paid for unused accrued leave.

2. Career Leave Payment Limitation of 60 days

   a. Effective February 10, 1976, a military service member is entitled to receive payment for no more than 60 days of accrued leave during a military career. Payments for unused accrued leave made before that date will be excluded from this 60-day limitation.

   b. A military service member eligible for an unused accrued leave settlement is authorized an election with regard to payment or carryover of the leave. The member may elect to receive payment for a portion of the unused leave, not to exceed a career total of 60 days, and to have the remaining accrued leave carried forward to a new or extended enlistment. The total of paid and carried forward leave may exceed 60 days.

3. One-Time Leave Payment. An enlisted member of the Armed Forces who would lose accumulated leave in excess of the 120 days in subparagraph 350202.B.2 may elect to be paid for such leave up to 30 days. This election can only be taken once during a
career. This leave payment does apply against the 60 days of leave paid during a career as stated in subparagraph 350201.A.2. This one-time payment exception applies to members who:

a. Serve on active duty for a continuous period of at least 120 days in an area in which the member is entitled to hostile fire pay/imminent danger pay;

b. Are assigned to a deployable ship or mobile unit, or to other duty designated by the Secretary of the Military Department concerned as qualifying;

c. On or after August 29, 2005, are performing duty designated by the Secretary of Defense (SecDef) as qualifying duty; or

d. Serve on active duty in a duty assignment in support of a contingency operation.

4. Exceptions to the 60-Day Career Leave Payment Limitation

a. Contingency Operations. The 60-day leave payment limitation does not apply with respect to leave accrued by a member of a Reserve Component or retired Reserve; a retired member of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps; or a member of the Fleet Reserve or Fleet Marine Corps Reserve during any period while the member also is:

(1) Serving on active duty in support of a contingency operation on or after December 5, 1991; or

(2) Serving on active duty in connection with the Persian Gulf conflict (other than for training) under authority of Title 10, United States Code (U.S.C.), section 688, § 12301, § 12302, § 12304, § 12306, or § 12307, on or after August 2, 1990.

b. Active Duty of 31 to 365 Days. The 60-day leave payment limitation does not apply to leave accrued by a member of a Reserve Component while serving on active duty, full-time National Guard duty, or active duty for training during a period of more than 30 days, but not in excess of 365 days, beginning on or after October 1, 2001.

c. Death on Active Duty. The 60-day leave payment limitation does not apply to leave accrued by a member who dies while on active duty (or a member or former member who dies after retirement or discharge, but before receiving payment of accrued leave). Payment of accrued leave for a deceased member is based upon the unused accrued leave that he or she carried forward into the leave year in which deceased, plus the unused leave that accrued during that leave year, beginning on or after February 10, 1996.

d. Career Leave Payment Total. Unused leave accrued specifically under the conditions of subparagraphs 350201.A.4.a through 350201.A.4.c is in addition to the member’s career leave payment limitation of 60 days. Such unused leave may be
carried forward into a new contract period of active duty and later be eligible for payment in addition to other leave to which the 60-day career ceiling applies. See paragraph 350202 for rules that apply to accounting for accrued and used leave, and subparagraph 350203.B for calculating the payment amount and the possible application of the Combat Zone Tax Exclusion (CZTE).

Example: On January 1, 2001, a National Guard member on active duty, under Title 32, is mobilized for 3 years with his unit under 10 U.S.C. § 12301. Although previously paid for career leave of 48 days, the member elected to carry forward all 32 days of accrued unused leave from the pre-mobilization period.

On April 6, 2001, he was discharged and immediately ordered to active duty for another period of 3 years. The member used leave from April 2 through April 5, 2001 (4 days). He has 36 days accrued unused leave at discharge (32 days from his balance brought forward, plus 8 days accrued under the mobilization, minus the 4 days of leave used). He may elect to be paid for a maximum of 16 days of leave at discharge, which includes the 12 days up to the 60-day limitation, plus 4 days of excepted leave (earned 8 days excepted leave less the 4 days used).

The remaining balance of 20 days (or more, if he takes payment for less than the full 16 days of leave) may be carried forward into the new active duty period. If a payment is made for 12 days or less, then 4 days of the carryover are an exception to the 60-day payment limitation and may be paid in the future if they remain unused.

B. Under regulations prescribed by the Secretary of the Military Department concerned, a member sentenced to unsuspended dismissal or unsuspended dishonorable or bad-conduct discharge by court-martial may be required to take leave pending review of the conviction (for example, appellate leave) as provided by 10 U.S.C. § 876a. Such member may elect to be paid in a lump sum for the leave accrued to his or her credit as of the day before the day the leave begins. Otherwise, each day of appellate leave will be charged as a day of leave and the member paid accordingly until all of the member’s accrued leave is used. Payment will be based on the rate of basic pay to which the member was entitled on the day before the day leave is to begin.

C. A member who is discharged under other than honorable conditions forfeits all accrued leave at the time of discharge and is not entitled to payment for accrued leave, regardless of the length of time the separated member has served.

D. Except as provided in subparagraph 350201.E, a member who receives an uncharacterized discharge before completing 6 months of active duty will be considered as having received an honorable discharge with payment of accrued leave being authorized.
E. A member, who is discharged before completing 6 months of active duty because of failure to serve satisfactorily, forfeits all accrued leave at the time of discharge. Such forfeiture also applies to any member with prior military service who had a break in service of 90 or more consecutive days. The following constitute reasons for failure to serve satisfactorily.

1. Enlisted reasons include:
   a. Defective enlistment and induction (minority and fraudulent entry only);
   b. Entry-level performance and conduct;
   c. Unsatisfactory performance;
   d. Drug and/or alcohol abuse rehabilitation failure;
   e. Misconduct, moral, and/or professional dereliction;
   f. Separation in lieu of trial by court-martial; or
   g. Security (unless the member receives an honorable discharge).

2. Officer reasons include:
   a. Separation for cause (e.g., officers separated for substandard performance of duty);
   b. Dropped from the rolls;
   c. Misconduct, moral, and/or professional dereliction;
   d. Separation in lieu of trial by court-martial; or
   e. Security (unless the member receives an honorable discharge).

A. Accrued leave must be carefully accounted for and accurately identified as to the time and circumstances under which it was earned. The number of days accrued and value of unused leave that is to be sold depends upon the timeframe and circumstances under which it was earned.

1. Leave accrued on or before August 31, 1976 is valued using basic pay, Basic Allowance for Housing (BAH), Basic Allowance for Subsistence (BAS),
and if applicable to the individual, Personal Money Allowance (PMA). This leave is generally called “saved leave.”

2. Leave earned on or after September 1, 1976 is valued using only basic pay.

3. Leave accrued in a Combat Zone (CZ) or Qualified Hazardous Duty Area (QHDA), or while hospitalized as a result of action in such a zone or area, is generally known as CZTE leave. See Chapter 44, paragraph 440103 for full descriptions of the circumstances under which such leave accrues. CZTE leave for enlisted members is exempt from Federal and State income tax. CZTE leave for officers is exempt from Federal and State income tax up to a specified limit. See subparagraph 350203.B for a discussion of tax exclusion limits. All leave earned during a month in which a member serves for any period of time in a CZ or QHDA area is CZTE leave. A single day of qualifying service in such circumstance qualifies all leave accrued in that month as CZTE leave.

4. A member of a Reserve Component who accumulates leave during a period of active service may carry over any accumulated leave to the member’s next period of active service without regard to separation or release from active service if the separation or release is under honorable conditions. This accumulated leave is subject to fiscal year carry forward limitations (75 days during the period October 1, 2008 to September 30, 2015, and 60 days otherwise).

B. Leave accrues to a military service member serving on active duty for 30 days or more. It accrues at the rate of 2½ days for each month of active service, excluding periods of absence from duty without leave, periods of confinement resulting from a court-martial, and periods of leave required to be taken pending review of a court-martial conviction. For partial months, it accrues at the rate of ½ day for any period of 6 days or less.

1. A member may not carry forward a leave balance of more than 60 days into a new fiscal year, except during the period October 1, 2008 through September 30, 2015, when 75 days may be carried forward or when entitled to Special Leave Accrual (SLA), as outlined in 350202.B.1, 350202.B.2, and 350202.B.3. Members with 75 days of leave under this provision will need to use 45 days of leave during the period from October 1, 2014 to September 30, 2015; otherwise, leave in excess of 60 days on September 30, 2015 will be lost.

2. A member who serves on active duty while entitled to hostile fire/imminent danger pay for a continuous period of at least 120 days may carry forward up to 120 days of SLA into the new fiscal year. Under this exemption, unused leave may be carried forward until the end of the third fiscal year following the fiscal year in which the service in the qualifying hostile fire/imminent danger area is terminated. If the 120 days of SLA were earned during the period October 1, 2008 through September 30, 2015, then unused leave may be carried forward until the end of the fourth fiscal year following the fiscal year in which the service in the qualifying hostile fire/imminent danger area is terminated.

35-9
3. A member not qualifying for SLA for service in a hostile fire/imminent danger area may qualify and carry forward up to 120 days of unused leave when assigned to a designated deployable ship, mobile unit, or other similar prescribed duty. On or after August 29, 2005, a member may also qualify and carry forward up to 120 days of unused leave if he or she is performing qualifying duties as designated by the Secretary of the Military Department concerned.

a. The duty assignment must be under conditions where operational mission requirements prohibit normal leave utilization as determined by the military service concerned or designated commander. Under this exemption, unused SLA leave may be carried forward until the end of the third fiscal year following the fiscal year in which the qualifying service is terminated.

b. If the 120 days of leave were accumulated during the period October 1, 2008 through September 30, 2015, then unused leave may be carried forward until the end of the fourth fiscal year following the fiscal year in which the service in the qualifying assignment or other similar prescribed duty is terminated.

4. The maximum amount of SLA leave that may be carried forward is the leave balance at the end of the fiscal year following the end of the SLA period not to exceed 120 days. The maximum amount will be reduced to a new level whenever the leave balance drops below the previously set level. If at any time the leave balance drops to or goes below 60 days, or 75 days during the period October 1, 2008 to September 30, 2014, then there is no longer any SLA protected leave. If the leave balance is over 60 days, but is below 75 days between October 1, 2014 and September 30, 2015, then the SLA is protected. Subject to this rule, if on October 1, 2015, a member had between 60 and 75 leave days and those leave days were entitled to SLA protection, the member will retain their SLA protected leave in accordance with 10 U.S.C. § 701.

a. Therefore, the actual maximum leave that can be carried forward into succeeding fiscal years is the lowest leave balance achieved following the completion of the SLA duty or the usual 60 days, or 75 days during the period October 1, 2008 to September 30, 2015, whichever is greater. If the SLA qualifying period crosses a fiscal year, then the entire leave balance (not to exceed 120 days) will be carried forward and the leave accrued from the beginning of the new fiscal year through the end of the SLA qualifying period will be added to establish the maximum.

b. Any portion of a leave balance in excess of 60 days that could have been taken before the end of the fiscal year had the member not been assigned to SLA qualifying duty will not be included in the carryover amount.

Example 1: On August 31, 2003, a member had a leave balance of 80 days. On September 15, 2003, he was assigned to duty qualifying for SLA as described in subparagraph 350202.B.1. Had the member not been assigned to SLA duty, he could have possibly taken 15 days leave from September 16 through September 30. If the member had taken leave during this period, then there would
still have been a loss of 7.5 days (82.5 days accrued through September 30, less the 15 days potentially taken and the normal 60-day carryover restriction) at the end of the fiscal year. Therefore, since only the portion that potentially could have been taken is protected, the member may carry forward 75 days and will lose 7.5 days of leave.

Example 2: The member in example 1 continued on SLA duty until September 15, 2004. No leave was permitted during this period, and the member’s accrued leave totaled 105 days at the end of September. If the leave balance does not drop at any time below 105 days, then it may be carried forward for 3 fiscal years, until September 30, 2007.

If the member took 30 days of leave from April 1 through April 30, 2005, then this would result in a leave balance of 92.5 days (105 days accrued through September, plus 17.5 days accrued from October through April, less the 30 days of leave taken) and a new maximum amount of leave that may be carried forward. If no further SLA is earned and the leave balance is not further reduced to a new lower level, then the maximum leave the member may carry forward into succeeding fiscal years (until September 30, 2007) is 92.5 days.

Example 3: On September 30, 2014, a member had a leave balance of 74 days. On October 1, 2014, the member’s leave balance is still 74 days. This is because, on October 1, 2014, the authorized leave carry-over amount for all leave was 75 days. On the same date, October 1, 2014, the member was assigned to duty qualifying for SLA as described in subparagraph 350202.B.1. He remains on duty there for the entire fiscal year, earning 30 days of leave. On September 30, 2015, he has 104 days of leave. Since he has 104 days at the end of the fiscal year and is entitled to SLA protection, then on October 1, 2015, he still has 104 days.

5. Effective January 28, 2008, active duty members who serve in duty assignments in support of a contingency operation are authorized to accumulate annual leave in excess of 60 days, or 75 days for the period October 1, 2008 through September 30, 2015, as shown on the end of month September Leave and Earnings Statement (LES). These members are authorized to retain up to 120 days until the end of the second fiscal year after the fiscal year in which such service on active duty is terminated.

C. Leave will be accounted for by crediting it sequentially in the chronological order in which it is accrued. Generally, when used, leave will be charged with the most recently accrued leave charged first. This method is known as Last In, First Out. As an exception, CZTE leave will be charged first regardless of when it was earned. Saved leave, described in subparagraph 350202.A.1, will be charged last.

Example 1: On August 31, 2001, a member had accrued 65 days of unused leave, 55 days of which had been accrued and remained unused from a period before September 1, 1976 (i.e., saved leave), 10 days of regular leave, and 0 days of
CZTE leave. The member took leave from September 5 through September 24, 2001 (a period of 20 days). The leave taken is first applied to the 12 days accrued since September 1, 1976. This leaves 8 days to apply to the saved leave, reducing that balance to 47 days.

Example 2: On August 31, 2001, a member had accrued 75.5 days of unused leave, 55 days of which had been accrued and remained unused from a period before September 1, 1976 (i.e., saved leave), 13 days of regular leave, and 7.5 days of accrued unused CZTE leave. The CZTE leave had been earned for two separate periods, 5 days for active service from January 2 through February 6, 2001 in a CZ and 2.5 days for active service from August 7 through August 30, 2001 in a QHDA. The member took leave from September 5 through September 24, 2001, a period of 20 days. The leave taken is first applied to the 7.5 days of CZTE leave. This leaves 12.5 days to be applied to the non-CZTE leave earned since September 1, 1976, reducing that balance to 2.5 days as of September 24, 2001. The saved leave balance remains at 55 days.

350203. Leave Payments and Taxability

A. Payments for accrued leave are normally subject to taxation and income tax withholding. Payments for saved leave accrued before September 1, 1976 will also include non-taxable allowances. See Table 35-5 for determining the elements of pay to use in the computation of accrued leave payments.

B. Payments for CZTE leave are tax-exempt from Federal taxation and not subject to Federal or State income tax withholding up to the monthly limit specified by the Internal Revenue Service (IRS). That limit is different for enlisted members and officers. The limit is fully described in Chapter 44, subparagraph 440202.A and summarized as follows:

1. Enlisted members (E-1 and above) and warrant officers (W-1 through W-5) have no limitation or ceiling on the value of payments exempt from Federal or State taxes and Federal tax withholding for any month in which they qualify for an exemption.

2. Officers (O-1 and above) are subject to a limit on the value of federal tax-exempt payments and exemption from federal and state tax withholding for each month in which they qualify for an exemption. The exemption amount for officers is set at the value of the highest rate of enlisted basic pay plus the value of any hostile fire or imminent danger pay the officer may have been entitled to in that qualifying month. The applicable rate of enlisted basic pay would be that listed in Chapter 1, Table 1-10, Note 3 for the corresponding qualifying month. To determine whether the limitation will apply to a payment for accrued unused leave, the leave must be allocated to the months in which earned and for which the officer qualified for CZTE status.

a. The value of the leave for each individual month must be added to any payments the officer has received for that tax-exempt month and the total compared to the monthly limitation amount.
b. Tax exemption may only be given for the value of the portion of the CZTE leave that does not exceed the limitation available. Any payments for CZTE leave value that exceed the limitation available will be treated as taxable income.

Example: A Reserve Component O-6 with over 12 years of service began active duty on March 25, 2012 and reported temporary additional duty to a designated CZ on March 26, 2012. He departed the zone on May 2, 2012, and was separated from active duty and paid for unused accrued leave on May 4, 2012. The officer was entitled to monthly basic pay of $7,232.40 and to imminent danger pay of $225. The monthly basic pay for the most senior enlisted member in each military service was $7,489.80 per month during that period. The officer has been paid for his active duty service and is awaiting payment for his earned leave. He had previously sold back 58 days of leave at the end of other active duty periods.

The officer earned .5 days of leave in March and in May and 2.5 days for April. The total of 3.5 days leave when added to the 58 days previously sold would exceed the maximum of 60 days that may be sold in a career. This leave, however, is exempt from payment limitation since the Reserve officer was on active duty for a period of more than 30 but less than 366 days. Payment of the .5 days of leave for both March and May is fully exempt from income tax and income tax withholding since the prior tax-free payments for his basic pay and hostile fire/imminent danger pay in those 2 months was well below the tax exemption limitation value of $7,714.80 (senior enlisted basic pay of $7,489.80 and hostile fire/imminent danger pay of $225).

However, only a portion of the 2.5 days of unused accrued leave attributable to April is exempt from income tax and income tax withholding. The officer has already received tax-exempt treatment of his April salary and imminent danger pay using all but $257.40 of his available exemption (exemption equals $7,714.80 and the amount used was the officer’s base pay of $7,232.40 plus the hostile fire/imminent danger pay of $225, equal to $7,457.40). The 2.5 days of leave is valued at $602.70, leaving $345.30 of the leave payment subject to tax and tax withholding.

350204. Leave Payments and Debts

Payments for accrued leave may be used to satisfy debts to the U.S. Government without restriction.

350205. Leave Payment to Beneficiaries

Payments for accrued leave owed at death will be paid to the eligible beneficiary or beneficiaries under the provisions of Chapter 36, section 3603.
A. If a member dies while on active duty of 30 days or more, then the accrued leave is payable along with all other unpaid pay and allowances to the eligible beneficiary.

B. If a member or former member dies after retirement or discharge, but before receiving any or all compensation for accrued leave, then the balance is payable to the eligible beneficiary and claims for payment must be submitted to the appropriate following address:

**Army and Air Force Members:**
- Director
- DFAS-Indianapolis
- DFAS-JFL/IN
- 8899 E. 56th Street
- Indianapolis, IN 46249-0845

**Navy Members:**
- Director
- DFAS-Cleveland
- DFAS-JFLADA
- 1240 E. 9th Street
- Cleveland, OH 44199-2055

**Marine Corps Members:**
- Director
- DFAS-Cleveland
- MPO-JFLT
- 1240 E. 9th Street
- Cleveland, OH 44199-2055

### 3503 SEPARATION PAY (NON-DISABILITY)

#### 350301. Entitlement

A. Full Separation Pay. Full payment of non-disability separation pay is authorized to military service members of the Regular and Reserve Components who have been involuntarily separated from active duty and have met each of the following four conditions:

1. The member has met one of the following criteria for active military service:

   a. The member is on active duty or full-time National Guard duty and has completed at least 6 years, but less than 20 years, of active service. Reserve members not on the active duty list when separated must have 6 years of continuous active duty or full-time National Guard duty immediately preceding separation. A period of active duty is considered continuous if any break in active service does not exceed 30 days; or
b. A member who is a Regular officer and is separated under 10 U.S.C. Chapter 36 (except under § 630(1)(A), § 643, § 580, or § 6383) must have completed at least 6 years, but less than 20 years, of active service;

2. The member’s separation must be characterized as “honorable” and none of the conditions apply that are listed in paragraph 350302;

3. A member who is separated involuntarily, through either the denial of reenlistment or the denial of continuation on active duty or full-time National Guard duty, must meet one of the following four specific conditions:

   a. The member must be fully qualified for retention but denied reenlistment or continuation. This includes a military service member who is eligible for promotion as established by the Secretary of the Military Department concerned, but is denied reenlistment or continuation on active duty under established promotion or high year of tenure policies;

   b. The member must be fully qualified for retention but involuntarily separated under a Reduction in Force by authority designated by the Secretary of the Military Department concerned;

   c. The member, if a Regular officer, commissioned or warrant, must be separated under 10 U.S.C. § 580, § 1165, § 6383, Chapter 36; if a Reserve commissioned officer other than a commissioned warrant officer, must be separated or transferred to the retired Reserve under 10 U.S.C. Chapters 573 or 861; or if a Reserve commissioned officer on the active duty list or a Reserve warrant officer must be separated for similar reasons under military service policies; or

   d. The member must be denied reenlistment or continuation on active duty or full-time National Guard duty under subparagraphs 350301.A.3.a through 350301.A.3.e, and have accepted an earlier separation from active duty;

4. The member must have entered into a written agreement with the military service concerned to serve in the Ready Reserve in a Reserve Component of the Armed Forces for a minimum period of 3 years following the separation from active duty.

   a. A member who enters into this written agreement and is qualified for service in the Ready Reserve will, upon separation from active duty, be enlisted or appointed, as appropriate, as a Reserve member by the military service concerned. If the person has a service obligation under 10 U.S.C. § 651 or any other law that is not completed at the time of separation from active duty, then the 3-year obligation begins on the day after the day the member completes the prior obligation;

   b. A member who enters into this written agreement and is not qualified for enlistment or appointment in the Ready Reserve need not be enlisted or appointed
by the military service concerned to be considered to have met this condition of eligibility for separation pay.

B. Sole Survivorship Discharge

1. A sole survivorship discharge is the separation of a member from the Armed Forces at the member’s request when the member is the only surviving child in a family in which:

   a. The father, mother, or one or more siblings served in the Armed Forces, and was killed; died as a result of wounds, accident, or disease; is in a captured or missing in action status; or is permanently 100 percent disabled or hospitalized on a continuing basis (and is not employed gainfully because of the disability or hospitalization); and

   b. The death, status, or disability did not result from the intentional misconduct or willful neglect of the parent or sibling and was not incurred during a period of unauthorized absence.

2. A member who receives a sole survivorship discharge will be entitled to full separation pay, even though the member completed less than 6 years of active service immediately before that discharge.

3. The amount of the full separation pay to be paid will be based on the years of active service actually completed by the member before the member’s discharge.

4. These sole survivorship discharge provisions will apply to any sole survivorship discharge granted after September 11, 2001.

5. Effective October 28, 2009, members who receive a sole survivorship discharge will not be required to repay any unearned bonus, incentive pay, or similar benefit previously paid to the member.

6. Effective October 28, 2009, the Secretary of the Military Department concerned may grant an exception to the requirement to terminate the payment of any unpaid amounts of a bonus, incentive pay, or similar benefit if he determines that termination of the payment of the unpaid amounts would be contrary to a personnel policy or management objective, would be against equity and good conscience, or would be contrary to the best interests of the United States.

C. Half Separation Pay. Half Separation Pay of non-disability separation pay is authorized to members of the Regular and Reserve Components who are involuntarily separated from active duty and have met each of the following four conditions:

1. The member must meet one of the criteria for active service specified in subparagraph 350301.A.1;
2. The member’s separation must be characterized as “honorable” or “general,” and none of the conditions apply that are listed in paragraph 350302;

3. The member must be separated involuntarily by the military service concerned through either the denial of reenlistment or the denial of continuation on active duty or full-time National Guard Duty under one of the following specific conditions:

   a. Is not fully qualified for retention and is denied reenlistment or continuation under any of the following conditions:

      (1) Expiration of service obligation;

      (2) Selected changes in service obligation;

      (3) Convenience of the government;

      (4) Drug abuse rehabilitation failure;

      (5) Alcohol abuse rehabilitation failure;

      (6) Security; or

      (7) Weight control failure;

   b. Separated under a military service specific program established as a half separation pay level by the Secretary of the Military Department concerned; or

   c. Denied reenlistment or continuation on active duty or full-time National Guard duty under subparagraphs 350301.C.3.a and 350301.C.3.b, and accept an earlier separation from active duty; and

4. The member must have entered into a written agreement with the military service concerned to serve in the Ready Reserve for a minimum period of 3 years following separation from active duty.

   a. A member who enters into this written agreement and is qualified for the Ready Reserve will, upon separation from active duty, be enlisted or appointed, as appropriate, as a Reserve member by the military service concerned. If the person has a service obligation under 10 U.S.C. § 651 or any other law that is not completed at the time of separation from active duty, then the 3-year obligation begins on the day after the day the member completes the prior obligation.

   b. A member who enters into this written agreement and is not qualified for enlistment or appointment in the Ready Reserve need not be enlisted or appointed
by the military service concerned to be considered to have met this condition of eligibility for separation pay.

NOTE: In extraordinary instances, the Secretary of the Military Department concerned may award full separation pay to a member otherwise eligible for half separation pay when the specific reasons for the separation and the overall quality of the member’s service have been such that denial of full separation pay would be clearly unjust.

350302. Limitations of Eligibility

Military service members separated under the following circumstances are not eligible for separation pay:

A. The member is separated from active duty at the member’s own request. The following are considered to be separations at the member’s own request:
   1. A member declines training that the military service offers to qualify for a new skill or rating as a precondition to reenlistment or continuation on active duty;
   2. A member requests separation under regulations established by the Secretary of the Military Department concerned as provided for in Department of Defense Directives (DoDD) 1332.14 and 1332.30;
   3. A Reserve officer declines a Regular appointment at the mandatory integration point when an all-regular career force program is implemented by the Secretary of the Military Department concerned;

B. The member is separated from active duty during an initial term of enlistment or an initial period of obligated service. The initial term of enlistment or initial period of obligated service is the active service obligation that the member incurred upon initial enlistment or upon enrollment in a commissioning program. This limitation also applies to a member who desires to reenlist or continue at the conclusion of the initial term of enlistment or an initial period of obligation and is denied by the military service concerned;

C. The member is released from active duty for training or from full-time National Guard duty for training;

D. The member is immediately eligible at separation for retired or retainer pay based upon his or her military service;

E. The member is a warrant officer whose appointment is terminated and who then elects to enlist;

F. The member is separated as a result of the execution of a court-martial sentence;
G. The member is being dropped from the rolls of the military service concerned;

H. The member is being separated under other than honorable conditions;

I. The member is an enlisted member who is separated for unsatisfactory performance or misconduct, as set forth in DoDD 1332.14, except when half separation pay is authorized in subparagraph 350301.C;

J. The member is an officer who is separated for substandard performance or acts of misconduct or moral or professional dereliction, except when half separation pay is authorized in subparagraph 350301.C;

K. The member is separated under a military service-specific program established as a no-payment level by the Secretary of the Military Department concerned;

L. A determination is made by the Secretary of the Military Department concerned in an extraordinary case that the conditions under which the member is separated do not warrant a separation payment. This authority is not to be delegated. It is intended that only sparing use will be made of this discretionary authority to deny payment;

M. A Regular officer having twice failed for selection for promotion to the next higher grade is not entitled to separation pay if that officer, after such second failure of selection for promotion, is selected for and declines continuation on active duty for a period that is equal to or more than the amount of service required to qualify the officer for retirement; or

N. A Reserve officer who, is not selected for promotion to the next higher grade for the second time and is to be discharged or released from active duty, and after such failure of promotion, is selected for and declines continuation on active duty:

1. If the period of time for which the officer was selected for continuation on active duty is less than the amount of service that would be required to qualify the officer for retirement, then the officer’s discharge or release from active duty will be considered involuntary; or

2. If the period of time for which the officer was selected for continuation on active duty is equal to or more than the amount of service that would be required to qualify the officer for retirement, then the officer’s discharge or release from active duty will not be considered involuntary.
350303. Computation of Active Service

Compute active service time as follows:

A. Qualifying years, except as noted in subparagraph 350301.A.1, do not have to be continuous; however, the last phase of the qualifying term must end immediately before the separation from active duty occurs;

B. Fractions of years will be computed by counting each full month of active service, in addition to the number of full years of active service, as 1/12 of a year. Disregard any remaining fractional part of a month;

C. Periods for which a military service member previously has received separation pay, severance pay, or readjustment pay may be counted for eligibility purposes (to ensure the member meets the minimum required years of active duty), but may not be used in the multiplier to determine the amount of separation pay for a subsequent separation;

D. Count periods of active military service in a Regular or Reserve Component. Include periods of active duty for training;

E. Do not include periods of absence without leave, confinement time awaiting trial that results in a conviction, confinement time while serving a court-martial sentence, and time lost while not on duty. Count time in service to make up for lost time; and

F. Do not include service as a cadet or midshipman while in a military service academy or a Reserve Officer Training Program.

350304. Computation of Separation Pay

A. Compute full separation pay at 10 percent of 12, multiplied by the amount of monthly basic pay to which entitled at the time of separation from active duty, times the active service time as computed in paragraph 350303. Table 35-6 also contains information related to computation of full separation pay.

B. Compute half separation pay at 50 percent of what the full separation pay would have been. Table 35-6 also contains information related to computation of half separation pay.

350305. Recoupment of Separation Pay From Retired Pay, Retainer Pay, or Department of Veterans Affairs (VA) Disability Compensation

Military service members who receive separation pay under any provisions of law based on service in the Armed Forces, and, subsequently, either qualify for retired or retainer pay under 10 U.S.C. or 14 U.S.C., or become eligible for disability compensation administered by the VA, are subject to the recoupment of the gross taxable separation pay they received. Recoupment from retired pay, retainer pay, or VA disability compensation will be completed as follows:
A. **Retired or Retainer Pay.** Recoupment will be accomplished through monthly deductions from each payment of retired or retainer pay payable to the retired member until the total amount of the deductions equals the gross taxable amount of separation pay received by the member. See Volume 7B, Chapter 4 for guidance on the calculation of the recoupment.

B. **VA Disability Compensation.** Recoupment will be accomplished through a deduction from the VA disability compensation payable to the retired member in an amount that is equal to the gross taxable amount of separation pay made after September 30, 1996. The amount to be deducted from the VA disability compensation will be equal to the gross taxable amount of such separation pay, less the amount of Federal income tax withheld from such pay at the flat withholding rate for supplemental payments prescribed under Publication 15, Department of the Treasury, IRS. This reduction, however, will not apply to disability compensation for which the entitlement to that disability compensation is based on a later period of active duty than the period of active duty for which the separation pay was received. See Volume 7B, Chapter 4 for guidance on the calculation of the recoupment.

### 3504 READJUSTMENT AND SEVERANCE PAY (OTHER THAN DISABILITY) PROVISIONS

#### 350401. Repay Readjustment or Severance Pay

Members, who received readjustment or severance pay before September 15, 1981 and who, on or after September 15, 1981 became entitled to retired or retainer pay under 10 U.S.C. or 14 U.S.C., are required to repay the readjustment or severance pay, in accordance with the laws in effect on September 14, 1981.

#### 350402. Refund Upon Retirement

A Reserve member who received a readjustment payment on separation after June 28, 1962 and before September 15, 1981, and who later qualifies for retired or retainer pay under 10 U.S.C. or 14 U.S.C. (upon completing 20 years of active service), must refund 75 percent of the gross readjustment pay, without interest, by immediate deduction from retired or retainer pay. This is not required if readjustment pay had been waived or refunded under subparagraph 350403.

#### 350403. Waiver or Refund Before Retirement

A member may waive entitlement to readjustment pay. Also, the full amount of readjustment pay may be refunded before retirement. Under either condition, the member will receive retired or retainer pay immediately upon retirement or transfer to the Fleet Reserve or Fleet Marine Corps Reserve.
350404. VA Disability Compensation

When a member who receives readjustment pay before September 15, 1981 becomes entitled to VA disability compensation, the VA deducts 75 percent of the readjustment payment from future VA compensation. The VA does not make a deduction when VA disability compensation is based on a later period of service. A member who elected, on or before June 27, 1962, to receive readjustment pay in lieu of VA disability compensation may have been awarded disability compensation effective on and after June 28, 1962. The VA reduces the disability compensation by 75 percent of the readjustment payment, unless readjustment pay was waived or refunded.

3505 DISABILITY SEVERANCE PAY

350501. Entitlement

A member separated from the military service for physical disability is entitled to severance pay, if qualified, as prescribed in personnel regulations of the military service concerned. When a member is entitled to disability severance pay, separation orders specify this entitlement. Academy cadets and midshipmen may be entitled to severance pay if it is determined that they have a qualifying disability, and they have separated as a result of that disability.

350502. Disability Incurred During Non-pay Status

A member who incurs a disability while in a total pay forfeiture status is not entitled to disability severance pay. This is true even though the Secretary of the Military Department concerned remits the unexecuted portion of the sentence, including all uncollected forfeitures.

350503. Computation

A. Formula. To compute disability severance pay, multiply the sum of basic pay for 2 months by the number of combined years (but not over 19) of active service and inactive duty points. Do not include as basic pay the 25-percent increase prescribed under certain conditions for a Navy or Marine Corps member retained on active duty after enlistment expires.

B. Years of Service. The member’s separation orders will specify the total combined years of active service and inactive duty points to be counted in computing severance pay. Round this total to the nearest whole year, with 6 months or more rounded up. The maximum number of years of service for computing the disability severance pay will be 19 years. The minimum number of years for computation purposes will be:

1. Six years in the case of a member separated from the Armed Forces for a disability incurred in the line of duty in a CZ (as designated by the SecDef) or incurred during the performance of duty in combat-related operations as (designated by the SecDef); or
2. Three years in the case of any other member.

C. Grade at Which Disability Severance Pay is Computed. Compute severance pay on basic pay of the following highest grade or rank described:

1. The grade or rank in which the member is serving at separation;

2. The permanent Reserve grade held at separation;

3. The highest temporary or permanent grade or rank in which member served satisfactorily as determined by the Secretary of the Military Department concerned; or

4. For those selected for promotion, if the disability is found during a physical examination, then the grade or rank to which the member would have been promoted if there was no disability.

Example: An E-6 has 11 years, 4 months, and 9 days of active service and 76 inactive duty training periods (points) on the date of separation for physical disability. Compute the entitlement as follows:

11 years, 4 months, 9 days = 11.3583 years
76 points / 360 = .2111 years
Total Service = 11.5694 years

Since it is a decimal greater than or equal to .5, round the total upward to 12 years. 12 years times 2 months of basic pay of an E-6 over 10 equals the amount of disability severance pay.

NOTE: For purposes of this calculation, the number of points that may be considered may not exceed 60 points for any anniversary year that closed before September 23, 1996; 75 points for anniversary years that closed on or after September 23, 1996; 90 points for anniversary years that close on or after October 30, 2000; and 130 points for anniversary years that close on or after October 30, 2007.

350504. Taxability and Withholding

A. General. Disability severance pay is normally taxable income. However, it is not subject to tax withholding or reporting if at least one of the following two conditions exists:

1. The entitlement resulted from combat-related injury or illness, as determined by the Secretary of the Military Department concerned, which happens as a result of any of the following activities:

   a. As a direct result of armed conflict;
b. While performing extra-hazardous service, even if the service does not directly involve combat;

c. Under conditions simulating war, including maneuvers or training;

d. By an instrumentality of war, such as weapons; or

2. The member has official notification from the VA approving entitlement to disability compensation.

B. Withholding Taxes. Income taxes are withheld from all payments of disability severance pay unless the member qualifies for an exemption under subparagraph 350504.A. Taxable payments of disability severance pay may become non-taxable if, after disability severance payment is made, the VA awards the member disability compensation.

NOTE: The VA may award disability compensation in either the same tax year or a subsequent tax year in which a member is paid disability severance pay. Depending upon when a member is awarded disability compensation, a refund of the income taxes withheld may be requested from DFAS or the IRS. For further information see subparagraphs 350504.C and 350504.D.

C. VA Disability Compensation Awarded in the Tax Year of the Disability Severance Pay Payment. A refund of taxes withheld from the gross taxable amount of their disability severance pay payment may be obtained from the supporting Defense Finance and Accounting Service (DFAS) site if disability compensation from the VA is awarded in the same tax year in which the member received disability severance pay. See subparagraph 350205.B for the addresses of the DFAS sites.

1. A refund request must be received and processed by December 31st of the year in which the disability severance pay payment was paid, along with documentation evidencing the VA’s award of disability compensation in the same year that established the member’s entitlement to disability severance pay.

2. A corrected IRS Form W-2, Wage and Tax Statement, reducing the member’s taxable wages by the gross amount of the disability severance pay amount may be issued when supporting documentary evidence of the same year VA award is received by December 31 of that same year.

D. VA Disability Compensation Awarded in a Tax Year Subsequent to the Year of the Disability Severance Pay Payment. A member must obtain a refund for income taxes withheld from their disability severance pay payment from the IRS when the date of the VA’s award of disability compensation is in a calendar year subsequent to the year in which the member received disability severance pay. DFAS will not issue corrected W-2 to a member for any VA documentation received in subsequent years after payment. The member is required, to claim any reduction in that year’s taxable income from the IRS in accordance with their procedures.
350505. Availability to Liquidate Debts

Disability severance pay may be used to liquidate debts to the U.S. Government.

350506. Recoupment From VA Compensation

The VA deducts disability severance compensation from any VA compensation for the same disability to which the member or member’s dependents become entitled. There are two exceptions:

A. No deduction will be made in the case of disability severance pay received by a member for a disability incurred in the line of duty in a CZ or incurred during performance of duty in combat-related operations (as designated by the SecDef); or

B. No deduction will be made from any death compensation to which a member’s dependents become entitled after the member’s death.

350507. Other Benefits and Claims

A member paid disability severance pay is not entitled to any payment from the military service for, or arising out of, service before separation. This does not prohibit payment if an amount is due the member on the date of separation or if a claim is allowed under law.

3506 CONTRACT CANCELLATION PAY AND ALLOWANCES

350601. Entitlement

Reserve members released from active duty (other than for training) without their consent before the end of their active duty agreement made under 10 U.S.C. § 12311(a) are entitled to a special payment under 10 U.S.C. § 12312. This payment is in addition to any pay and allowances to which the member is otherwise entitled.

350602. Computation

To compute the amount payable, multiply the number of years and fraction of years of the unexpired period of service under the contract, by the sum of basic pay, special pay, and allowances for 1 month to which the member is entitled on the day of release. Count a fraction of a month that is 15 days or more as a whole month and disregard a fraction of a month that is less than 15 days. Separation orders show the number of years and months of unexpired service for which contract cancellation pay and allowances are payable.

350603. Restrictions

A member is not entitled to the special payment authorized by this section if:

A. Dismissed or discharged under the sentence of a court-martial;
B. Released because of an unexplained absence without leave of at least 3 months;

C. Released because of conviction and sentence to confinement in a federal or state penitentiary or correctional institution which sentence has become final;

D. Released because of a physical disability resulting from intentional misconduct or willful neglect;

E. Eligible for retired pay, separation pay, or severance pay under another provision of law (this restriction does not apply to readjustment pay);

F. Placed on a temporary disability retired list; or

G. Released to accept an appointment, or to be enlisted, in a Regular Component of an Armed Force.

350604. Withholding Tax

Contract cancellation pay is subject to withholding tax.

350605. Availability to Liquidate Debts

Contract cancellation pay may be used to liquidate debts to the U.S. Government.

3507 MISCELLANEOUS SEPARATION PAYMENTS

350701. Discharge Gratuity

See Table 35-7.

350702. Travel Allowance on Separation

See Joint Travel Regulations (JTR), Chapter 5 and Volume 9.

3508 VOLUNTARY SEPARATION PAY (VSP)

350801. Entitlement

A member who separates voluntarily may, under conditions prescribed by the Secretary of the Military Department concerned, be paid VSP. The authority to separate a member in conjunction with VSP applies for the period October 17, 2006 through December 31, 2018.
350802. Eligibility

The Secretary of the Military Department concerned, may offer a member the opportunity to apply for VSP if the member:

A. Has served on active duty or full-time National Guard for more than 6 years but less than 20 years;

B. Has served at least 5 years of continuous active duty or full-time National Guard duty immediately preceding the date of separation from active duty;

C. Upon separation, is not immediately eligible for retired or retainer pay based upon his/her military service;

D. Meets such other requirements as the Secretary of the Military Department concerned, may prescribe, which may include requirements relating to years of service; skill; rating; military specialty; competitive category, grade, or rank; remaining period of obligated service; or any combination of these factors; or

E. Requests separation from active duty or full-time National Guard duty.

350803. Initial Term of Obligated Service

Effective January 1, 2009, the member is required to complete the initial term of obligated service in addition to meeting requirements in paragraph 350802 prior to separation. Prior to January 1, 2009, a member’s obligation to complete an initial term of obligated service before separation will be subject to the discretion of the Secretary of the Military Departments concerned. For the purpose of this section, “initial term of obligated service” means the initial period of required active-duty service incurred upon commissioning or enlistment, together with any additional period of required active-duty service incurred during the initial period of required active-duty service.

350804. Ineligible for VSP

The Secretary of the Military Department concerned, will not offer a member the opportunity to apply for VSP if a member:

A. Does not meet any of the eligibility requirements of paragraph 350802;

B. Is discharged with disability severance pay under section 3505 (10 U.S.C. § 1212);

C. Is transferred to the temporary disability retired list under 10 U.S.C. § 1202 or § 1205;

D. Is being evaluated for disability retirement under 10 U.S.C. Chapter 61;
E. Has previously been discharged with VSP; or

F. Is subject to pending disciplinary action or is subject to administrative separation or mandatory discharge under any other provision of law or regulation.

350805. Application for VSP

A member may request and subsequently enter into a written agreement with the Secretary of the Military Department concerned to separate from active duty or full-time National Guard duty and accept an appointment or enlistment in, or transfer to, the Ready Reserve of a Reserve Component for a period of not less than 3 years, as a condition of receipt of VSP and benefits.

350806. Approval for VSP

The Secretary of the Military Department concerned will determine each year the number of military service members to be separated, and provided separation pay and benefits during the fiscal year beginning in such year. Eligible members will not be automatically entitled to receive VSP based solely upon request. The Secretary of the Military Department concerned will review all applications for voluntary separation and approve only those that meet the needs of the Military Departments. A member whose request is approved will be separated from active duty.

350807. Computation of VSP

A. The Secretary of the Military Department concerned will specify the amount of VSP to be paid to an individual, but the amount may not be greater than four times the full amount of separation pay that a member of the same pay grade and years of service would receive for an involuntary separation under 10 U.S.C. § 1174.

B. Compute years of active service according to the formula in subparagraphs 350303.B, D, E, and F. Do not count any period of prior military service for which the member has received separation pay under any provision of law relating to members of the Uniformed Services. When computing partial years of service, round the fractional parts of a year to the nearest 1/10 of 1 percent or 3 decimal points.

Example: If the officer has 10 years and 7 months of service, then the multiplier would be 10.583.

350808. Payment

VSP will be paid in a lump sum payment in the amount computed in paragraph 350807.
350809. Repayment of VSP When a Member Qualifies for and Receives Retired Pay

A. A member who is paid VSP and later qualifies to receive retired pay will have deducted from each payment of such retired pay a monthly installment as specified by the Secretary of the Military Department concerned. The total amount of retired pay deductions will equal the gross VSP amount paid to the member. More information can be found in Volume 7B, Chapter 4, section 0409.

B. The requirement to repay VSP following retirement from the Armed Forces does not apply to a member who is eligible to retire at the time the member applied for and was accepted for VSP benefits.

C. The Secretary of the Military Department concerned may waive the requirement to repay VSP if it is determined that recovery would be against equity and good conscience and would be contrary to the best interests of the United States.

D. For exception, see paragraph 350811.

350810. VA Disability Compensation

A member who received the VSP and subsequently qualifies for disability compensation from the VA is subject to recoupment of the gross amount of VSP paid, less Federal income taxes withheld from such pay. The VA administers the recoupment program for affected members. If the disability for which the member receives VA compensation was incurred or aggravated during a period of later active duty, then no recoupment of VSP is required, regardless of when it was paid. In individual cases, the Secretary of the Military Department concerned, may waive the requirement to repay the VSP if it is determined that recovery would be against equity and good conscience and would be contrary to the best interests of the United States. A blanket waiver for multiple members within a service signed by a Secretary of the Military Department concerned is not authorized.

350811. Members Returned to Active Duty

A. Except for the provisions in subparagraphs 350811.B and 350811.C, members who return to active duty in a Regular or Reserve Component for 180 days or more will have deducted from each payment of basic pay a monthly installment amount specified by the Secretary of the Military Department concerned. The total amount of basic pay deduction will equal the gross amount of VSP paid to the member.

B. Recoupment will not be required for a member who is involuntarily recalled to active duty or full-time National Guard in accordance with 10 U.S.C. § 12301(a), (b), and (g); § 12302; § 12303; or § 12304; or 32 U.S.C. § 502(f)(1).

C. Recoupment will not be required for a member who is recalled or performs active duty or full-time National Guard duty, so long as the period of active duty is less
than 180 consecutive days with consent of the member in accordance with 10 U.S.C. § 101(d)(1), (2), and (5); § 12301(d); § 12319; § 12503; or 32 U.S.C. § 114; § 115; or § 502(f)(2).

D. The SecDef may waive, in whole or in part, repayment required under subparagraph 350811.A if the SecDef determines that recovery would be against equity and good conscience or contrary to the best interest of the United States. Requests for waiver under this authority should be forwarded to the Under Secretary of Defense for Personnel and Readiness (USD (P&R)).

3509 RETROACTIVE STOP LOSS SPECIAL PAY COMPENSATION

350901. Authority

The Secretary of the Military Department concerned will provide Stop Loss Special Pay Compensation to members of the Armed Forces, including members of the Reserve Components, and former and retired members who served on active duty during the period beginning on September 11, 2001 and ending on September 30, 2009. To be eligible for compensation, the active duty service must have been subject to 10 U.S.C. § 123 or §12305, or any other provision of law (commonly referred to as a “stop loss authority”) that authorizes the President to extend an enlistment or period of obligated service, or suspend an eligibility for retirement of a member of the Uniformed Services in time of war or of national emergency declared by Congress or the President. This compensation is payable to members:

A. Who served on active duty while the members’ enlistment or period of obligated service was extended under a stop loss authority; or

B. Whose eligibility for retirement was suspended under a stop loss authority.

350902. Amount

The amount to be paid to or on behalf of an eligible member, retired member, or former member described in this section will be $500 per month for each month or portion of a month during the period specified that the member was retained on active duty as a result of application of the stop loss authority.

350903. Limitation

Claims for retroactive Stop Loss Special Pay Compensation under this section will be submitted to the Secretary of the Military Department concerned no later than October 21, 2012, which is 3 years after the date the implementing rules issued by the SecDef took effect. The Secretaries concerned may not pay claims that are submitted more than 3 years after the date the implementing rules took effect.
350904. Treatment of Deceased Members

If an eligible member, retired member, or former member, described in paragraph 351101, dies before the payment required by this section is made, the Secretary of the Military Department concerned will make the payment in accordance with 10 U.S.C. § 2771.

350905. Exclusion of Certain Former Members

A former member of the Armed Forces is not eligible for a payment under this section if the former member was discharged or released from the Armed Forces under other than honorable conditions.

350906. Relation to Other Stop Loss Special Pay

A member, retired member, or former member may not receive a payment, under this section and section 3508, for the same month or portion of a month during which the member was retained on active duty as a result of application of the stop loss authority.

350907. Effect of Subsequent Reenlistment or Voluntary Extension of Service

Effective December 19, 2009, military service members, who voluntarily reenlisted or extended their service after their enlistment or period of obligated service was extended, or after their eligibility for retirement was suspended, and who received a bonus for such reenlistment or extension of service, are not eligible to receive the Retroactive Stop Loss Special Pay.

3510 VOLUNTARY RETIREMENT INCENTIVE (VRI)

351001. Authority

The SecDef may authorize the Secretary of a Military Department to provide a VRI payment to an officer of the Armed Forces under that Secretary’s jurisdiction. Any authority provided the Secretary of a Military Department concerned, will expire as specified by the SecDef, but not later than December 31, 2018. The total number of officers who may be provided a VRI payment may not exceed 675 officers.

351002. Eligible Officers

An officer of the Armed Forces is eligible for a VRI payment under this section if the officer:

A. Has served on active duty for more than 20 years, but not more than 29 years, on the approved date of retirement;

B. Meets the minimum length of commissioned service requirement for voluntary retirement as a commissioned officer in accordance with 10 U.S.C. § 3911, § 6323, or § 8911;
C. On the approved date of retirement, has 12 months or more remaining on active duty service before reaching the maximum retirement years of active service for the member’s grade as specified in 10 U.S.C. § 633 or § 634;

D. On the approved date of retirement, has 12 months or more remaining on active duty service before reaching the maximum retirement age under any other provision of law; and

E. Meets any additional requirements for such eligibility as is specified by the Secretary of the Military Department concerned, including any requirement relating to years of service, skill rating, military specialty or competitive category, grade, any remaining period of obligated service, or any combination thereof.

351003. Ineligible Officers

The following officers are not eligible for a VRI payment under this section:

A. An officer being evaluated for disability under 10 U.S.C. Chapter 61;

B. An officer projected to be retired under 10 U.S.C. § 1201 or § 1204;

C. An officer projected to be discharged with disability severance pay under 10 U.S.C. § 1212;

D. A member transferred to the temporary disability retired list under 10 U.S.C. § 1202 or § 1205;

E. An officer subject to pending disciplinary action or subject to administrative separation or mandatory discharge under any other provision of law or regulation; or

F. Any member serving a service related commitment due to an accession or retention bonus program.

351004. Payment

The amount of the VRI payment will be an amount determined by the Secretary of the Military Department concerned, but not to exceed an amount equal to 12 times the amount of the officer’s monthly basic pay at the time of the officer’s retirement. The amount may be paid in a lump sum at the time of retirement.

351005. Members Returning to Active Duty

A. An officer, who after having received all or part of a VRI under this section, returns to active duty, will have deducted from each payment of basic pay, in such
schedule of monthly installments as the Secretary of the Military Department concerned will specify, until the total amount deducted equals the total amount of the VRI received.

B. The SecDef may waive, in whole or in part, repayment required under subparagraph 351005.A if the Secretary of the Military Department concerned, determines that recovery would be against equity and good conscience or would be contrary to the best interest of the United States. This authority may be delegated only to the USD (P&R) and the Principal Deputy USD (P&R).

C. Members who are involuntarily recalled to active duty or full-time National Guard duty under any provision of law will not be subject to repayment of this incentive.
Table 35-1. PAYMENT OF ACCRUED LEAVE – OFFICERS AND ENLISTED MEMBERS – SEPARATION WITHOUT IMMEDIATE REENTRY ON ACTIVE DUTY
(Note 1)

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>If a member has been on active duty for 30 or more consecutive days and</td>
<td>separation is under honorable conditions (note 2)</td>
<td>payable (notes 3 and 4).</td>
</tr>
<tr>
<td>2</td>
<td>is discharged (including as a result of resignation)</td>
<td></td>
<td>payable (notes 3, 4, 6, and 7).</td>
</tr>
<tr>
<td>3</td>
<td>is released from active duty (note 5)</td>
<td></td>
<td>payable (notes 3, 4, and 8).</td>
</tr>
<tr>
<td>4</td>
<td>retires</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>is transferred to Fleet Reserve or Fleet Marine Corps Reserve</td>
<td>discharge characterization is under other than honorable conditions</td>
<td>not payable (note 9).</td>
</tr>
<tr>
<td>6</td>
<td>is discharged for fraudulent enlistment after completing 6 months of active duty</td>
<td>discharge characterization is under other than honorable conditions</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>is released from duty because of void enlistment or void induction due to erroneous enlistment or defective enlistment after completing 6 months of active duty</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>is discharged from service as a cadet or midshipman at a military service academy, or as a midshipman elsewhere</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>dies on or after August 28, 1965, while on active duty</td>
<td>member was not put to death as lawful punishment for a crime or a military offense</td>
<td>payable to beneficiary with other unpaid pay and allowances as prescribed in Chapter 36, section 3603 (notes 4 and 10).</td>
</tr>
</tbody>
</table>
Table 35-1. PAYMENT OF ACCRUED LEAVE – OFFICERS AND ENLISTED MEMBERS – SEPARATION WITHOUT IMMEDIATE REENTRY ON ACTIVE DUTY (Continued) (Note 1)

<table>
<thead>
<tr>
<th>R U L E</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>If a member has been on active duty for 30 or more consecutive days and</td>
<td>separation is for failure to serve satisfactorily for any reason set forth in subparagraph 350201.E</td>
<td>then accrued leave is not payable.</td>
</tr>
<tr>
<td></td>
<td>and</td>
<td>separation is not for unsatisfactory performance or misconduct for any reason set forth in subparagraph 350201.E</td>
<td>payable.</td>
</tr>
</tbody>
</table>

**NOTES:**

1. Any member who is discharged under other than honorable conditions forfeits all accrued leave.

2. If member is discharged or relieved from active duty because of expiration of term of service (ETS) and is under investigation as an alleged security risk, do not pay accrued leave until investigation is completed and the character of the discharge determined. If discharge is under honorable conditions, then accrued leave may be paid.

3. The period when a member is home awaiting further orders in connection with physical evaluation board proceedings is charged as leave, to the extent that leave is available, beginning with the day after member arrives home or the day after constructive travel time ends, whichever is earlier. Limit payment to accrued leave remaining at time of retirement or discharge. Authorized absence under these circumstances in excess of accrued leave is not chargeable as leave.

4. On and after February 10, 1976, a member may be paid for a maximum of 60 days accrued leave during a military career. See subparagraph 350201.A.3 for exceptions.

5. A period of active duty as a Reserve or National Guard member meets the 30-day requirement if it covers 30 or more consecutive days, even though it may be directed by more than one order covering unrelated duties.

6. If a Reserve member is entitled to pay and allowances during a disability period after a specified tour of active duty has expired, then the period after that expiration date is not included in the period for which accrued leave is paid.
Table 35-1. PAYMENT OF ACCRUED LEAVE – OFFICERS AND ENLISTED MEMBERS – SEPARATION WITHOUT IMMEDIATE REENTRY ON ACTIVE DUTY (Continued)

(Note 1)

NOTES:
7. Reserve members may elect to carry forward unused accrued leave to their next period of active duty.
8. A member may not take accrued leave in lieu of payment beyond the effective date of retirement.
9. These rules do not apply when an individual inducted or enlisted into the military service is discovered by military service medical authorities to have been medically unfit for induction at the time of entrance into the military service and such individual is released from military control for such reason.
10. Accrued leave is payable retroactive to February 28, 1961 for a member in a missing status whose death is prescribed under Chapter 34, section 3407. Payment is made according to Chapter 34, section 3410.
Table 35-2. PAYMENT OF ACCRUED LEAVE – OFFICERS – SEPARATION WITH IMMEDIATE REENTRY ON ACTIVE DUTY

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>If an officer of any military service</td>
<td>has been on active duty for 30 or more consecutive days and is retired</td>
<td>and immediately reenters on active duty</td>
<td>then accrued leave is not payable.</td>
</tr>
<tr>
<td>2</td>
<td>separated, on a day other than the end of the specified period of active duty, for the purpose of reentering on active duty in any status within any Uniformed Service (note 1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>transferred to a different Uniformed Service by separation and immediate reappointment</td>
<td>immediately enters on active duty with the other military service</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>separated for having failed selection to a higher grade</td>
<td>immediately reenters on active duty in an enlisted status</td>
<td>payable (notes 2 and 3).</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>a Reserve officer of any military service</td>
<td>released from active duty under honorable conditions under 10 U.S.C. § 12313 or similar laws authorizing release of Reserve officers at convenience of government, not for the purpose of reentering active service</td>
<td>immediately reenters on active duty (including active duty in enlisted or warrant officer status) for the purpose of retirement</td>
<td>payable (note 3).</td>
</tr>
<tr>
<td>6</td>
<td>released from active duty under honorable conditions at end of a specified period of time member agreed to serve or was obligated to serve (notes 1 and 4)</td>
<td>immediately reenters on active duty (note 1)</td>
<td>payable (notes 3 and 5).</td>
<td></td>
</tr>
</tbody>
</table>
Table 35-2. PAYMENT OF ACCRUED LEAVE – OFFICERS – SEPARATION WITH IMMEDIATE REENTRY ON ACTIVE DUTY (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>a commissioned officer of any military service, who simultaneously holds a warrant officer appointment</td>
<td>has been on active duty for 30 or more consecutive days and is released from active duty as a commissioned officer</td>
<td>and reverts to warrant officer status and continues on active duty</td>
<td>then accrued leave is not payable.</td>
</tr>
<tr>
<td>8</td>
<td>a temporary officer of the Navy or Marine Corps whose enlistment has expired</td>
<td>reverted to enlisted status and simultaneously discharged</td>
<td>immediately reenlists</td>
<td>payable at rate of pay of rank held at time of reversion (note 3).</td>
</tr>
</tbody>
</table>

NOTES:
1. A National Guard member serving on active duty under Title 10 or Title 32, who is ordered to active duty under the other title (Title 10 or Title 32), is considered to have met the obligated service period for which the member agreed to serve (for the purposes of accrued, unused leave payment only), regardless of the unexpired time remaining on that Title 10 or Title 32 obligation. The member is not considered separated for the specific purpose of reenlisting or reentering active duty. Accrued unused leave is payable.
2. Officers who, after notification of an impending discharge, resign for the purpose of continuing a military career are not entitled to payment of accrued leave.
3. On or after February 10, 1976, a member may be paid for a maximum for 60 days of accrued leave during a military career. See subparagraph 350201.A.3 for exceptions.
4. A Reserve officer, who remains on active duty beyond ETS of initial obligation while awaiting Regular officer appointment, is not entitled to payment of unused accrued leave, as the separation to accept the appointment is not considered to be at the end of a specified period. The officer must be separated on the expiration date of the initial obligation for entitlement to exist.
5. Reserve members may elect to carry forward unused accrued leave to their next period of active duty.
Table 35-3. PAYMENT OF ACCRUED LEAVE – ENLISTED MEMBERS – SEPARATION WITH IMMEDIATE REENTRY ON ACTIVE DUTY

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>If an enlisted member</td>
<td>has been on active duty for 30 or more consecutive days and</td>
<td>immediately reenlists or immediately reenters on active duty</td>
<td>payable.</td>
</tr>
<tr>
<td>2</td>
<td>prior to October 5, 1999, is separated under honorable conditions upon expiration of enlistment or is released from active duty under honorable conditions at the end of a specified period of time or was obligated to serve (notes 3, 4, and 5)</td>
<td></td>
<td>not payable.</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>prior to October 5, 1999, is separated before ETS or obligated period of duty for the specific purpose of enlisting or reenlisting (notes 5 and 6)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>is discharged for the purpose of accepting a commission or appointment as a warrant officer in any Uniformed Service</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>enlistment is extended</td>
<td></td>
<td>is contingent on rules in Table 35-4.</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>extension of enlistment is canceled before or during service under the extension</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>is retired</td>
<td>continues on or is recalled to active duty</td>
<td>not payable.</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>accepts an appointment as a cadet or midshipman without being discharged from enlisted status</td>
<td>enters on duty as a cadet or midshipman</td>
<td>payable as though member was discharged on day before date appointment was accepted.</td>
<td></td>
</tr>
</tbody>
</table>
Table 35-3. PAYMENT OF ACCRUED LEAVE – ENLISTED MEMBERS – SEPARATION WITH IMMEDIATE REENTRY ON ACTIVE DUTY (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>If an enlisted member</td>
<td>has been on active duty for 30 or more consecutive days and</td>
<td>then accrued leave is (note 1)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>inducted under the Universal Military Training and Service Act, or enlisted in the Regular Army under that Act</td>
<td>is separated under honorable conditions at the end of the period member is required to serve</td>
<td>immediately enlists or reenlists</td>
<td>payable.</td>
</tr>
<tr>
<td>10</td>
<td>of the Army or Air Force, who has more than 20 but less than 30 years of service,</td>
<td>is retired and transferred to the Reserve Component of the member’s military service</td>
<td>is immediately ordered into active service</td>
<td>not payable.</td>
</tr>
<tr>
<td>11</td>
<td>of the Navy or Marine Corps</td>
<td>is transferred to the Fleet Reserve or Fleet Marine Corps Reserve</td>
<td>continues on active service without a break in active service</td>
<td></td>
</tr>
</tbody>
</table>

NOTES:
1. On or after February 10, 1976, a member may be paid for a maximum of 60 days of accrued leave during a military career. See subparagraph 350201.A.3 for exceptions.
2. For these purposes, the term “discharge” means separation or release from active duty under honorable conditions, or termination of an enlistment in conjunction with the commencement of a successive enlistment (without regard to the date of the expiration of the term of the enlistment being terminated).
3. A member is considered as discharged upon expiration of enlistment if discharged not more than 1 year before the normal expiration date of the enlistment. The date of normal expiration of enlistment is excluded in computing the 1-year period.
4. An extension of the active duty obligation does not create an entitlement under this rule.
5. A National Guard member serving on active duty under Title 10 or Title 32, who is ordered to active duty under Title 10 or Title 32, is considered to have met the obligated service period for which the member agreed to serve (for the purposes of accrued unused leave payment only), regardless of the unexpired time remaining on that Title 10 or Title 32 obligation. The member is not considered separated for the specific purpose of reenlisting or reentering active duty. Accrued unused leave is payable.
6. A member is not considered as having been discharged for the purpose of enlisting or reenlisting if discharge occurs not more than 3 months before the normal expiration of the extension period (effective January 2, 1968). The date of normal expiration of the extension period is excluded in computing the 3-month period.
Table 35-4. PAYMENT OF ACCRUED LEAVE – ENLISTED MEMBERS – EXTENSION OF ENLISTMENT: DISCHARGE AND REENLISTMENT BEFORE EXTENSION IS COMPLETED

<table>
<thead>
<tr>
<th>Rule</th>
<th>If an enlisted member of</th>
<th>has been on active duty for 30 or more consecutive days and</th>
<th>then accrued leave is (note 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>any military service</td>
<td>enlistment is involuntarily extended</td>
<td>not payable until discharge.</td>
</tr>
<tr>
<td>2</td>
<td>voluntarily extends enlistment, regardless of duration of extension</td>
<td>payable on day before effective date of extension (leave accrued during extension is paid on discharge after extension is completed) (note 2).</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>any military service, whose enlistment has been involuntarily extended</td>
<td>is separated under honorable conditions upon expiration of the involuntary extension of enlistment</td>
<td>immediately reenlists payable.</td>
</tr>
<tr>
<td>4</td>
<td>any military service, who has voluntarily extended enlistment</td>
<td>is separated under honorable conditions, before extension period expires, for purpose of reenlisting</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>any military service, who has voluntarily extended enlistment</td>
<td>prior to October 5, 1999, extension is canceled before service under it begins and member is discharged under honorable conditions at normal expiration of enlistment</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>prior to October 5, 1999, extension is canceled after service under it begins and member is discharged under honorable conditions, for purpose of reenlisting</td>
<td>not payable.</td>
<td></td>
</tr>
</tbody>
</table>
Table 35-4. PAYMENT OF ACCRUED LEAVE – ENLISTED MEMBERS – EXTENSION OF ENLISTMENT: DISCHARGE AND REENLISTMENT BEFORE EXTENSION IS COMPLETED (Continued)

<table>
<thead>
<tr>
<th>Rule</th>
<th>If an enlisted member of any military service, who has voluntarily extended enlistment</th>
<th>has been on active duty for 30 or more consecutive days and member</th>
<th>then accrued leave is (note 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>on or after October 5, 1999, extension is canceled after service under it begins and member is discharged under honorable conditions, for purpose of reenlisting</td>
<td>payable.</td>
<td></td>
</tr>
</tbody>
</table>

**NOTES:**
1. On and after February 10, 1976, a member may be paid for a maximum of 60 days of accrued leave during a military career. See subparagraph 350201.A.3 for exception.
2. No payment can be made on second or subsequent extensions.
Table 35-5. COMPUTATION OF ACCRUED LEAVE PAYMENT
(Note 1)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>If member is entitled to accrued leave payment under Table 35-1, 35-2, 35-3, or 35-4, and is an enlisted member in pay grades E-5 to E-9 and member has dependents (note 4)</td>
<td>the complete payment for the number of days accrued leave, but not more than 60 in a military career, to include (note 2):</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>enlisted member in pay grades E-5 to E-9</td>
<td>Basic Pay (note 3)</td>
<td>BAS (note 1)</td>
</tr>
<tr>
<td>2</td>
<td>no dependents</td>
<td>at rate applicable on date of separation (note 5)</td>
<td>at 70 cents per day</td>
</tr>
<tr>
<td>3</td>
<td>enlisted member in pay grades E-1 to E-4</td>
<td>no dependents</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>officer</td>
<td>dependents (note 4)</td>
<td>at rate applicable on date of separation (prorate for number of days of accrued leave)</td>
</tr>
<tr>
<td>5</td>
<td>no dependents</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 35-5. COMPUTATION OF ACCRUED LEAVE PAYMENT (Continued)
(Note 1)

NOTES:
1. Cash settlement of leave accrued as of August 31, 1976 will be on the basis of basic pay, BAS, BAH-II, and PMA, as appropriate. Cash settlement of leave accrued on and after September 1, 1976 will be on the basis of basic pay only for all grades, officer and enlisted. See paragraph 350202 for examples.
2. When the final leave balance includes a one-half day total, compute the amount to be paid by crediting the member with one-half of a day entitlement. Round the total to the nearest penny.
3. Do not include in basic pay the 25-percent increase authorized certain Navy and Marine Corps members retained beyond normal ETS.
4. A dependent who is on active duty is not considered a dependent in determining right to BAH.
5. Date of separation is date of discharge, release from active duty, transfer to Reserve, or death; day before effective date of retirement; day before date of appointment as cadet or midshipman; or day before effective date of extension of enlistment.
6. Pay BAH even though the member is not receiving BAH on date of separation because public quarters are occupied or available.
Table 35-6. SEPARATION PAY ENTITLEMENT AND COMPUTATION

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1</strong></td>
<td><strong>If a member is</strong></td>
<td>an officer (notes 2 and 3)</td>
<td>and is involuntarily discharged or released from active duty because of (note 1)</td>
</tr>
<tr>
<td><strong>2</strong></td>
<td>a warrant officer separated during the 3-year probationary period</td>
<td>failure to be selected for promotion (note 4)</td>
<td></td>
</tr>
<tr>
<td><strong>3</strong></td>
<td>a warrant officer</td>
<td>second failure to be selected for promotion and does not enlist or the request to enlist, is denied, and is not retained on active duty in grade above W-4</td>
<td></td>
</tr>
<tr>
<td><strong>4</strong></td>
<td>a Reserve member</td>
<td>non-selection for an additional tour of active duty for which the member volunteered unconditionally</td>
<td></td>
</tr>
<tr>
<td><strong>5</strong></td>
<td>a chaplain</td>
<td>failure to maintain professional qualifications</td>
<td></td>
</tr>
<tr>
<td><strong>6</strong></td>
<td>a Reserve member</td>
<td>separation at any time prior to the completion of a specified period of active duty or indefinite period of active duty</td>
<td></td>
</tr>
<tr>
<td><strong>7</strong></td>
<td>a warrant officer or Reserve officer</td>
<td>age (notes 5 and 6)</td>
<td></td>
</tr>
</tbody>
</table>

**NOTES:**
1. Includes member’s acceptance of an earlier release before the scheduled involuntary separation date, as directed by the Secretary of the military service concerned.
2. Includes a Regular commissioned officer with more than 6 years of commissioned service.
3. Includes a Regular officer continued on active duty pursuant to 10 U.S.C. § 637(a) or a Reserve officer continued on active duty after failure to be selected for promotion, upon expiration of the period of continuation on active duty, or upon separation if continuation is declined.
4. Includes officer not found qualified for promotion to grade of First Lieutenant or Lieutenant Junior Grade.
5. Includes members separated after expiration of Secretarial retention period.
6. If the member is eligible for voluntary retirement, then the member is not entitled to separation pay even though the member does not apply for retirement concurrently with release from active duty.
Table 35-7. ENTITLEMENT TO DISCHARGE GRATUITY

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>If an enlisted member of any military service</td>
<td>is a prisoner released from confinement in a military or contract prison to parole, appellate review leave, or expiration of sentence</td>
<td>and</td>
<td>and</td>
<td>has less than $25 in possession</td>
<td>then pay the member the difference between funds in possession and $25 (note).</td>
</tr>
<tr>
<td>2</td>
<td>discharged for fraudulent enlistment</td>
<td>discharge is not for returning member to another branch of the Armed Forces on account of absence without authority from that branch</td>
<td>the member is present to receive the discharge</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>discharged under other than honorable conditions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>discharged from active duty because of void enlistment</td>
<td>enlistment is void because it was contracted when member was under age</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 35-7. ENTITLEMENT TO DISCHARGE GRATUITY (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>If an enlisted member of any military service is discharged from active duty because of void enlistment and enlistment is void because it was contracted when member was mentally incompetent</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>do not pay a discharge gratuity.</td>
</tr>
<tr>
<td>6</td>
<td>discharged for minority with pay and allowances payable through date of discharge</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTE:**

Funds in the member’s possession include personal funds and any item paid at the time of discharge or release, excluding mileage and cash advanced incident to furnishing transportation in kind.
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37 U.S.C. § 501(e)(1)
350201.E DoDI 1327.06, June 16, 2009, Incorporating Change 2,
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350202.A.4 DoDI 1327.06, June 16, 2009, Incorporating Change 2,
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August 13, 2013
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350502 34 Comp Gen 65
350503.A 10 U.S.C. § 1212
10 U.S.C. § 1212
39 Comp Gen 291
350503.C 10 U.S.C. § 1212
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350805 10 U.S.C. § 1175a(d)
350806 10 U.S.C. § 1175a(d)
350807 10 U.S.C. § 1175a(f)
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350809 10 U.S.C. § 1175a(h)
350810 10 U.S.C. § 1175a(h)(2)
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<td>43 Comp Gen 802</td>
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<td></td>
<td>10 U.S.C. § 716</td>
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<td>DoDD 1300.4, November 15, 1996</td>
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<td>4</td>
<td>31 Comp Gen 668</td>
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<td>6</td>
<td>35 Comp Gen 25</td>
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<td>Note 3</td>
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<td>Note 4</td>
<td>Comp Gen B-176858, December 12, 1973</td>
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<td>DoDI 1327.06, June 16, 2009, Incorporating Change 2, August 13, 2013</td>
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</tr>
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</tr>
<tr>
<td>8</td>
<td>36 Comp Gen 334</td>
</tr>
<tr>
<td>Note 1</td>
<td>37 U.S.C. § 501</td>
</tr>
<tr>
<td>Note 3</td>
<td>10 U.S.C. § 1171</td>
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<td></td>
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<td>4</td>
<td>30 Comp Gen 531</td>
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<td>5</td>
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<td>Note 1 37 U.S.C. § 501</td>
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### Table 35-5

| Note 4 | 28 Comp Gen 423 |

### Table 35-6

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<td></td>
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<td>Note 6 10 U.S.C. § 672(d)</td>
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35-51
VOLUME 7A, CHAPTER 36: “PAYMENTS ON BEHALF OF DECEASED MEMBERS”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated February 2016 is archived.

<table>
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<tr>
<th>PARAGRAPH</th>
<th>EXPLANATION OF CHANGE/REVISION</th>
<th>PURPOSE</th>
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<tr>
<td>All</td>
<td>Updated formatting and hyperlinks to comply with current administrative instructions.</td>
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<td>Clarified the subparagraph in accordance with Title 10, United States Code, section 1475(a)(3).</td>
<td>Revision</td>
</tr>
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<td>Updated statutes and references.</td>
<td>Revision</td>
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CHAPTER 36

PAYMENTS ON BEHALF OF DECEASED MEMBERS

3601 GENERAL

360101. Purpose

The purpose of this chapter is to provide policy pertaining to the processing of payments on behalf of deceased military members.

360102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

3602 DEATH GRATUITY

*360201. Members for Whom Payable

Death gratuity will be paid, regardless of whether death occurred in the line of duty or as the result of a member’s misconduct, to eligible beneficiaries of the following (except a temporary member of the Coast Guard Reserve):

A. A member who dies while on active duty or while traveling to or from such duty;

B. A former member who dies during the 120-day period beginning on the day following date of discharge or release, under honorable conditions, from active duty (including retirement for either disability or length of service). In this case, the Secretary of Veterans Affairs must determine that death resulted from disease or injury incurred or aggravated while the member was on active duty or while in authorized travel status to or from such duty;

C. Any person who dies either while traveling to, from, or while at a place for final acceptance or for entry upon active duty (other than for training) in the Military Service; who has been ordered or directed to go to that place, and who has been:

1. Provisionally accepted for that duty; or

2. Selected, under the Military Selective Service Act, for duty in that Military Service;

D. A member whose death is determined by administrative finding under the Missing Persons Act;
E. A National Guard or Reserve member who dies while traveling directly to or from:

1. Active duty for training;

2. Inactive duty training (other than work or study in connection with a correspondence course of an Armed Force; or attendance, in an inactive status, at an educational institution under the sponsorship of an Armed Force or the Public Health Service);

3. Inactive duty training while studying in connection with a correspondence course of an Armed Force or attendance, in an inactive status, at an educational institution, under the sponsorship of an Armed Force or the Public Health Service); or

4. Inactive duty training while staying at the National Guard or Reserve member’s residence when so authorized by proper authority, during the period of such inactive duty training or between successive days of inactive duty training; or

F. Any member of a Reserve Officers’ Training Corps (ROTC) who dies while performing annual training duty under orders for a period of more than 13 days or while performing authorized travel to or from that annual training duty; or any applicant for membership in an ROTC who dies while attending field training or a practice cruise, or while performing authorized travel to or from the place where the training or cruise is conducted.

360202. Definitions

A. **Active Duty.** Active duty is full-time duty in the active service of a Uniformed Service, including active duty training (full-time training duty, annual training duty, or attendance, while in the active service, at a school designated as a Military Service school by law or by the Secretary concerned). (The exception to this definition is noted in subparagraphs 360201.B and 360201.C.)

B. **Member.** A member of the Military Service is a person appointed, enlisted, or inducted into a branch of the Military Services, including Reserve Components and cadets or midshipmen of the Military Service Academies.


360203. Beneficiaries

A. **Designation.** A member may designate one or more persons, to receive a portion of the amount payable under paragraph 360206. If a member provides conflicting information regarding designation of beneficiaries and their proportionate shares of the death gratuity in blocks 11 and 14 of the *Department of Defense (DD) Form 93*, Record of Emergency Data, then payment will be made only to the extent that there are unambiguous designations.
Example: If a member completes block 11 by designating his mother to receive 100 percent of the death gratuity, and also completes block 14 by designating his mother and his sister to each receive 50 percent of the death gratuity, there are conflicting designations. In this situation, 50 percent of the death gratuity would be payable to the mother and the remaining 50 percent would be paid in accordance with subparagraph 360203.B. The amount payable to the designee must be specified in 10 percent increments. The balance of the amount of the death gratuity, if any, will be paid in accordance with subparagraph 360203.B. Effective January 28, 2008, if a member has a spouse, but designates a person other than the spouse to receive a portion of the amount payable, then the Secretary concerned will provide notice of the member’s designation to the spouse.

1. Effective May 25, 2007 through June 30, 2008, a member may designate another person other than those on the survivor precedent list mandated by law at that time to receive up to 50 percent of the amount payable under paragraph 360206.

2. Effective July 1, 2008, a member may designate one or more persons to receive all or a portion of the amount payable under paragraph 360206.

B. Distribution. If a member does not make a designation under subparagraph 360203.A, or designates only a portion of the amount payable, then the remaining amount of the death gratuity not covered by a designation will be paid as follows:

1. To the surviving spouse of a member;

2. If no surviving spouse, then the child or children of the member and descendants of deceased children, by representation;

3. If no survivor in accordance with subparagraphs 360203.B.1 or 2, then the parents of the member, in equal shares, or to the surviving parent;

4. If no survivor in accordance with subparagraphs 360203.B.1 through 3, then the duly appointed legal representative of the member’s estate; or

5. If no survivor in accordance with subparagraphs 360203.B.1 through 4, then the person(s) determined to be entitled under the laws of the state in which the member was domiciled.

C. Treatment of Parents. For the purpose of subparagraph 360203.B.3, only one father and one mother may be recognized in any case, and preference will be given to those who exercised a parental relationship on the date or most nearly before the date on which the member died.
D. **Death of Eligible Survivor.** If an eligible survivor dies before receipt of the death gratuity, it will be paid to the living survivor next in the order of precedence (see subparagraph 360203.B).

360204. **Determining Eligible Beneficiaries**

When officially notified that a member of his or her command has died, the commanding officer (CO) maintaining the member’s personnel or service records determines if an eligible death gratuity beneficiary exists in accordance with paragraph 360203 or the categories shown in Table 36-1. Legal assistance officers will aid in cases involving a question of law.

A. **Lawful Spouse.** If a decedent is survived by a spouse, the following evidence will be used to determine whether an eligible beneficiary exists:

1. Entitlement to Basic Allowance for Housing (BAH) or evidence of assignment of government quarters to a member and spouse; or

2. Documentary evidence of marriage and proof of termination of any prior marriage of either the beneficiary or decedent.

B. **Children.** If a decedent is survived by a child or children, but is not survived by a spouse, the following evidence will be used to determine whether an eligible beneficiary exists:

1. Documentary evidence must show termination of any marriage, including a certified copy of the spouse’s death certificate, divorce, or annulment decree.

2. Evidence must show entitlement to BAH for a child or children, or evidence of occupation of government quarters with the member before member’s death.

3. Base eligibility of child or children upon documentary proof of relationship, including:
   a. The original or certified copy of the original birth certificate; or
   b. A certified court order of adoption in the case of a legally adopted child.

4. A certified copy of the appointment paper must be provided if a guardian of a minor child, or children, has been appointed by a court (as distinguished from being awarded physical custody).

5. If the death gratuity is $10,000 or less, then payment for a minor child may be made to the parent, including an adoptive parent, as natural guardian when all of the
following conditions exist (and the parent provides a notarized statement attesting to all of these conditions):

a. A legal guardian has not been appointed;

b. The parent has custody of the minor child;

c. The parent will hold the payment for the sole use and benefit of the minor until the minor reaches adulthood;

d. The parent will account to the minor for such amount when the minor reaches adulthood; and

e. The parent will hold the government harmless in the event the minor, when he/she reaches adulthood, brings any legal action challenging the government's payment to the minor's parent.

6. If the death gratuity is in excess of $10,000, then payment may only be made to the guardian or conservator appointed by a court to receive such payments for the minor's benefit, thereby providing the government a means of obtaining a good acquittance.

7. The relationship between a member and his or her stepchild can survive the end of the marriage from which it arose. If the marriage that created the relationship ended by death, then the relationship continues, absent evidence to the contrary. If the marriage ended by divorce, as distinguished from death, then the relationship ends unless clear and convincing evidence is furnished showing continuance of close family ties and intention to continue the prior relationship.

C. Parents. If the decedent is not survived by a spouse or child and has not officially designated any other individual(s) to receive the full death gratuity, then the parent beneficiary must furnish:

1. Documentary evidence that any marriage entered into by the decedent has been terminated; and

2. A statement, witnessed by two individuals, that there are no living children.

D. In Loco Parentis. A person who stood in loco parentis (in the place of a parent) does not qualify for the death gratuity as a "parent" of the member. A member must designate such a person in order for that person to qualify as an eligible beneficiary.

E. Mentally Incompetent Beneficiary. If the beneficiary is mentally incompetent, then a photostatic or certified copy of the court order appointing a guardian, trustee, committee, or other such person is required.
F. **Effect of a Will.** A will does not constitute a legal designation for death gratuity since such payment is not money or debt due the member and thus cannot become part of the member’s estate.

360205. **Determinations Affecting Entitlement**

A. **Death as Lawful Punishment.** No death gratuity is payable in the case of a member whose death is the result of a lawful punishment for a crime or military offense, except when such death was inflicted by any hostile force with which the Armed Forces of the United States had engaged in armed conflict.

B. **Member Killed by Beneficiary.** No death gratuity is payable to a beneficiary or survivor who kills a member unless there is evidence that clearly absolves such beneficiary or survivor of any felonious intent.

C. **Unauthorized Absence or Desertion**

1. **Absence Without Leave (AWOL) or Absence Over Leave (AOL).** A death gratuity is payable in the case of a member whose death occurs while he or she is in an unauthorized absence status, either AWOL or AOL, including being in custody of civil authorities, provided the date of death is prior to the normal expiration of contracted duty.

2. **Desertion.** No death gratuity is payable in the case of a member who is a declared deserter at the time of his or her death unless it is later found that the declaration was in error.

360206. **Amounts Payable and Exemptions**

A. The amount of death gratuity is $100,000.

B. Death gratuity payments may not be used to satisfy indebtedness (including overpayments).

C. The death gratuity amount is excluded from gross income for tax purposes. Also, see Chapter 44, Table 44-1, Rule 16.

360207. **Expediting Payments**

Immediate payment of a death gratuity (within 24 hours, if possible) will be made when the eligible beneficiary can be determined, and there is no doubt as to the propriety of payment.

360208. **Responsibility for Payment of Death Gratuity**

See Tables 36-2 through 36-6.
360209. Erroneous Payment

An erroneous payment of death gratuity is one made to a person clearly not entitled to it because of administrative error and not because of statements of record made by the member.

A. Make a second payment to the rightful beneficiary when the error resulted from improper maintenance of records or administrative negligence. Do not delay this payment pending recovery of the erroneous payment from the ineligible recipient.

B. Do not make a second payment of death gratuity to a different person if the original payment was based on statements of record made by the member, and the government has no reason to doubt that the beneficiary’s status was as stated.

3603 SETTLING DECEASED MEMBERS’ ACCOUNTS

360301. General

Payment of any unpaid pay and allowances due on behalf of a deceased member of the Armed Forces will be made to the designated or non-designated beneficiary as defined in paragraphs 360303 or 360304. Unpaid pay and allowances include:

A. Pay and allowances due and unpaid at death, including settlement of accrued leave (subject to limitation in Chapter 35, subparagraph 350201.A.4.c). Entitlement restrictions apply.

1. Family Separation Allowance (FSA). If a member dies within the first 30-days of qualifying duty, then the member is not entitled to FSA-Ship (S) (Chapter 27, subparagraph 270203.A.2) or FSA-Temporary (T) (Chapter 27, subparagraph 270203.A.3). FSA-S and FSA-T will be excluded from the final settlement of the member’s military pay account.

2. Hardship Duty Pay – Location (HDP-L). If a member dies within the first 30-days of qualifying duty, then the member is not entitled to HDP-L (Chapter 17, paragraph 170202). HDP-L will be excluded from the final settlement of the member’s military pay account;

B. Amounts due for travel, per diem, transportation of dependents, and shipment of household goods;

C. Member’s savings deposits and interest thereon;

D. If a member dies before receiving the full amount of the bonus due (including contracted future year anniversary payments) and if death is not caused by the member’s misconduct, then the remaining unpaid bonus balance is payable as a lump sum for inclusion in the settlement of the deceased member’s final military pay account. If death is determined to be the result of the member’s own misconduct, then termination of future payments and proration or recoupment of the bonus, as applicable, will be made in accordance with procedures established
for members whose inability to complete a contracted period of service is voluntary or the result of misconduct; or

E. Proceeds of any checks for items in subparagraphs 360301.A through D, un-negotiated by the member before death.

360302. Entitlement

A. Upon official notification of the death or finding of death, any amounts due the decedent are paid to the person(s) determined to be the eligible beneficiary or beneficiaries.

B. Any payments made under this section prohibit recovery of those payments by any other person.

C. When a minor child, otherwise eligible, is a designated or non-designated beneficiary, payment will be made according to the provisions of subparagraphs 360204.B.5 and 360204.B.6.

360303. Designated Beneficiary

Current laws allow a member to designate anyone, related or not, to receive the member’s unpaid pay and allowances upon death. Designation of a beneficiary for unpaid pay and allowances must have been executed by the member and filed in accordance with regulations governing such designations. When more than one beneficiary has been named, the percentages specified by the member govern payment. If no percentages have been specified, then payment will be divided equally among designated beneficiaries.

360304. Non-designated Beneficiary

A. Order of Precedence. In cases of deceased members who have not designated a beneficiary, the following rules apply in determining the order of precedence:

1. The surviving spouse of a member;

2. If no surviving spouse, then the child or children of the member and descendants of deceased children, by representation;

3. If no survivor in accordance with subparagraphs 360304.A.1 or 2, then the parents of the member, in equal shares, or to the surviving parent;

4. If no survivor in accordance with subparagraphs 360304.A.1 through 3, then the duly appointed legal representative of the member’s estate; or

5. If no survivor in accordance with subparagraphs 360304.A.1 through 4, then the person(s) determined to be entitled under the laws of the state in which the member was domiciled.
B. Adopted Child. An adopted child is a legal heir in every state and is, therefore, entitled to payment of unpaid pay, and allowances if otherwise proper. If the deceased member’s child is adopted by others, then the child is a beneficiary only in those states where an adopted child inherits from the child’s natural parent.

C. Stepchild. A stepchild is not an eligible beneficiary unless adopted by the deceased member.

D. Illegitimate Child. An illegitimate child may be paid the unpaid pay and allowances of a deceased member when:
   1. The child has been acknowledged in writing, and signed by the decedent;
   2. The child has been judicially determined, before the decedent’s death, to be the member’s child;
   3. The child has been otherwise proved, by evidence satisfactory to the Secretary of Veterans Affairs, to be child of the decedent; or
   4. The decedent had been judicially ordered to contribute support.

360305. Responsibility for Settlement of Accounts

Accounts of deceased members are settled as prescribed in the procedural instructions of the Military Service concerned.

360306. Tax Abatement

See Chapter 44, paragraph 440204 if the member’s death was caused by terrorist or military action overseas.

360307. Bonuses and Special Pays

If the decedent was receiving any bonuses and/or special pays, then the provisions of Chapter 2 will apply.

360308. Advance of Pay

The following applies to a deceased member’s final pay computation:

A. Except for an advanced pay paid under the provisions of Chapter 32, paragraph 320203, when a member is in a combat zone and receiving imminent danger or hostile fire pay, advance pays that have not been repaid prior to the death of the member remain a debt to the United States for the unliquidated amount. Advance pays paid under paragraph 320203 and not fully collected at the time of death will not be collected against the estate of a deceased member.
B. A member may receive an early payment of pay and allowances due to a regular payday falling on a weekend or legal holiday. If the member dies before the last day of that pay period, then no collection will be taken for any extra days of pay received.
Table 36-1. Eligible Beneficiaries - Death Gratuity

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>lawful spouse</td>
<td>a man or woman legally married to a member at the time of death.</td>
</tr>
<tr>
<td>2</td>
<td>child, or children, without regard to age or marital status, in equal shares (note 2)</td>
<td>a legitimate child.</td>
</tr>
<tr>
<td>3</td>
<td>a legally adopted child.</td>
<td>a legally adopted child.</td>
</tr>
<tr>
<td>4</td>
<td>a stepchild if such child was a member of the decedent’s household.</td>
<td>a stepchild if such child was a member of the decedent’s household. If the marriage that gave rise to the stepparent-stepchild relationship has ended, see subparagraph 360204.B.7 for guidance.</td>
</tr>
<tr>
<td>5</td>
<td>an illegitimate child if the father acknowledged the child in writing signed by him; or was judicially ordered to contribute to the child’s support; or, was prior to his death judicially or otherwise shown by satisfactory evidence to be the father of the child; an illegitimate child of a female member as evidenced by birth certificate or other satisfactory evidence that member was mother of the child.</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>surviving parent(s) in equal shares (note 3)</td>
<td>the natural father or mother.</td>
</tr>
<tr>
<td>7</td>
<td>the father or mother through adoption.</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>other person(s)</td>
<td>any next of kin of the member entitled under the laws of the domicile of the member at the time of the member’s death.</td>
</tr>
</tbody>
</table>

NOTES:

1. A member may elect to designate one or more persons instead of or in addition to his/her spouse as beneficiary as defined in paragraph 360203. Unless a specific percentage is shown, payment is divided equally among all designated beneficiaries. If no designation was made, then the death gratuity is to be paid to the living survivor(s) first listed in column A. See paragraph 360203.

2. If any of the member’s children are deceased at the time of payment, payment is made to the descendants of deceased children, by representation. See subparagraph 360203.B.

3. Only one father or mother is recognized in any case. Give preference to those who exercised a parental relationship on the date, or most nearly before the date, on which the member died.

36-13
Table 36-2. Responsibility for Payment of Death Gratuity - General

<table>
<thead>
<tr>
<th>RULE</th>
<th>If the deceased</th>
<th>then payment is made by</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>was a member of the Army, Army National Guard, or Army Reserves (note 1)</td>
<td>the Defense Finance and Accounting Service (DFAS) Indianapolis (IN) or the member's servicing finance center as specified in Table 36-3.</td>
</tr>
<tr>
<td>2</td>
<td>was a member of the Navy or Navy Reserves (note 1)</td>
<td>DFAS Cleveland (CL) or the designated disbursing officer as specified in Table 36-4.</td>
</tr>
<tr>
<td>3</td>
<td>was a member of the Air Force, Air National Guard, or Air Force Reserves (note 1)</td>
<td>DFAS-IN or the finance office located nearest the beneficiary as specified in Table 36-5.</td>
</tr>
<tr>
<td>4</td>
<td>was a member of the Marine Corps or Marine Corps Reserve (note 1)</td>
<td>DFAS-CL as specified in Table 36-6.</td>
</tr>
<tr>
<td>5</td>
<td>is retired and dies within 120-days of retirement (note 2)</td>
<td>DFAS-CL, Retired and Annuitant Pay</td>
</tr>
<tr>
<td>6</td>
<td>was discharged under honorable conditions, and dies within 120-days of separation (note 2)</td>
<td>the DFAS site responsible for servicing the deceased member's military pay account.</td>
</tr>
<tr>
<td>7</td>
<td>is a member whose death is determined by administrative finding under the Missing Persons Act</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>was a member of a Senior ROTC (SROTC) (note 3)</td>
<td>the DFAS site that would have maintained the individual's military pay account.</td>
</tr>
<tr>
<td>9</td>
<td>is a person who dies while traveling to, from, or while at a place for final acceptance or for entry upon active duty (other than for training) in the Military Service; who has been ordered or directed to go to that place, and who has been provisionally accepted for that duty; or selected, under the Military Selective Service Act, for duty in that Military Service</td>
<td></td>
</tr>
</tbody>
</table>

NOTES:
1. Includes a National Guard or Reserve member who dies while traveling directly to or from active duty for training or inactive duty training.
2. Includes a former member who dies during the 120-day period beginning on the day following date of discharge or release, under honorable conditions, from active duty (including retirement for either disability or length of service). In this case, the Secretary of Veterans Affairs must determine that death resulted from disease or injury incurred or aggravated while the member was on active duty or while in authorized travel status to or from such duty.
3. Any member of a SROTC who dies while performing annual training duty under orders for a period of more than 13-days or while performing authorized travel to or from that annual training duty; or any applicant for membership in an ROTC who dies while attending field training or a practice cruise, or while performing authorized travel to or from the place where the training or cruise is conducted.
Table 36-3. Responsibility for Payment of Death Gratuity - Army

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
</tr>
</thead>
<tbody>
<tr>
<td>If the beneficiary is a(n)</td>
<td>then death gratuity is settled by</td>
<td></td>
</tr>
<tr>
<td>1 Adult</td>
<td>the deceased members' servicing finance office. (note 1)</td>
<td></td>
</tr>
<tr>
<td>2 Minor</td>
<td>DFAS-IN.</td>
<td></td>
</tr>
<tr>
<td>3 Doubtful case (note 2)</td>
<td>DFAS-IN.</td>
<td></td>
</tr>
</tbody>
</table>

NOTES:
1. The deceased member’s servicing finance office will be responsible for making payment for all adult beneficiaries who fall within the established guides of paragraph 360203.
2. Doubtful cases include:
   a. All cases coming under subparagraphs 360205.A, B, C, or any questionable cases under paragraph 360204;
   b. Common law widow or widower; or
   c. A member’s minor child, an adopted child without properly certified court adoption papers, and an illegitimate child.
Table 36-4. Responsibility for Payment of Death Gratuity - Navy

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>RULES</strong></td>
<td><strong>When eligibility of beneficiary or propriety of payment is</strong></td>
<td><strong>and determination is made that eligible beneficiary is</strong></td>
<td><strong>then death gratuity is paid by</strong></td>
</tr>
<tr>
<td></td>
<td>not doubtful</td>
<td>a lawfully designated beneficiary</td>
<td>Navy Casualty Assistance (N135C) certifies beneficiary and payment amount,</td>
<td>DFAS-CL upon authorization from N135C.</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td>beneficiary requests local payment, <strong>after</strong> N135C certifies beneficiary and payment amount,</td>
<td>the disbursing officer authorized by N135C to make payment.</td>
</tr>
<tr>
<td>3</td>
<td>doubtful (notes 1, 2, and 3)</td>
<td>required to be determined by N135C</td>
<td>N135C certifies beneficiary and payment amount,</td>
<td>DFAS-CL upon authorization from N135C.</td>
</tr>
</tbody>
</table>

**NOTES:**
1. Doubtful cases include “common law widow or widower.”
2. All cases coming under subparagraph 360204.F and paragraph 360205 are doubtful cases.
3. Doubtful cases include a member’s minor child, adopted child without properly certified court adoption papers, and an illegitimate child.
Table 36-5. Responsibility for Payment of Death Gratuity - Air Force

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>When eligibility of beneficiary or propriety of payment is</td>
<td>and determination is made that eligible beneficiary is and</td>
<td>then death gratuity is settled by</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>not doubtful</td>
<td>a lawful spouse (notes 1 and 2); or adult child or children (notes 2 and 3); or a designated relative (notes 2, and 4). Minor children are paid by DFAS along with those identified in rule 3</td>
<td>upon receipt of notification of death (note 5)</td>
<td>the finance officer located nearest the residence of the beneficiary</td>
</tr>
<tr>
<td>2</td>
<td>a designated non-relative</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>doubtful</td>
<td>one of those listed in notes 1, 2, and 3</td>
<td></td>
<td>DFAS-IN.</td>
</tr>
</tbody>
</table>

NOTES:
1. DFAS-IN settles death gratuity payment to “common-law widow or widower.”
2. DFAS-IN settles all cases coming under subparagraphs 360205.A, B, or C, and any questionable cases under subparagraph 360204.F.
3. DFAS-IN settles doubtful cases, including: all minor children, all adopted children without properly certified court adoption papers, and all illegitimate children.
4. Relatives consist of a member’s parents, brothers, sisters, or any combination thereof.
5. If death occurs while a member is on a Permanent Change of Station move, then the “losing” home installation notifies.
Table 36-6. Responsibility for Payment of Death Gratuity - Marine Corps

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>a lawful spouse or a designated parent</td>
<td>not doubtful</td>
<td>the spouse or parent resides with the member at or near member’s duty station or in the vicinity of the member's home port</td>
<td>the disbursing officer has access to member’s pay and service records</td>
<td>DFAS-CL upon Commandant of the Marine Corps Casualty Section authorization.</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>a lawful spouse, child or children, designated, or non-designated relatives (note1)</td>
<td>doubtful (notes 2, 3, and 4)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
<td>not doubtful</td>
<td>the relative did not reside with the member at or near member’s duty station or home port</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NOTES:
1. Relatives consist of a member's parents, brothers, sisters and other next of kin of the member entitled under the laws of domicile of the member at the time of the member's death.
2. Doubtful cases include “common law widow or widower.”
3. All cases coming under subparagraph 360204.F and paragraph 360205.
4. Doubtful cases include a member’s minor child, an adopted child without properly certified court adoption papers, and an illegitimate child.
*BIBLIOGRAPHY

CHAPTER 36 – PAYMENTS ON BEHALF OF DECEASED MEMBERS

3602 – DEATH GRATUITY

360201 Title 10, United States Code (U.S.C.), sections 1475-1480

* 360201.E 10 U.S.C. § 1475(a)(3)
360203 10 U.S.C. § 1477
360204.B.6 24 Comptroller General (Comp Gen) 320
360205.B 34 Comp Gen 103
360205.C.1 29 Comp Gen 294
31 Comp Gen 645
360206 10 U.S.C. § 1478
360209 37 Comp Gen 131

3603 – SETTLING DECEASED MEMBERS’ ACCOUNTS

360301 10 U.S.C. § 2771
37 U.S.C. § 501(d)
360301.A.1 37 U.S.C. § 427(a)(2)
360302 10 U.S.C. § 2771
Comp Gen B-187037, October 22, 1976
360304.B and C Comp Gen B-91021, February 6, 1950
360304.D 10 U.S.C. § 1477(d)(5)
360308.A 37 U.S.C. § 212(c)
37 U.S.C. § 1006(d)
360308.B 37 U.S.C. § 1006 (h)

Table 36-3 Military Pay E-Message 09-020

* Table 36-4 Military Personnel Manual 1770-280,
August 4, 2014
**VOLUME 7A, CHAPTER 37: “BENEFITS FOR MEMBERS HELD AS CAPTIVES”**

**SUMMARY OF MAJOR CHANGES**

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by *bold, italic, blue, and underlined font*.

The previous version dated January 2015 is archived.

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<th>PARAGRAPH</th>
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<th>PURPOSE</th>
</tr>
</thead>
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<td>All</td>
<td>Updated chapter formatting to comply with current administrative instructions.</td>
<td>Revision</td>
</tr>
<tr>
<td>370101</td>
<td>Added the “Purpose” and “Administrative Guidance” paragraphs to comply with current administrative instructions.</td>
<td>Addition</td>
</tr>
<tr>
<td>370102</td>
<td>Updated the address of the Office of the Under Secretary of Defense (Personnel and Readiness) (Military Personnel Policy/Compensation).</td>
<td>Revision</td>
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<td>Bibliography</td>
<td>Updated statutes and references in the bibliography.</td>
<td>Revision</td>
</tr>
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<td>SAVINGS ALLOTMENT</td>
</tr>
<tr>
<td></td>
<td>BIBLIOGRAPHY</td>
</tr>
</tbody>
</table>
CHAPTER 37

BENEFITS FOR MEMBERS HELD AS CAPTIVES

3701 GENERAL

*370101. Purpose

This chapter describes the policy provisions for benefits for members who are held as captives as determined by the Secretary of Defense (SecDef).

*370102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

3702 FORMER CAPTIVE PAYMENT


A former captive is a member who was held in a captive status. Entitlement may only be authorized by the SecDef. Once the SecDef makes a "hostile action" determination, which is the authority for former captive payments, the Military Service Secretaries will provide the names and dates of entitlements to their respective Defense Finance and Accounting Services (DFAS) Center. Entitlement dates may not include any of the following without specific case-by-case approval of the SecDef:

A. Dates in a captive status which are not dates of actual physical custody by a hostile force (for example, dates evading capture where the presence of a hostile force prevented escape or rescue); or

B. Dates that are doubtful that the missing status was the result of hostile action or was the result of membership in the Uniformed Services. Commanders will forward any request with justification via the appropriate Military Service chain of command. When authorized, the DFAS Center concerned will make payment.

370202. Rates

* A. For each day a member was held in a captive status, payment is 50 percent of the world-wide average per diem rate. Status beginning and ending days (for example, day of return to military control) are days of entitlement. Payment must be made within 1 year after the member's captive status ends. Rates will be obtained from the Office of the Under Secretary of Defense (Personnel and Readiness) (Military Personnel Policy/Compensation), 1500 Defense Pentagon, Washington, D.C. 20301-1500.
B. Former captives may receive more than the 50 percent rate when specifically approved by the SecDef. Recommendations justifying a higher percentage will be forwarded through command channels via the appropriate Military Service Secretary.

370203. Death of Member

If a member dies while in a captive status, any amount due is considered pay and allowances for the purposes of Chapter 34.

370204. Exceptions

A. The SecDef may defer payment for anyone (within the 1-year payment window) charged with a captivity-related offense and may deny payment if the member is convicted. If convicted, whether or not payment has been made, commanders will forward the case to the SecDef with justified recommendations for payment determination. Payments previously made and later denied must be collected.

B. No payment is authorized when the Congress specifically provides for prisoner of war (POW) compensation for captivity periods. See section 3703.

370205. Taxability

Payments to former captives generally are not taxable if the captive status resulted from the deprivation of personal rights, such as terrorist activity. However, if the captive status resulted from an engagement with another nation's armed forces, then payment may be taxable and reported as taxable income. See Chapter 44, Table 44-1 for possible applicability of the combat zone tax exclusion.

3703 POW COMPENSATION

Payment authorized by the Congress, for a specific period of captivity as a POW, is made by the Secretary of the Treasury, and is not considered to be a Uniformed Services pay and allowances entitlement. DFAS is not involved in this payment procedure or its tax reporting consequences.

3704 SAVINGS ALLOTMENT

Military Service Secretaries may allot part or all of a captive's pay and allowances (except what is already allotted) to an interest-bearing savings fund that is maintained by the Secretary of the Treasury. The Secretary of the Treasury establishes the withdrawal procedures for this savings fund.
CHAPTER 37 - BENEFITS FOR MEMBERS HELD AS CAPTIVES

3702  Former Captive Payment

- Title 5, United States Code (U.S.C.), Section 5569 (d) (2)
- 37 U.S.C. § 551
- 37 U.S.C. § 559 (c)
- Public Law 96-449, October 14, 1980
- Executive Order 12598, June 17, 1987

370204  37 U.S.C § 559 (a) (1)

3704  Savings Allotment

- 37 U.S.C. § 559 (b)
SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated April 2016 is archived.

<table>
<thead>
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<th>PARAGRAPH</th>
<th>EXPLANATION OF CHANGE/REVISION</th>
<th>PURPOSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table 38-1</td>
<td>Updated the rations rate for the calendar year 2018 in accordance with the “Food Service Charges at Appropriated Fund Dining Facilities and the Military Academies” as listed on the Office of the Under Secretary of Defense (Comptroller) website.</td>
<td>Revision</td>
</tr>
<tr>
<td>Bibliography</td>
<td>Updated references.</td>
<td>Revision</td>
</tr>
</tbody>
</table>
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CHAPTER 38

SERVICE ACADEMY CADETS, MIDSHIPMEN, AND SERVICE ACADEMY PREPARATORY SCHOOL STUDENTS

3801 GENERAL

380101. Purpose

This chapter establishes policy pertaining to the pay and allowances for cadets at the U.S. Military Academy, the U.S. Air Force Academy, the Coast Guard Academy, and midshipmen at the U.S. Naval Academy.

380102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

3802 ENTITLEMENTS

380201. Monthly Pay

Cadets at the U.S. Military Academy, the U.S. Air Force Academy, the Coast Guard Academy, and midshipmen at the U.S. Naval Academy are entitled to pay at the monthly rate of 35 percent of the basic pay of a commissioned officer in the pay grade O-1 with less than 2 years of service. This monthly rate is prescribed in Chapter 1, Table 1-7.

380202. Rations

Cadets and midshipmen are entitled to commuted rations at the daily rate established by the Office of the Under Secretary of Defense (Comptroller) as prescribed in Table 38-1.

380203. Incentive and Special Pays

Cadets and midshipmen are not entitled to incentive pay for hazardous duty or special pay for duty subject to hostile fire or imminent danger.

380204. Start and Stop Dates

See Table 38-2.

380205. Continuance of Pay and Allowances

Pay and allowances continue to accrue to cadets or midshipmen while they are absent in an official missing or missing-in-action status. See Chapter 34. Cadets and midshipmen also are entitled to full pay while traveling under orders.
380206. Death Benefits

Death gratuity entitlement and settlement of unpaid pay and allowances instructions are contained in Chapter 36.

380207. Settlement for Unused Accrued Leave

Cadets and midshipmen do not earn leave; therefore, they are not entitled to lump-sum leave benefits.

3803 OTHER STUDENTS

380301. Service Academy Preparatory School Students

A. A student at the U.S. Military Academy Preparatory School, the U.S. Naval Academy Preparatory School, or the U.S. Air Force Academy Preparatory School, who was selected to attend the preparatory school from civilian life, is entitled to monthly student pay at the same rate as provided for cadets and midshipmen.

B. A student at the U.S. Military Academy Preparatory School, the U.S. Naval Academy Preparatory School, or the U.S. Air Force Academy Preparatory School, who, at the time of the student’s selection to attend the preparatory school, was an enlisted member of the uniformed services, will receive the monthly basic pay at the rate prescribed for the student’s pay grade and years of service as an enlisted member or at the rate provided for cadets and midshipmen under section 3802, whichever is greater.

380302. Foreign Cadets and Midshipmen

Persons from a foreign nation, who are receiving instruction at the Military Service academies are entitled to the same pay, commuted rations, and travel and transportation allowances as are authorized for U.S. cadets and midshipmen.

3804 DEDUCTIONS FROM MONTHLY PAY

380401. Allotments

The Military Department concerned determines whether cadets and midshipmen may register allotments of pay.

380402. Collections of Indebtedness

For general policies and requirements relating to the collection of indebtedness, see Volume 16. Private indebtedness for services (e.g., laundry, dry cleaning, shoe repair) is not an indebtedness collectible under Volume 16.
380403. Servicemembers’ Group Life Insurance (SGLI)

Academy cadets and midshipmen are eligible for SGLI coverage while on full-time duty as a cadet or midshipman at a Service academy. See Chapter 47. Details covering the administration of the SGLI program for cadets or midshipmen are contained in the pay procedural instructions of the Military Service academy concerned.

380404. Taxes

The basic pay of cadets and midshipmen is subject to federal and state withholding tax (Chapter 44) and Federal Insurance Contribution Act tax (Chapter 45).

3805 ADVANCE PAY FOR CLOTHING AND EQUIPMENT PURCHASES

380501. General

The Secretary of the Military Department concerned prescribes the amount to be advanced each new cadet or midshipman to cover the cost of initial clothing and equipment. The amount advanced is deducted in regular installments from the cadet’s or midshipman’s monthly pay until fully collected. Any cadet or midshipman who is discharged (whether voluntarily or involuntarily) before graduation and before the total amount has been repaid, must turn in as much of the clothing and equipment of a distinctive military nature as is necessary to liquidate the balance owed.

380502. Discharge

If a cadet or midshipman is discharged and the value of the turned-in clothing and equipment does not cover the balance owed, then the value of the turned-in clothing and equipment is applied to the balance owed and the remainder of the advance owed is cancelled, regardless of reason for discharge.

3806 TRAVEL AND TRANSPORTATION ALLOWANCES

The travel and transportation allowances payable to cadets and midshipmen are prescribed in the Joint Travel Regulations, Chapter 3.
### Table 38-1. Ration Rates

<table>
<thead>
<tr>
<th>Effective</th>
<th>Breakfast</th>
<th>Lunch</th>
<th>Dinner</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 1, 1999</td>
<td>$1.05</td>
<td>2.15</td>
<td>2.15</td>
<td>$5.35</td>
</tr>
<tr>
<td>October 1, 2000</td>
<td>$1.05</td>
<td>2.20</td>
<td>2.20</td>
<td>$5.45</td>
</tr>
<tr>
<td>October 1, 2001</td>
<td>$1.10</td>
<td>2.25</td>
<td>2.25</td>
<td>$5.60</td>
</tr>
<tr>
<td>October 1, 2002</td>
<td>$1.15</td>
<td>2.30</td>
<td>2.30</td>
<td>$5.75</td>
</tr>
<tr>
<td>October 1, 2003</td>
<td>$1.20</td>
<td>2.35</td>
<td>2.35</td>
<td>$5.90</td>
</tr>
<tr>
<td>October 1, 2004</td>
<td>$1.25</td>
<td>2.55</td>
<td>2.55</td>
<td>$6.35</td>
</tr>
<tr>
<td>October 1, 2005</td>
<td>$1.30</td>
<td>2.60</td>
<td>2.60</td>
<td>$6.50</td>
</tr>
<tr>
<td>October 1, 2006</td>
<td>$1.30</td>
<td>2.65</td>
<td>2.65</td>
<td>$6.60</td>
</tr>
<tr>
<td>October 1, 2007</td>
<td>$1.35</td>
<td>2.80</td>
<td>2.80</td>
<td>$6.95</td>
</tr>
<tr>
<td>October 1, 2008</td>
<td>$2.10</td>
<td>3.85</td>
<td>3.85</td>
<td>$9.80</td>
</tr>
<tr>
<td>January 1, 2009</td>
<td>$2.30</td>
<td>4.25</td>
<td>4.25</td>
<td>$10.80</td>
</tr>
<tr>
<td>January 1, 2010</td>
<td>$2.30</td>
<td>4.25</td>
<td>4.25</td>
<td>$10.80</td>
</tr>
<tr>
<td>January 1, 2011</td>
<td>$2.30</td>
<td>4.25</td>
<td>4.25</td>
<td>$10.80</td>
</tr>
<tr>
<td>January 1, 2012</td>
<td>$2.45</td>
<td>4.55</td>
<td>4.55</td>
<td>$11.55</td>
</tr>
<tr>
<td>January 1, 2013</td>
<td>$2.50</td>
<td>4.60</td>
<td>4.60</td>
<td>$11.70</td>
</tr>
<tr>
<td>January 1, 2014</td>
<td>$2.55</td>
<td>4.65</td>
<td>4.65</td>
<td>$11.85</td>
</tr>
<tr>
<td>January 1, 2015</td>
<td>$3.45</td>
<td>5.55</td>
<td>4.85</td>
<td>$13.85</td>
</tr>
<tr>
<td>January 1, 2016</td>
<td>$3.05</td>
<td>4.90</td>
<td>4.30</td>
<td>$12.25</td>
</tr>
<tr>
<td>January 1, 2017</td>
<td>$3.05</td>
<td>4.95</td>
<td>4.30</td>
<td>$12.30</td>
</tr>
<tr>
<td>January 1, 2018</td>
<td>$3.05</td>
<td>4.95</td>
<td>4.30</td>
<td>$12.30</td>
</tr>
</tbody>
</table>

**NOTE:** If current year is not listed, see *Reimbursable Rates* in Tab G at the Office of the Under Secretary Defense (Comptroller) website.
Table 38-2. Dates to Start and Stop Pay and Allowances

<table>
<thead>
<tr>
<th>RULES</th>
<th>When a cadet or midshipman</th>
<th>then pay and allowances</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>has been admitted officially to one of the Service academies</td>
<td>start on the day of admission (note 1).</td>
</tr>
<tr>
<td>2</td>
<td>has been discharged and later reappointed to one of the Service academies</td>
<td>are stopped on date of discharge, and start again on day of reappointment (note 1).</td>
</tr>
<tr>
<td>3</td>
<td>has been dismissed by sentence of court-martial</td>
<td>stop on the date of termination of service as specified in orders directing dismissal.</td>
</tr>
<tr>
<td>4</td>
<td>has been dismissed from the academy by other than court-martial action before graduating</td>
<td>stop on date of dismissal.</td>
</tr>
<tr>
<td>5</td>
<td>dies before graduation</td>
<td>stop on the date of death.</td>
</tr>
<tr>
<td>6</td>
<td>is appointed a second lieutenant in the Army or Air Force upon graduation</td>
<td>stop on the day before the date of graduation.</td>
</tr>
<tr>
<td>7</td>
<td>is commissioned in the Regular Navy or Marine Corps</td>
<td>stop on the day before the date of formal acceptance of appointment.</td>
</tr>
<tr>
<td>8</td>
<td>is placed voluntarily in a leave without pay status</td>
<td>stop on the day before the member enters a leave without pay status. If the member is readmitted to the academy, then the pay and allowances start again, on the day of readmission.</td>
</tr>
<tr>
<td>9</td>
<td>is not appointed a second lieutenant in the Army immediately upon graduation</td>
<td>continue until the member is appointed a second lieutenant or is discharged (note 2).</td>
</tr>
</tbody>
</table>

NOTES:

1. An Oath of Allegiance must be taken before first payment is made.
2. In case of appointment, active duty pay is payable from date of graduation (Chapter 1, Table 1-3, Rule 5); therefore, an adjustment is necessary between cadet pay received and active duty pay due.
**BIBLIOGRAPHY**

**CHAPTER 38 – SERVICE ACADEMY CADETS, MIDSHIPMEN, AND SERVICE ACADEMY PREPARATORY SCHOOL STUDENTS**

3802 – ENTITLEMENTS

<table>
<thead>
<tr>
<th>Code</th>
<th>Reference</th>
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</thead>
<tbody>
<tr>
<td>380201</td>
<td>Title 37, United States Code (U.S.C.), section 203(c)</td>
</tr>
<tr>
<td>380202</td>
<td>37 U.S.C. § 422(b)</td>
</tr>
<tr>
<td></td>
<td>43 Comptroller General (Comp Gen) 94</td>
</tr>
<tr>
<td>380203</td>
<td>30 Comp Gen 31</td>
</tr>
<tr>
<td></td>
<td>47 Comp Gen 781</td>
</tr>
<tr>
<td>380206</td>
<td>26 Comp Gen 373</td>
</tr>
<tr>
<td>380207</td>
<td>37 U.S.C. § 504</td>
</tr>
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</table>

3803 – OTHER STUDENTS

<table>
<thead>
<tr>
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<th>Reference</th>
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</thead>
<tbody>
<tr>
<td>380302</td>
<td>10 U.S.C. § 347</td>
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3804 – DEDUCTIONS FROM MONTHLY PAY

<table>
<thead>
<tr>
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<th>Reference</th>
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3805 – ADVANCE PAY FOR CLOTHING AND EQUIPMENT PURCHASES

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<tr>
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<tr>
<td></td>
<td>10 U.S.C. §§ 4350, 6960, 9350</td>
</tr>
<tr>
<td></td>
<td>Defense Finance and Accounting Service - Denver Memo, May 21, 2002</td>
</tr>
</tbody>
</table>

*Table 38-1*  
Office of Under Secretary of Defense (Comptroller) Memo, December 4, 2017

*Table 38-2*  
Rule 6  
37 U.S.C. § 204(f)

Rule 8  
46 Comp Gen 261
VOLUME 7A, CHAPTER 39: “PAY OF SERVICE ACADEMY OFFICIALS”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

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<th>EXPLANATION OF CHANGE/REVISION</th>
<th>PURPOSE</th>
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<td>All</td>
<td>Updated hyperlinks and formatting to comply with current administrative instructions.</td>
<td>Revision</td>
</tr>
<tr>
<td>390101</td>
<td>Inserted “Purpose” and “Authoritative Guidance” paragraphs to comply with administrative instructions.</td>
<td>Addition</td>
</tr>
<tr>
<td>390102</td>
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3902 PROVISIONS ................................................................................................................ 3
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3904 PERSONAL MONEY ALLOWANCES ....................................................................... 3
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3906 LEAVE OF ABSENCE - FACULTY AND OTHER OFFICERS ................................ 4
3907 TRAVEL AND TRANSPORTATION ALLOWANCES ............................................. 4
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CHAPTER 39

PAY OF SERVICE ACADEMY OFFICIALS

3901  GENERAL

*390101.  Purpose

This chapter establishes policy guidance pertaining to the pay of Military Service academy officials.

*390102.  Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

3902  PROVISIONS

A commissioned officer serving as an appointed official at a Military Service academy is entitled to the pay grade, pay, and allowances held by law for the position. A commissioned officer detailed as an official at a Military Service academy is not entitled to an increase in pay and allowances because of such detail, except as provided. The leader of the Naval Academy Band has the pay grade prescribed for such positions by the Secretary of the Navy.

3903  PAY AND ALLOWANCES

The pay and allowances authorized for academy officials are indicated in Table 39-1 (Pay and Allowances - Academy Officials).

3904  PERSONAL MONEY ALLOWANCES

The personal money allowances authorized for the Superintendent of the United States Naval Academy and the Commandant of Midshipmen may be spent at their discretion for the contingencies of their positions. See Chapter 31.

3905  LIBRARIAN

An officer of the Regular Army retired from active service may be detailed on active duty to serve as librarian of the United States Military Academy. While serving as librarian, the officer is entitled to the pay and allowances prescribed for the officer’s grade and cumulative years of service. Include the time spent in retirement in the computation of the officer’s cumulative years of service.
3906 LEAVE OF ABSENCE - FACULTY AND OTHER OFFICERS

Professors, assistant professors, instructors, and other officers at either the United States Military Academy or the United States Air Force Academy may be granted a leave of absence for the period of suspension of the ordinary academic studies. Such leave is allowed to be granted by the superintendent concerned without deduction of pay and allowances.

3907 TRAVEL AND TRANSPORTATION ALLOWANCES

Members serving as officials at Military Service academies are entitled to the travel and transportation allowances prescribed in the Joint Travel Regulations, Chapter 4.
Table 39-1. Pay and Allowances — Academy Officials

<table>
<thead>
<tr>
<th>Rule</th>
<th>Official</th>
<th>A: When an officer is serving as</th>
<th>B: at the United States</th>
<th>C: then the officer is entitled to the pay and allowances prescribed for</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Superintendent</td>
<td>X</td>
<td>X</td>
<td>the officer’s military grade and cumulative years of service.</td>
</tr>
<tr>
<td>2</td>
<td>Dean of the Academic Board</td>
<td></td>
<td>X</td>
<td>the officer’s military grade and cumulative years of service, plus a personal money allowance of $5,200 per year.</td>
</tr>
<tr>
<td>3</td>
<td>Dean of the Faculty</td>
<td>X</td>
<td></td>
<td>a brigadier general using the officer’s cumulative years of service.</td>
</tr>
<tr>
<td>4</td>
<td>Commandant of Cadets</td>
<td></td>
<td></td>
<td>the officer’s military grade and cumulative years of service.</td>
</tr>
<tr>
<td>5</td>
<td>Commandant of Midshipmen</td>
<td></td>
<td>X</td>
<td>the officer’s military grade and cumulative years of service, plus a personal money allowance of $800 per year (note 1).</td>
</tr>
<tr>
<td>6</td>
<td>Permanent Professor</td>
<td>X</td>
<td>X</td>
<td>is serving as head of a department or has been a permanent professor for more than 6 years a colonel using the officer’s cumulative years of service.</td>
</tr>
<tr>
<td>7</td>
<td></td>
<td></td>
<td></td>
<td>is not serving as head of a department and has been a permanent professor for 6 years or less a lieutenant colonel using the officer’s cumulative years of service (note 2).</td>
</tr>
</tbody>
</table>
### Table 39-1. Pay and Allowances — Academy Officials (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>When an officer is serving as</td>
<td>at the United States</td>
<td>and</td>
<td>then the officer is entitled to the pay and allowances prescribed for</td>
</tr>
<tr>
<td>9</td>
<td>Permanent Professor</td>
<td>X</td>
<td>has over 36 years of creditable service for pay purposes</td>
<td>the officer’s military grade and cumulative years of service, plus additional pay of $250 per month (note 3).</td>
</tr>
<tr>
<td>10</td>
<td>Director of Admissions</td>
<td>X</td>
<td>X</td>
<td>has served as Director of Admissions for more than 6 years a colonel using the officer’s cumulative years of service (note 4).</td>
</tr>
<tr>
<td>11</td>
<td>Naval Academy Band Leader</td>
<td>X</td>
<td>has served as Director of Admissions for 6 years or less a lieutenant colonel using the officer’s cumulative years of service (notes 2 and 4).</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Second Naval Academy Band Leader</td>
<td>X</td>
<td></td>
<td>the grade prescribed by the Secretary of the Navy (note 5).</td>
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<td>a warrant officer W-1 using the officer’s cumulative years of service.</td>
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### NOTES:
1. See Chapter 31, Table 31-1, rule 8.
2. A person appointed from the Regular Army or the Regular Air Force as a permanent professor or the Director of Admissions, who has served in that position for 6 years or less, is entitled to the pay of a colonel after the date on which he or she would have been promoted had he or she been selected for promotion from among officers in the promotion zone.
3. Do not use the additional pay in computation of retired pay.
4. An officer detailed to serve as Director of Admissions, who is serving in a temporary grade higher than those shown in column D, rules 10 and 11, is entitled to the pay and allowances prescribed for the higher temporary grade in which the officer is serving.
5. Compute the applicable number of cumulative years of service as outlined in Chapter 1.
BIBLIOGRAPHY

CHAPTER 39 – PAY OF SERVICE ACADEMY OFFICIALS

3902 – PROVISIONS

Title 37, United States Code (U.S.C.), section 207(e)
37 U.S.C. § 424

3903 – PERSONAL MONEY ALLOWANCES

37 U.S.C. § 414(b)

3906 – LEAVE OF ABSENCE - FACULTY AND OTHER OFFICERS

10 U.S.C. § 4341
10 U.S.C. § 9341

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10 U.S.C. § 9336(a)

Note 3 37 U.S.C. § 203(b)

Note 4 10 U.S.C. § 4336(c)
10 U.S.C. § 9336(c)
VOLUME 7A, CHAPTER 40: “GENERAL PROVISIONS GOVERNING ALLOTMENTS OF PAY (OTHER THAN CHILD AND SPOUSAL SUPPORT ALLOTMENTS REQUIRED BY LAW)”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by **bold, italic, blue, and underlined font**.

The previous version dated **May 2016** is archived.

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CHAPTER 40

GENERAL PROVISIONS GOVERNING ALLOTMENTS OF PAY
(OTHER THAN CHILD AND SPOUSAL SUPPORT ALLOTMENTS REQUIRED BY LAW)

4001 GENERAL

400101. Purpose

This chapter prescribes the general policy for all allotments authorized for deduction from a member’s pay account. Military personnel identified in section 4004 may authorize allotments from their pay for the purposes set forth in Chapters 40, 42, and 43. The provisions of this chapter do not apply to child and spousal support allotments started as required by law when a member fails to make periodic payments under a support order. See Chapter 41 for applicable provisions under those circumstances.

400102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

4002 ADMINISTRATION OF ALLOTMENTS

400201. Establishment, Discontinuance, and Changes to Existing Allotments

An allotment may be established, discontinued, or changed using a properly executed Department of Defense Form 2558, commonly referred to as DD Form 2558. Authorization to Start, Stop or Change an Allotment, a written request from a member (or from an agent acting under a specific power of attorney), or an automated data exchange system (from specific organizations). A Service member’s written signature is not required to effect an allotment from pay when automated data exchange is utilized. Members are permitted to use automated computer programs that allow using a personal identification number to establish, discontinue, or change an allotment. Allotments will be established, discontinued, or changed only after the member’s identity has been validated.

400202. Administrative Changes

An allottee may make administrative changes without the member’s consent. Administrative changes are changes to a financial institution name, address, account number, or routing transit number. Administrative changes will only be made after validation of the allottee’s identity.

400203. Administrative Stoppage

When a financial institution notifies the member’s servicing allotment payment office that the member’s account has been canceled or terminated, the payment office will administratively
stop the allotment. The servicing allotment payment office will immediately credit any monies it receives from the financial institution to the member’s account and notify the member of the allotment stoppage.

4003 AUTHORIZED ALLOTMENTS

400301. General

Voluntary allotments of military pay and allowances by Service members in active Military Service are limited to discretionary and non-discretionary allotments.

400302. Discretionary Allotments

Members are authorized no more than six discretionary allotments. To start a discretionary allotment on and after January 1, 2015, members will certify that, “Under the penalty of the Uniform Code of Military Justice, I certify that this allotment is NOT for the purchase, lease, or rental of personal property or payment toward personal property.” Authorized discretionary allotments include:

A. Deposits to a financial institution, mutual fund company, or investment firm (for other than the prohibited purposes listed in subparagraph 400303.A);

B. Voluntary payment to a dependent or other relative. (Members may designate discretionary allotments to a spouse, former spouse(s), other dependents, and/or relative(s) not legally designated as a dependent(s). Support allotments may be made payable directly to a court, a state agency, a court trustee, a welfare agency, or to a child’s guardian or custodian. This allotment may be made payable to a financial organization for credit to the allottee’s account);

C. Payment of premiums for insurance;

D. Payment of mortgage or rent for real property; and

E. Deposits into the Savings Deposit Program.

400303. Discontinuance and Grandfathering of Discretionary Allotments

A. Discontinuance

Effective January 1, 2015, members are not authorized to start allotments for the purchase, lease, or rental of personal property. Personal property includes vehicles (e.g., automobiles, motorcycles, or boats), appliances or household goods (e.g., a washer, dryer, furniture), electronics (e.g., a laptop, tablet, cellphone, or television), and other consumer items that are tangible and movable.
B. Grandfathering

Allotments described in subparagraph 400303.A that exist on a member’s pay account prior to January 1, 2015, may continue, and members may change the amount of these existing allotments.

400304. Non-Discretionary Allotments

Non-discretionary allotments of military pay and allowances by members in active Military Service are limited to the following:

A. Purchase of U.S. savings bonds through TreasuryDirect®;

B. Repayment of loans to the Army Emergency Relief, Navy and Marine Corps Relief Society, Air Force Aid Society, and American Red Cross;

C. Voluntary liquidation of indebtedness to the United States that includes the following:
   1. Indebtedness incurred due to defaulted notes insured by the Federal Housing Administration or guaranteed by the Department of Veterans Affairs; and
   2. Payment of amounts due under the Retired Serviceman’s Family Protection Plan, in the case of retired Military Service members serving on active duty;

D. Any other indebtedness to any department or agency of the U.S. Government (except to the Military Department that pays the member);

E. Any repayment of debts owed to an organization for funds administered on behalf of the U.S. Government and any such debts assigned to a collection agency;

F. Payment for pledges for charitable contributions to the following:
   1. Combined Federal Campaign (CFC); only one such allotment is authorized for any Military Service member; and
   2. Army Emergency Relief, Navy and Marine Corps Relief Society, or Affiliates of the Air Force Assistance Fund; only one such allotment is authorized for any Military Service member;

G. Allotments to the Department of Veterans Affairs for deposit to the Post-Vietnam Era Veterans Educational Assistance Program. The allotment must be divisible by $5 and with a minimum amount of $25 and not more than $100. Upon the Service member’s authorization, the allotment must run a minimum of twelve consecutive months, unless the member suspends participation or terminates enrollment due to personal hardship or release from active duty;
H. Payment of delinquent federal, state, or local income or employment taxes; and

I. Lease payments when members are assigned to privatized housing units under the Military Housing Privatization Initiative. See Chapter 43, section 4304.

4004 ELIGIBLE ALLOTTERS

400401. Members on Extended Active Duty

Commissioned and warrant officers, and enlisted members on extended active duty may make pay allotments.

400402. Allotments Continued to Retired Status

To aid members in the transition from active duty to retired status, members on active duty may transfer all existing authorized discretionary allotments to the retired pay system as approved allotments.

4005 PAY AND ALLOWANCES WHICH MAY BE ALLOTTED

400501. Maximum Amount for Allotment

For members assigned within the continental United States, include the following items in computing the maximum amount of pay and allowances that may be allotted:

A. Basic Pay;

B. Basic allowance for housing for members with dependents and members without dependents including family separation housing;

C. Basic allowance for subsistence;

D. Incentive Pays:
   1. Aviation Incentive Pay;
   2. Critical Skills Incentive Pay;
   3. Hazardous Duty Pay; and
   4. Submarine Duty Pay; and

E. Special Pays:
   1. Assignment Incentive Pay;
2. Health Professions Officers Special and Incentive Pays to include:
   a. Board Certification Pay; and
   b. Incentive Pay;

3. Career Sea Pay;

4. Career Sea Pay Premium;

5. Continuation Pays for Nuclear-Qualified, Engineering and Scientific, Judge Advocate, and Surface Warfare Officers;

6. Designated Unit Pay;

7. Diplomate Pay for Psychologists;

8. Diving Duty Pay;

9. Enlisted Members Extending at Designated Overseas Locations;

10. Officers Holding Position of Unusual Responsibility and of a Critical Nature; and


400502. Members Assigned Outside the Continental United States

Include the following pay and allowance items in addition to those listed in paragraph 400501:

A. Cost-of-Living Allowance;

B. Family Separation Allowance – Restricted only;

C. Family Separation for Housing Allowance;

D. Hardship Duty Pay;

E. Hostile Fire/Imminent Danger Pay (applies only to members in designated areas); and

F. Overseas Housing Allowance.
400503. Amounts Withheld from Pay and Allowances

The following amounts must be withheld from the maximum amount of pay and allowances that may be allotted:

A. Federal, state, and Federal Insurance Contributions Act taxes;

B. The repayment of debts properly chargeable against a member’s pay account (does not include repayments of advance pay);

C. Premiums of Servicemembers’ Group Life Insurance (SGLI) and Family SGLI; and

D. Montgomery GI Bill deduction.

400504. Commander’s Restriction

Commanders may further restrict the total amount a member may allot when necessary to help the member meet essential personal needs.

4006 PERIODS OF ALLOTMENTS

Allotments will deduct for indefinite periods except those made to Military Service relief organizations; to the American Red Cross; to the U.S. Government for either repayment of indebtedness or payment of delinquent federal income taxes; for CFC charity drive donations; or for payment of delinquent state or local income or employment taxes.

4007 ALLOTMENT PAYMENT OFFICES

400701. Air Force and Army

Defense Finance and Accounting Service (DFAS)-Indianapolis pays all Army and Air Force allotments.

400702. Marine Corps and Navy

DFAS-Cleveland pays all Marine Corps and Navy allotments.

4008 SPECIAL SITUATIONS

400801. Minors

Allotments may not be made payable to children under 16 years of age, but may be made payable to the children’s guardian or custodian. Members’ spouses are authorized allottees regardless of their age.
400802. Mentally Incompetent Persons

Allotments may not be made payable to mentally incompetent persons. However, they may be made payable to a guardian or to the institution where a mentally incompetent person is confined.

400803. Power of Attorney

The holder of a member’s special power of attorney may use that document to establish, change, or stop an allotment. The special power of attorney must specifically state the authority to establish, change, or stop allotments. A general power of attorney is not acceptable to establish, change, or stop an allotment.

400804. Member Awaiting Trial by Court Martial.

A. Members may not register allotments between the date that a Court Martial is ordered and the date of the approval or disapproval of the sentence, except when the convening authority has instructed a member to establish an allotment for deferred forfeitures.

B. Discontinue allotments whenever:

1. It is necessary to permit collection of the forfeiture in the monthly amount specified and within the time limitation stated in the Court Martial sentence; or

2. A member is sentenced to forfeit all pay and allowances due from the date the convening authority approves the sentence. This applies even though the convening authority defers the forfeitures and suspends the discharge when ordering the sentence into execution.

C. A prisoner may register allotments provided the amount of pay and allowances not forfeited is sufficient to cover allotment deductions.

400805. Returned Absentees, Deserters, and Prisoners

Allotments will not be registered for a returned absentee or deserter, unless the paying DFAS site has verified the member’s pay status.

400806. Fraudulent Enlistment

When pay is suspended pending final action on the determination of fraudulent entitlement, pay and allowances are not eligible for allotment.

400807. Reduced Pay of Allotter

Allotments are discontinued when a reduction in grade or stoppage of pay results in insufficient funds for allotments in effect.
4009 RIGHT TO ALLOTMENT IN CASE OF DEATH

400901. Death of Allotter

Upon the death of the member, all allotments are revoked. After receipt of notice of the member’s death, the paying allotment office will not make further allotment payments. Deductions made from the member’s pay, but not paid to the allottee, become part of the member’s arrears of pay. The issuance of a check for an allotment does not constitute payment until it is negotiated and the payee collects the amount. Consequently, an amount for which an allotment check was issued becomes part of the member’s arrears of pay when the allotment check is not negotiated. Allotments paid after the member’s death may not be collected from the allottee, with two exceptions:

A. Allotments established erroneously after notice of the member’s death; and

B. Unearned insurance premiums (insurance premiums paid 1 month in advance of the day payment is due). See Military Service procedural instructions for actions required by the disbursing officer maintaining the pay account.

400902. Death of Allottee

When an allottee does not cash or negotiate an allotment check prior to the allottee’s death, the check, even if it has been endorsed, does not become part of an allottee’s estate. It is not subject to any expense incurred by, or on behalf of, the allottee before or after death. Unnegotiated allotment checks will be returned to the office from which they were issued. Allotment checks that have been returned will be credited to the member’s account or paid in accordance with Military Service instructions if the member has been separated from the Military Service.

4010 ALLOTMENT OVERPAYMENT RESPONSIBILITIES

Reference Volume 5, Chapter 5, section 0507 for determination of liability for disbursing officers. For collections of debts owed to the Department of Defense, refer to Volume 16.
CHAPTER 40 - GENERAL PROVISIONS GOVERNING ALLOTMENTS OF PAY (OTHER THAN CHILD AND SPOUSAL SUPPORT ALLOTMENTS REQUIRED BY LAW)

4001 - GENERAL

Title 37, United States Code (U.S.C.), section 701

4003 - AUTHORIZED ALLOTMENTS

400302 Office of the Under Secretary of Defense (OUSD) Comptroller (C) Memo, November 21, 2014

400303 OUSD (C) Memo, November 21, 2014


4009 - RIGHT TO ALLOTMENT IN CASE OF DEATH

Comptroller General Decision (Comp. Gen.) B-225873.2, March 28, 1991

Comp. Gen. B-225873, September 25, 1987

Comp. Gen. B-169453, April 20, 1970
VOLUME 7A, CHAPTER 41: “GARNISHMENTS AND OTHER INVOLUNTARY ALLOTMENTS”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

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CHAPTER 41

GARNISHMENTS AND OTHER INVOLUNTARY ALLOTMENTS

4101 GENERAL

*410101. Purpose

This chapter establishes policy for garnishments assessed against members, allotments for child and spousal support, levies against member’s pay and allowances for child support obligations, and involuntary allotments of pay for debt collections other than child or spousal support.

*410102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

4102 GARNISHMENT OF PAY FOR ENFORCEMENT OF CHILD SUPPORT AND ALIMONY OBLIGATIONS

410201. General

A. The processing of garnishment orders for child support and/or alimony from the pay of individuals receiving remuneration for employment from the United States is governed by Title 42, United States Code (U.S.C.), section 659 and Title 5, Code of Federal Regulations, part 581. The purpose of this section is to provide information unique to the collection of child support and/or alimony from the pay of active duty members and members of the Reserve Components (RC). The provisions of 42 U.S.C. § 659 and 5 CFR 581 take precedence when in conflict with this chapter.

B. Moneys due from or payable by the United States to active duty members and members of the RC not on active duty are subject to legal process to enforce a legal obligation to pay child support or alimony. Legal process issued by foreign courts may be honored under this authority if issued by a court of competent jurisdiction of a country with which the United States has an agreement, requiring the United States to honor such process. Such an agreement has been reached with the Federal Republic of Germany for cases where active duty members are stationed in the Federal Republic of Germany (see paragraph 410208 for additional information). When the law of the state or foreign nation in which the issuing court is located conflicts with the federal law, the more restrictive law applies.

410202. Legal Process Defined

Legal process is any writ, order, summons, or other similar process in the nature of a garnishment action. Legal process may be issued by:
A. A court of competent jurisdiction within any state, territory, or possession of the United States;

B. A court of competent jurisdiction in any foreign country with which the United States has entered into an agreement that obligates the United States to honor such process; or

C. An authorized official according to an order of such a court of competent jurisdiction or pursuant to state or local law.

410203. Pay Subject to Garnishment

Except for amounts excluded under paragraph 410204, all moneys due uniformed personnel, regardless of duty status or component, which are considered to be based upon remuneration for employment, are subject to garnishment. The items of pay and bonuses subject to legal process include the following:

A. Basic pay (including Military Service academy cadet, academy officials, and midshipmen pay), but excluding reduction for educational benefits under the Montgomery G.I. Bill (MGIB);

B. Special pay (including enlistment and reenlistment bonuses);

C. Incentive pay;

D. Accrued leave payments (basic pay portion only);

E. Readjustment pay;

F. Severance pay (including disability severance pay);

G. Lump-Sum Reserve bonus;

H. Inactive duty training pay; and

I. Separation pay, Voluntary Separation Incentive (VSI), Special Separation Benefit (SSB), Reservists’ Special Separation Pay, and Reservists’ Involuntary Separation Pay.

410204. Pay and Allowances Not Subject to Garnishment

The following items of pay and allowances are not subject to legal process:

A. Basic allowance for subsistence;

B. Basic allowance for housing;
C. Family separation allowance;
D. Station allowances;
E. Clothing allowances-enlisted;
F. Uniform allowances-officers;
G. Personal money allowance;
H. Discharge gratuity;
I. Position Pay (Navy only);
J. Reserve Officer Training Corps subsistence allowance;
K. Death gratuity;
L. Allowance for recruiting expenses;
M. Travel and transportation allowances; and
N. Armed Forces Health Professions Scholarship Program monthly stipend.

410205. Disposable Earnings

Disposable earnings are a member’s gross pay subject to garnishment less deductions for the following items, which are not subject to legal process:

A. Amounts withheld in payment of debts owed to the United States, except that an indebtedness based on a levy for income tax under 26 U.S.C. § 6331 will not be excluded in complying with legal process for the support of minor children if the legal process was entered prior to the date of the levy;

B. Regular Federal income tax withholding (FITW) and State income tax withholding (SITW):

1. When required or authorized by law; or
2. When amounts withheld are not greater than would be the case if the individual claimed all dependents to which he/she were entitled.

A deduction for additional FITW is authorized when the individual presents evidence of a tax obligation which supports the additional withholding;

C. Federal Insurance Contribution Act (FICA) tax;
D. Armed Services Retirement Home;
E. Servicemember’s Group Life Insurance premiums;
F. Retired Serviceman’s Family Protection Plan premiums;
G. Survivor Benefit Plan premiums;
H. Thrift Savings Plan contributions; and
I. Other amounts required by law to be deducted (e.g., fines and forfeitures ordered by a court-martial or a commanding officer).

410206. Maximum Amount of Pay Subject to Garnishment

Unless a lower maximum garnishment limitation is provided by applicable State or local law, the maximum part of disposable earnings for any pay period which is subject to legal process will not exceed:

A. Fifty percent of disposable earnings if the member concerned asserts by affidavit or other acceptable evidence that he or she is providing over half of the support for a spouse or dependent child (other than a spouse or dependent child with respect to whose support the legal process is issued);

B. Sixty percent if the member concerned is not supporting a spouse or dependent child; or

C. If it appears from the face of the legal process that the member is in arrears for a period which is 12 weeks prior to the beginning of that pay period, then the maximum percentage under subparagraph 410206.A, is 55 percent and under subparagraph 410206.B, is 65 percent.

410207. Allotments to Be Discontinued

A. The following allotments are subject to legal process. When possible, allow the member to determine which allotments are to be stopped. If the member refuses or is unable to advise which allotment should be stopped to permit compliance with the legal process, then the allotments will be involuntarily stopped in the following order:

1. Combined Federal Campaign (CFC) - Charity Drive;
2. US Savings Bond;
3. Financial organizations;
4. MGIB contributions;
5. Repay loans to Service Relief Agencies and Red Cross;
6. Payment to dependents/relatives;
7. Emergency payment to dependents;
8. Repay home loans;
9. Insurance-commercial life, health, and dental insurance;
10. Navy-Mutual Aid Insurance; and

B. The allotments of pay for the repayment of indebtedness to the United States and repayment of delinquent federal taxes are not subject to legal process and should not be stopped.

410208. Agents Designated to Accept Legal Process

A. The Director, Garnishment Operations, or designated representatives, are responsible for receiving and processing all legal processes concerning active duty members and members of the RC not on active duty. Any legal process for the purpose of enforcing an obligation to pay child support and/or alimony served on Department of Defense (DoD) entities, other than those served in accordance with subparagraph 410208.B, will be forwarded to the following designated address for processing.

Director, Garnishment Operations
DFAS Cleveland
PO Box 998002
Cleveland, OH 44199-8002

B. In the case of active duty members stationed in the Federal Republic of Germany, all legal processes issued by German courts are to be served in the manner prescribed by German law to the appropriate liaison agency listed for such members.

1. Army, Navy and Marine Corps
Office of the Judge Advocate
HQ USAREUR
Postfach 42 02 24
65103 Wiesbaden
2. **Air Force**
HQ USAFE/JAIS
Gegaude 527
Ramstein-Flugplatz
66877 Ramstein-Miesenbach

Legal processes issued by German courts, and received by the liaison agencies listed in paragraph 410208.B, will be reviewed to determine whether they comply with applicable German law. In addition, the liaison agencies will determine whether the member was served notice and certification of service issued in accordance with the provisions of Article 32(1)(a) of the German Supplementary Agreement in the prior German court proceeding which resulted in an order creating the member's obligation to pay child support or alimony. Once the appropriate liaison agency listed in paragraph 410208.B determines that legal process issued by a German court is legally sufficient and in compliance with the notice provisions of Article 32(1)(a), the legal process will be implemented or forwarded to the appropriate official designated in subparagraphs 410208.A for appropriate processing. The legal process terminates when the active member is no longer stationed in the Federal Republic of Germany, or if the liaison agencies receive a termination order.

410209. **Implementing Legal Process**

Once a legal process has been served in the United States, the designated agent indicated in subparagraph 410208.A, will take, or initiate the following actions:

A. Review the legal process to determine whether it is regular on its face, appears to conform to the laws of the jurisdiction from which it was issued, was issued to enforce a member’s legal obligation to provide child support and/or alimony, and contains sufficient information to accurately identify the member;

B. Notify the member within 15 calendar days after valid service of legal process. The written notification will explain the potential effect of the legal process on the member’s pay, including allotments, and advise the member that the member has the burden of raising any available defenses, such as lack of personal jurisdiction or failure to comply with the Servicemembers Civil Relief Act, in the appropriate court. A copy of the legal process will be included with the written notice. The notice will be sent to the member’s address of record in the military pay system. Where the designated agent has the capability to make notification through electronic means, such as E-mail, the notice will be made using those electronic means;

C. Within 30 calendar days of effective service, or such longer period as may be allowed by applicable State law:

1. Determine the amount of the member’s disposable earnings;

2. Where required, file an answer to the legal process with the court in which the proceeding was brought and answer any interrogatories regarding the pay and
allowances due the member. The designated agent may use its standard answer form for this purpose; and

3. Pay the amount due pursuant to legal process. Governmental agencies, including DoD agencies, are not required to vary their pay or disbursing cycles to comply with legal process;

D. If the designated official is served with legal process concerning more than one legal obligation owed by the same member, then the legal obligations will be satisfied from the available funds in the following order of priority:

1. Legal process to enforce current support will have priority over legal process to enforce support arrearages;

2. Legal process to enforce current child support will have priority over legal process to enforce current alimony;

3. Legal process to enforce a child support and/or alimony obligation will have priority over involuntary allotments of pay to enforce commercial debts (see section 4105); and

4. If the legal process is to enforce more than one child support obligation, and there are not enough funds available to fully satisfy all legal processes served, then the available funds will be allocated among the obligations in proportion to the amounts of current child support due. All other obligations will be satisfied on a first-come, first-served basis; and

E. Where notice is received that the member has appealed either the legal process or the underlying alimony and/or child support order, payments of money subject to the legal process will be suspended (continue to be withheld), and will be retained by the Government until Defense Finance and Accounting Service (DFAS) is ordered by a court, or other authority, to resume payments or otherwise disburse the suspended amounts. Pending the outcome of the appeal, payments will comply with the applicable laws of the jurisdiction where the appeal is filed.

410210. Indemnification

A. Neither the DoD, nor any officer or employee, will be liable for any payment made from moneys due from, or payable by, the DoD to any individual pursuant to legal process regular on its face, if such payment is made in accordance with 42 U.S.C. § 659, 5 CFR 581, and this section.

B. Neither the United States, nor any disbursing officer or any governmental entity, will be liable under this part to pay monetary damages for failure to comply with a legal process.
4103 STATUTORY ALLOTMENTS FOR CHILD AND SPOUSAL SUPPORT

410301. General

A. The processing of statutory allotments for child support and/or alimony from the pay of active duty military members is governed by 42 U.S.C. § 665 and 32 CFR 54. These authorities take precedence when in conflict with this section.

B. Upon proper notification from an authorized person, DFAS will start a statutory child or child and spousal support allotment from the pay and allowances of a member on extended active duty when the member has failed to make periodic payments, under a support order, in an amount equal to the support payable for 2 months or longer.

410302. Definitions

The following definitions apply to this section.

A. Authorized Person. Any agent or attorney of any state having in effect a plan approved under 42 U.S.C. § 651 et seq., who has the duty or authority to seek recovery of any amounts owed by a member as child or child and spousal support; and the court that has the authority to issue an order against a member for the support and maintenance of a child, or any agent of such court.

B. Child Support. Periodic payments for the support and maintenance of a child or children, subject to and in accordance with state or local law. This includes, but is not limited to, payments to provide for health care, education, recreation, and clothing, or to meet other specific needs of the child or children.

C. Designated Official. The designated official is the DFAS Site Director or designee authorized to receive and to process notices under this chapter. The DFAS designated official and address is:

Director, Garnishment Operations
DFAS Cleveland
PO Box 998002
Cleveland, OH  44199-8002

D. Notice. A notice is a court order, letter, or similar documentation issued by an authorized person providing notification that a member has failed to make periodic support payments under a support order.

E. Spousal Support. Periodic payments for the support and maintenance of a spouse or former spouse, in accordance with state or local law. It includes, but is not limited to, separate maintenance, alimony while litigation continues, and maintenance. Spousal support does not include any payment for transfer of property or its value by an individual to his or her
spouse or former spouse in compliance with any community property settlement, equitable
distribution of property, or other division of property between spouses or former spouses.

F. **Support Order.** Any order providing for child or child and spousal support
issued by a court of competent jurisdiction within any state, territory, or possession of the United
States, including Indian tribal courts, or in accordance with administrative procedures established
under state law that affords substantial due process and is subject to judicial review.

410303. Disposable Earning

A. Include the following items in computing the disposable earnings for
members assigned within the continental United States:

1. Basic pay (including Military Service academy cadet and midshipmen pay);

2. Basic allowance for housing for members with dependents, and for
members without dependents in the grade of E-7 or higher;

3. Basic allowance for subsistence for commissioned and warrant
officers;

4. Career sea pay;

5. Diving pay;

6. Flying pay (all crew members);

7. Proficiency pay or special duty assignment pay;

8. Special pay for medical, dental, optometry, and veterinary officers;

and

9. Submarine pay.

B. Include the following additional items in computing the disposable
earnings for members assigned outside the continental United States:

1. Family **Separation Allowance - Restricted**;

2. Hardship duty pay – location;

3. Special pay for duty subject to hostile fire and imminent danger
(applies only to members permanently assigned in a designated area);

4. Special pay for overseas extensions;
5. Overseas housing allowance; and


C. After including the items in subparagraphs 410303.A and B, subtract the following items to compute the final disposable earnings value:

1. Amounts the member owes the United States;

2. Deductions for the Armed Forces Retirement Home;

3. Fines and forfeitures;

4. Federal and state employment and income taxes to the extent that the amount deducted is consistent with the member’s tax liability;

5. Deductions for Servicemembers’ Group Life Insurance;

6. Advances of pay the member received before the date the designated official received notice of the support allotment; (In computing future advance pay requests, deduct the amount of the allotment required by law. See Chapter 32, Table 32-1.)

7. Amount of salary offset for travel charge card debt; and

8. Other amounts required by law to be deducted.

410304. Notice to Designated Official

A. An authorized person will send to the designated official a signed notice that includes:

1. A statement that delinquent support payments equal or exceed the amount of support payable for 2 months under a support order, and a request that an allotment be established;

2. A certified copy of the support order. If the support order, on its face, appears to conform to the laws of the jurisdiction from which it was issued, then the designated official will not be required to ascertain whether the authority that issued the order had obtained personal jurisdiction over the member;

3. The amount of the monthly support payment. Such amount may include arrearages, if a support order specifies the payment of such arrearages. The notice will indicate how much of the amount payable will be applied toward liquidation of the arrearages;

4. A statement that delinquent support payments are more than 12 weeks in arrears, if appropriate;
5. The following information that identifies the member:
   a. Full name;
   b. Social security number; and
   c. Military Service of the member;

6. The full name and address of the allottee. The allottee will be an authorized person, or designee, or the recipient named in the support order;

7. Any limitations on the duration of the support allotment; and

8. A certification that the official sending the notice is an authorized person.

B. The notice will be sent by mail or delivered in person to the designated official. The designated official will note the date and time of receipt on the notice.

C. The notice is effective when it is received in the office of the designated official.

410305. Notice to Member and Member’s Commanding Officer

A. Upon receipt of a notice of delinquent support payments, together with all required supplementary documents and information, the designated official will review the notice in order to identify the member from whom moneys are due and payable.

B. If the notice does not sufficiently identify the member, or if the member identified in the notice is not currently entitled to receive military pay, then the notice will be returned directly to the authorized person with an explanation of the reason for its return.

C. In cases where the designated official is able to identify the member, then as soon as possible, but not later than 15 calendar days after the date of receipt of the notice, the designated official will send to the member, at his or her duty station, a copy of the notice and other legal documentation served on the designated official, along with a letter informing the member of the following:

   1. That notice has been received from an authorized person;
   2. That the maximum limitations provided in 15 U.S.C. § 1673, “Restrictions on Garnishments” apply, and a request that the member submit supporting affidavits or other documentation necessary for determining the applicable percentage limitation;
   3. That the member may submit supporting affidavits or other documentation as evidence that the information contained in the notice is in error;
4. That by submitting supporting affidavits or other necessary documentation, the member consents to the disclosure of such information to the party requesting the support allotment;

5. The amount or percentage that will be deducted if the member fails to submit the documentation necessary to enable the designated official to respond to the notice within the prescribed time limits;

6. That a consultation with a judge advocate or legal officer will be provided by the Military Department concerned, if possible, and that the member should immediately contact the nearest legal services office; and

7. The date that the allotment is scheduled to begin.

D. The designated official will provide the member's commanding officer, or designee, with a copy of the notice and other legal documentation served on the designated official. The designated official will notify the member's commanding officer, or designee, of the need for consultation between the member and a judge advocate or legal officer.

E. The member's commanding officer, or designee, will confirm in writing to the designated official within 30 days of notice that the member received a consultation concerning the member's support obligation and the consequences of failure to make payments, or when appropriate, of the inability to arrange such consultation and the status of continuing efforts to fulfill the consultation requirement.

F. If, within 30 days of the date of the notice, the member has furnished the designated official affidavits or other documentation showing the information in the notice to be in error, then the designated official will consider the member's response. The designated official will return to the authorized person, without action, the notice for a statutory support allotment together with the member's affidavit and other documentation, if the member submits substantial proof of error, such as:

1. The support payments are not delinquent; or

2. The underlying support order in the notice has been amended, superseded, or set aside.

410306. Payments

A. The designated official will establish a statutory allotment in an amount necessary to comply with the support order and to liquidate arrearages, if provided by a support order by the first end-of-month payday after the designated official is notified that the member has consulted with a judge advocate or legal official, or that a consultation was not possible, but not later than the first end-of-month payday after 30 days have elapsed from the date of notice to the member. However, the military pay offices will not be required to vary their normal pay and disbursement cycles to comply with notice under this section.
B. The maximum amount to be allotted under this section, together with any other moneys withheld for support from the member, will not exceed:

1. Fifty percent of the member’s disposable earnings for any month in which the member asserts by affidavit or other acceptable evidence that he or she is supporting a spouse, dependent child, or both, other than a party in the support order. When the member submits evidence, copies will be sent to the authorized person, together with notification that the member’s support claim will be honored. If the authorized person contests the support claim, then that person may refer the matter to the appropriate court or other authority for resolution;

2. Sixty percent of the member's disposable earnings for any month in which the member fails to assert by affidavit or other acceptable evidence that he or she is supporting a spouse, dependent child, or both; or

3. Regardless of the limitations in subparagraph 410306.B.1 and 2, an additional 5 percent of the member's disposable earnings will be withheld when the notice states that the total amount of the member's support payments is 12 or more weeks in arrears.

C. If several notices are sent with respect to the same member, then payments will be satisfied on a first-come, first-served basis within the amount limitations in subparagraph 410306.B.

D. Payment of statutory allotments will be enforced over other voluntary deductions and allotments when the member’s gross pay and allowances are not sufficient to permit all authorized deductions and collections. The member will be allowed to choose which discretionary allotments to cancel. If the member refuses or is unable to advise which allotments to cancel, then voluntary allotments will be cancelled in the following order:

1. CFC allotment;

2. Savings Bond allotment;

3. Discretionary allotment payable to a financial organization for deposit to the member’s account (includes allotments payable to a mutual fund or investment firm and allotments to pay for personal or car loans);

4. MGIB contributions;

5. Allotment to repay loans to Military Service relief agencies and the American Red Cross; and

6. Discretionary allotments in the following order:
   a. Payments to dependents/relatives;
   b. Emergency payment to dependents;
c. Repayment of home loans and payment of rent;

d. Commercial life, health, and dental insurance;

e. Navy Mutual Aid Insurance; and

f. United States Government Insurance.

E. The authorized person or allottee will notify the designated official promptly if the operative court order upon which the allotment is based is vacated, modified, or set aside. The designated official will also be notified of any events affecting the allottee’s eligibility to receive the allotment, such as the former spouse’s remarriage, if a part of the payment is for spousal support, and notice of a change in eligibility for child support payments under circumstances of death, emancipation, adoption, or attainment of majority of a child whose support is provided through the allotment.

F. A statutory allotment established under section 4103 will be adjusted or discontinued upon notice from the authorized person.

410307. Indemnification

Neither the DoD, nor any of its officers or employees, will be liable for any payment made from moneys due from, or payable by, the DoD to any individual pursuant to notice regular on its face, if such payment is made in accordance with 42 U.S.C. § 659, 32 C.F.R. Part 54, and this section.

4104 LEVY ON PAY AND ALLOWANCES FOR ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS

410401. Authority

The Secretary of the Treasury, upon receiving the certification of the Secretary of Health and Human Services, will assess and collect the amount certified as unpaid child support in the same manner as if the amount were a delinquent federal tax, the collection of which would be jeopardized by delay. (See Chapter 44, paragraphs 440301 and 440304.)

410402. Satisfaction of Levy

When the Secretary of the Treasury issues a notice of levy, satisfy the levy in the manner prescribed in Chapter 44, paragraph 440304. However, in the case of a first assessment against an active duty, retired (including members of the Fleet Reserve and Marine Corps Fleet Reserve), or Reserve member for unpaid child support, satisfaction of the levy will be stayed for a period of 60 days immediately following notice and demand. If a portion of such member’s pay is being withheld in garnishment or attachment pursuant to a judgment entered by a court of competent jurisdiction for the support of minor children, then the amount of pay withheld is exempt from the levy.
4105 INVOLUNTARY ALLOTMENT OF PAY FOR DEBT COLLECTION OTHER THAN CHILD OR SPOUSAL SUPPORT

*410501. General

A. The processing of Involuntary Allotments of Pay for Debt Collection Other than Child or Spousal Support is governed by 5 U.S.C. § 5520a(k), 32 CFR 112, and 32 CFR 113. These authorities take precedence when in conflict with this section.

B. Moneys due from, or payable by, the United States to an active duty member are subject to involuntary allotment to satisfy a judgment for a debt for other than child or spousal support owed to a third party and issued by a court of competent jurisdiction within any state, territory, or possession of the United States.

410502. Definitions

The following definitions apply to section 4105:

A. Designated Agent. The agent responsible for receiving and processing the involuntary allotment application for active duty members;

B. Active Duty Member. A regular member or any member of a RC on active duty pursuant to a call or order for a period in excess of 180 days at the time an application for involuntary allotment is received by the DFAS, excluding members in a prisoner of war or missing in action status and retired members;

C. Exigency of Military Duty. A military assignment or mission-essential duty that, because of its urgency, importance, duration, location, or isolation, necessitates the absence of a member of the Military Services from appearance at a judicial proceeding or prevents the member from being able to respond to a notice of application for an involuntary allotment. Exigency of military duty is normally presumed during periods of war, national emergency, or when the member is deployed; and

D. Final Judgment. A valid, enforceable order or decree, issued by a court from which no appeal may be taken, or from which no appeal has been taken within the time allowed, or from which an appeal has been taken and finally decided.

410503. References

The following source directives contain detail on entitlements, policies, and procedures for allotments for commercial debts:

A. Army: Army Regulation 37-104-A, Military Pay and Allowances Policy and Procedures-Active Component;
410504. Involuntary Allotment Application

A. Designated Agent. The designated agent is responsible for receiving and processing the involuntary allotment application concerning active duty members. The member may contact the designated agent at the following address:

Garnishment Operations  
DFAS Cleveland  
P.O. Box 998002  
Cleveland, OH 44199-8002  
Telephone 1-888-332-7411

B. Creditor’s Application. The creditor initiates the Involuntary Allotment process by mailing a completed application package, which includes the original and three copies of the “Involuntary Allotment Application,” Department of Defense (DD) Form 2653, and a certified copy of the final judgment to the designated agent named in subparagraph 410504.A. The imaging date of the documents is used as the date of service.

C. Review of Application

1. The designated agent will first identify the pertinent member, and determine whether the member has any funds available for the involuntary allotment. If the designated agent is unable to identify the member, then the designated agent will return the application package directly to the applicant with an explanation of the deficiency.

2. If the member does not have funds available, then the designated agent will stop any further legal processing, and notify the creditor in writing of the reason why no funds are available, and that the creditor must re-serve the involuntary allotment application at a later date. The reasons that no funds are available may include the following:

   a. The member has separated from military service and is no longer receiving military pay;

   b. Involuntary allotments are honored on a first-come, first-served basis. If the designated agent is already implementing a previously-served involuntary allotment against the member’s pay, then no funds will be available until the previous involuntary allotment amount is satisfied; or

   c. If the member’s pay is subject to a previously-served garnishment or statutory allotment for spousal or child support, and the amount of the spousal or
child support deduction exceeds the maximum amount of pay subject to involuntary allotment
(see subparagraph 410508.D.2), then no funds will be available for the involuntary allotment
until the child support deduction is reduced to an amount that is less than the maximum amount
of pay subject to involuntary allotment.

3. If the member has funds available for the involuntary allotment, then the designated agent will conduct a legal review of the application to ensure that it complies with the requirements of 32 CFR 112 and 113, to include compliance with the Servicemembers Civil Relief Act in the judicial proceeding resulting in the final judgment, and determining that the member’s pay could be garnished under applicable state law.

4. When the designated agent receives an application package based upon a final judgment, which on its face, appears to conform to the laws of the jurisdiction from which it was issued, the designated agent will not be required to ascertain whether the court that issued the judgment had obtained personal jurisdiction over the member.

5. If the designated agent rejects the creditor’s application after the legal review, then the designated agent will provide the creditor with a written notice of any deficiencies.

410505. Notice to Member and Member’s Commanding Officer

A. Notice Package

1. The designated agent will send a notification letter, along with a copy of the application package and a DD Form 2654, “Involuntary Allotment Notice and Processing,” to the pertinent member, and two copies to the member’s commanding officer, in care of the member’s unit address of record in the military pay system.

2. The notice letter to the member and the member’s commanding officer will state that the involuntary allotment will be established against the member’s pay if a response is not received within 90 calendar days from the original date of mailing, unless the member has been granted an extension to respond (see subparagraph 410506.A.2).

3. The DD Form 2654 itself provides step-by-step instructions for completing the form and returning it to the designated agent. Paragraph 410506 is a summary of the response process.

B. Final Notification Letter. If the designated agent has not received a response to the Notice Package within 60 days of the date the package was mailed, then the designated agent will send a letter to the member and the member’s commanding officer stating that if no response is received or request for extension granted within 90 calendar days from the original date the notice package was mailed, then the involuntary allotment will be established against the member’s pay.
410506. Response by Member and Member’s Commanding Officer to Notice of Involuntary Allotment

A. Commanding Officer’s Initial Actions

1. Upon receipt of the notice and accompanying documentation, the commander will determine whether the member is assigned to the commander’s unit and available to respond to the involuntary allotment application.

2. If the member is temporarily unavailable to respond, then the member’s commanding officer may grant a reasonable extension of time for the member’s response. The commanding officer will notify the designated agent, by completing Section II of DD Form 2654 and returning a copy of the form to the designated agent, that the member has been granted an extension of time to respond, the date the response is due, and the reason(s) for the extension. The commanding officer should provide appropriate documentation supporting the determination. In the absence of any additional correspondence from the member’s commanding officer, the involuntary allotment application may be automatically processed within 15 calendar days after the date a response was due, including any approved extension response date.

3. If the member is available for counseling, within 5 days of receipt of the application package and DD Form 2654, then the commanding officer will notify the member of the application, provide the member with a copy of the entire application package, and counsel the member using and completing Section III of DD Form 2654. The commanding officer’s counsel will include notifying the member that he or she has 15 calendar days from receipt of the commanding officer’s notice to complete Section IV of DD Form 2654 and return it to the commanding officer.

B. Member’s Response

1. After receiving the commanding officer’s notification, the member completes Section IV of DD Form 2654. In Section IV, the member may acknowledge either that the applicant’s judgment is valid and consent to the establishment of an involuntary allotment, or contest the involuntary allotment by asserting any of the following defenses, which the member must support with appropriate evidence:

   a. That the member’s rights under the Servicemembers Civil Relief Act were not complied with during the judicial proceeding upon which the application is based;

   b. That exigencies of military duty caused the member’s absence from appearance in a judicial proceeding forming the basis for the judgment upon which the application is sought;

   c. That information contained in the application is false or erroneous in material part;
d. That the judgment has been fully satisfied, superseded, or set aside;

e. That the judgment has been materially amended, or partially satisfied; or

f. That there is a legal impediment to the establishment of the involuntary allotment. For example, the judgment debt has been discharged in bankruptcy, or the automatic stay of enforcement of debts applies because the member has filed for bankruptcy protection, or that the applicant is not the judgment creditor or a proper successor in interest to the creditor.

2. After completing Section IV, the member returns the DD Form 2654 to his or her commanding officer.

C. Commanding Officer’s Completion and Return of DD Form 2654

1. The member’s commanding officer completes Section V of DD Form 2654 and returns it to the designated agent, along with any supporting evidence provided by the member. In Section V, the commanding officer indicates one of the following:

   a. The member refused to respond by the authorized suspense date, and the form is returned without Section IV being completed by the member; or

   b. The member has completed Section IV, and the form is returned for appropriate action.

2. If the member has asserted an “exigencies of military duty” defense in Section IV of the DD Form 2654, then the commanding officer must determine whether the member has validly asserted this defense, and note his or her determination in Section V of the form.

3. If the commanding officer supports the member’s “exigencies of military duty” defense, then the commanding officer must provide the title and address of an appeal authority in Section V in case the applicant wishes to appeal the commanding officer’s determination. The appeal authority is the commander immediately superior to the commanding officer who made the determination. If the commanding officer does not designate an appeal authority, then the designated agent will return the DD Form 2654 to the commanding officer with instructions that this information must be provided in order to complete the form and support the member’s “exigencies” defense.

410507. Review of Completed DD Form 2654 and Supporting Documentation

A. Member did not complete Section IV of DD Form 2654. If the member refused to complete Section IV of the DD Form 2654, then the designated agent will honor the
application and implement deductions against the member’s pay to satisfy the judgment against the member.

B. Member completes Section IV of DD Form 2654

1. If the member completes Section IV of DD Form 2654 and has asserted the “exigencies” defense, and the member’s commanding officer has confirmed the “exigencies” defense and provided an appeal authority in Section V of the form, then the designated agent will reject the involuntary allotment application, and provide the applicant with written notice advising the applicant of the following:

   a. The reason for rejecting the application;

   b. The name and address of the appeal authority;

   c. The applicant has 60 days from the date of the designated agent’s notice to appeal the commanding officer’s “exigencies” determination to the appeal authority;

   d. The appeal must be in writing and contain sufficient evidence to overcome the presumption that the commander’s exigency determination was correct;

   e. The appeal authority will decide an appeal within 30 days of its receipt, and promptly notify the applicant of the decision. The 30-day decision period may be extended in times of deployment, war, national emergency or other similar situations;

   f. If the appeal is successful, then the applicant must submit a written request along with a copy of the appeal authority’s decision to the designated agent within 15 days of receipt of the decision; and

   g. Upon receiving notice of the successful appeal, the designated agent will continue the review of the application package and DD Form 2654.

2. If the member has completed Section IV of the DD Form, and has not asserted the “exigencies” defense, or has asserted it but the member’s commanding officer did not confirm it, or if the applicant has successfully appealed an “exigencies” determination, then the designated agent will determine whether the member has successfully asserted any other defenses against the involuntary allotment.

   a. If the designated agent determines that the member has successfully asserted one or more defenses against the involuntary allotment application, then the designated agent will reject the application, and notify the applicant in writing of the reason(s) for the rejection.
b. If the designated agent determines that the member has not successfully asserted any defenses against the involuntary allotment, then the designated agent will implement deductions against the member’s pay to satisfy the judgment against the member.

410508. Pay Subject to Involuntary Allotment

A. Types of Pay Subject to Involuntary Allotment. Only the following types of pay are subject to the involuntary allotment process:

1. Basic pay (excluding the reduction for education benefits under the MGIB);

2. Special pay, to include:
   a. Health care professionals (Including optometrists, dental officers, psychologists, nonphysician health care providers, registered nurses, nurse anesthetists, nurse corps officers, and medical officers);
   b. Veterinarians;
   c. Diving duty;
   d. Foreign duty;
   e. Career sea pay;
   f. Responsibility pay;
   g. International military headquarters;
   h. Proficiency pay and special duty assignment pay for enlisted members;
   i. Reenlistment bonus;
   j. Enlistment bonus;
   k. Prior service enlistment bonus;
   l. Hostile fire or imminent danger pay;
   m. Nuclear-qualified officers extending period of active duty;
   n. Nuclear-trained and qualified enlisted members;
   o. Nuclear career accession bonus;
p. Nuclear career annual incentive bonus;
q. Enlisted members extending duty at designated overseas locations;
r. Foreign language proficiency pay;
s. Officers in critical acquisition positions extending period of active duty;
t. Multi Year Special Pay;
u. Aviation Retention Bonus;
v. Continuation Pay for Engineering & Scientific Career; and
w. Selective Reenlistment Bonus;

3. Incentive pay, including:
   a. Hazardous duty;
   b. Aviation career; and
   c. Submarine duty;

4. Accrued leave payments (basic pay portion only);

5. Readjustment pay; and

6. Severance pay, including disability severance pay.

B. Pay and Allowances Not Subject to Involuntary Allotment. Separation pay, VSI and SSB are not subject to the involuntary allotment. In addition, allowances paid under U.S.C. Titles 10 and 37, and other reimbursements for expenses incurred in connection with duty in the Military Service or allowances in lieu thereof, are not subject to the involuntary allotment.

C. Other Amounts Not Subject to Involuntary Allotment. After computing the pay subject to involuntary allotment, the following items must be deducted to compute the amount of disposable pay subject to involuntary allotment:

1. Federal and state income tax withholding (amount is limited to that which is necessary to fulfill the member's tax liability);
2. FICA tax;
3. Armed Forces Retirement Home;

4. Servicemember’s Group Life Insurance;

5. Indebtedness to the United States (including tax levies);

6. Fines and forfeitures ordered by a court-martial or a commanding officer; and

7. Amounts otherwise required by law to be deducted from a member’s pay (except payments for garnishments for child support, alimony or mandatory allotments for child or spousal support).

D. Maximum Amount of Pay Subject to Involuntary Allotment

1. The involuntary allotment will not exceed the lesser of 25 percent of a member’s pay subject to involuntary allotment or the maximum percentage of pay subject to garnishment proceedings under the applicable state law.

2. If the member’s pay is subject to a garnishment or statutory allotment for spousal or child support, in addition to the involuntary allotment application, then the combined amounts deducted from the member’s pay will not exceed the lesser of 25 percent of a member’s pay subject to involuntary allotment or the maximum percentage of pay subject to garnishment proceedings under the applicable state law. If the maximum percentage allowed for involuntary allotments would be exceeded by both deductions, then garnishments and statutory allotments for spousal and child support take priority over the involuntary allotment.

E. Voluntary Allotments to be Discontinued. Payment of an involuntary allotment will be enforced over other voluntary deductions and allotments when the member’s net pay is not sufficient to permit all authorized deductions and collections. If necessary, voluntary allotments will be cancelled in the following order:

1. CFC;

2. Savings bonds;

3. Payment to a financial organization for deposit to the member’s account (includes allotments payable to a mutual fund or investment firm and allotments to pay for personal or car loans);

4. MGIB Program contributions;

5. Repay loans to Military Service relief agencies and the American Red Cross; and
6. Discretionary allotments in the following order:
   a. Payments to dependents/relatives;
   b. Emergency payment to dependents;
   c. Repayment of home loans and payment of rent;
   d. Commercial life, health, and dental insurance;
   e. Navy Mutual Aid Insurance; and
   f. United States Government Insurance.

410509. Starting Involuntary Allotment Payments
   
   A. The designated agent will begin involuntary allotment payments within 30 days after the designated agent has approved the application package. The designated agent will not be required to vary the normal military pay and disbursement cycles to comply with the application package.

   B. Payment of involuntary allotments will be enforced over other voluntary deductions and allotments when the member’s net pay is not sufficient to permit all authorized deductions and collections. The member will be allowed to choose which discretionary allotments to cancel. If the member refuses or is unable to advise which allotments to cancel, then allotments will be cancelled in accordance with subparagraph 410508.E.

410510. Stopping Involuntary Allotment Payments
   
   A. Involuntary allotment payments will continue until the amount specified in the judgment is collected, including interest as annotated by the applicant in Section I of DD Form 2653, “Involuntary Allotment Application.”

   B. The designated agent will stop involuntary allotment payments prior to satisfying the judgment amount if one of the following conditions applies:

   1. The member separates from active duty at which time the applicant will be informed that the allotment is discontinued because the member is no longer receiving military pay;

   2. The applicant notifies the designated agent that the operative court order upon which the allotment is based has been vacated, modified, or set aside, or the designated agent is notified of an event affecting the applicant’s eligibility to receive the allotment; or
3. The applicant requests that the involuntary allotment be discontinued.

C. The applicant will refund directly to the member any amounts overpaid within 30 days of discovery or notice of overpayment.

410511. Final Interest

A. Within 30 days following collection of the amount of the judgment, including interest annotated in Section I of the DD Form 2653, the applicant may submit one final statement showing any unpaid balance due to interest that accrued during the payment period.

B. The final statement must be accompanied by a statement of account showing how the remaining interest was calculated.

410512. Indemnification

Neither the DoD, nor any officer or employee thereof, will be liable for failure to make payment or for any payment made from monies due from, or payable by, the Military Services to any individual pursuant to an application package that is regular on its face, if such payment is made in accordance with this section and 32 CFR 112 and 113.
# BIBLIOGRAPHY

## CHAPTER 41: GARNISHMENTS AND OTHER INVOLUNTARY ALLOTMENTS

### 4102- GARNISHMENT OF PAY FOR ENFORCEMENT OF CHILD SUPPORT AND ALIMONY OBLIGATIONS

<table>
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<td>5 CFR 581</td>
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<td>410302</td>
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<td>410303</td>
<td>32 CFR 54.6(b)</td>
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<td>410309.C.3</td>
<td>5 CFR 581.305(f)</td>
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### 4104- LEVY ON PAY AND ALLOWANCES FOR ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS

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<td>5 U.S.C. § 5520a(k)</td>
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<tr>
<td><strong>410508</strong></td>
<td>32 CFR 113.3</td>
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<td>410508.C.7</td>
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VOLUME 7A, CHAPTER 42: “DISCRETIONARY ALLOTMENTS”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated March 2016 is archived.

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CHAPTER 42

DISCRETIONARY ALLOTMENTS

4201 GENERAL

420101. Purpose

This chapter prescribes the policy for Military Service members having discretionary allotments. Members are authorized no more than six discretionary allotments. Additionally, members are authorized no more than one discretionary allotment to the same allottee. To start a discretionary allotment on and after January 1, 2015, members will certify that, “Under the penalty of the Uniform Code of Military Justice, I certify that this allotment is NOT for the purchase, lease, or rental of personal property or payment toward personal property.” See sections 4203 through 4207 for examples of allowable allotments.

420102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

4202 ADMINISTRATION OF DISCRETIONARY ALLOTMENTS

420201. Discontinuance

Effective January 1, 2015, members are not authorized to start allotments for the purchase, lease, or rental of personal property. Personal property includes vehicles (e.g., automobiles, motorcycles, or boats), appliances or household goods (e.g., a washer, dryer, furniture), electronics (e.g., a laptop, tablet, cellphone, or television), and other consumer items that are tangible and movable.

420202. Grandfathering

Allotments described in paragraph 420201 that exist on a member’s pay account prior to January 1, 2015 may continue, and members may change the amount of these allotments. If, for any reason, an allotment described in paragraph 420201 is stopped, the allotment is not authorized to be restarted.

420203. Other Provisions

See Chapter 40, section 4003 for other administrative provisions regarding allotments.

4203 ALLOTMENTS TO FINANCIAL INSTITUTIONS

Members may have an allotment to a financial institution, mutual fund company, or investment firm where the member is the owner of the account. If there are multiple accounts at the same financial institution, the payments must be combined into one allotment amount.
4204 ALLOTMENTS TO DEPENDENTS OR RELATIVES

Members may authorize allotments of pay to their dependents, relatives, or former spouse(s). The allotment may be payable to an individual or to a financial organization for credit to the account of the allottee, or a joint account of the allotter and allottee.

4205 INSURANCE ALLOTMENTS

420501. General

Members may have an allotment for the payment of insurance premiums.

*420502. Commercial Insurers

Commercial insurers are eligible allottees. All new allotments for paying premiums on commercial insurance must be approved under the following Military Service regulations:

*   A. Army: Army Regulation (AR) 37-104-4, Chapter 24 and AR 210-7;
*   B. Navy and Marine Corps: Secretary of the Navy Instruction (SECNAVINST) 1740.2E Series; or
*   C. Air Force: Air Force Instruction (AFI) 36-2925.

All payments to an insurer are made to the home office of the agency issuing the policy or to a branch office named by the home office. A member is not authorized to establish an insurance allotment to a financial institution where the allotment is established for and/or controlled by the insurance company. A member may have more than one allotment for commercial insurance. If the member has more than one insurance policy with the same company, then premium payments must be combined into one allotment to that company.

420503. Navy Mutual Aid Insurance (Navy and Marine Corps Only)

The Navy Mutual Aid is an authorized allottee for the payment of life insurance. If the member has both the regular premium and the extra hazardous duty premium, then the payments must be combined into one allotment.

420504. Effective Dates for Starting, Changing, and Stopping Allotments

Tables 42-1, 42-2, and 42-3 prescribe effective dates to start, change, or stop allotments.

4206 ALLOTMENTS FOR PAYMENT OF MORTGAGE OR RENT

Members may authorize allotments of pay for mortgage or rent payment to a financial institution, mortgage company, realtor, or to a landlord.
4207 ALLOTMENT FOR THE SAVINGS DEPOSIT PROGRAM

Members may authorize an allotment into the Savings Deposit Program. Such allotment will be processed in accordance with the procedural instructions of the Military Service concerned. The restrictions in Chapter 51 are applicable when starting this type of allotment.
Table 42-1. Dates to Start Insurance Allotments

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>the Army or Air Force</td>
<td>insurance allotment</td>
<td>specified by the member, if authorization will reach the allotment office before the date specified in Military Service procedural regulations. The allotment may be effective with the month allotter enters on duty but only when an enlisted member, warrant officer, or graduate of a Service academy is commissioned, or when an enlisted member is appointed as a warrant officer.</td>
</tr>
<tr>
<td>2</td>
<td>the Navy or Marine Corps</td>
<td>commercial insurance or a Navy Mutual Aid allotment</td>
<td>specified by the member, if authorization will reach the allotment office before the date specified in Military Service procedural regulations.</td>
</tr>
</tbody>
</table>

Table 42-2. Dates to Change Insurance Allotments

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>the Army or Air Force</td>
<td>commercial insurance</td>
<td>and the</td>
<td>then start allotment effective the first day of the month</td>
<td>and start new allotment effective the first day of the month</td>
</tr>
<tr>
<td>2</td>
<td>the Navy or Marine Corps</td>
<td>commercial insurance or a Navy Mutual Aid allotment</td>
<td>member or accounting and finance officer requests a change in the allotment</td>
<td>specified in the allotment document, if authorization will reach the allotment office before the date specified in Military Service regulations</td>
<td>following the month old allotment is stopped.</td>
</tr>
</tbody>
</table>
Table 42-3. Dates to Stop Insurance Allotments

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Army or Air Force</td>
<td>commercial insurance allotment</td>
<td>the member requests the allotment to be stopped</td>
<td>month specified by the member, if authorization will reach the allotment office before the date specified in Military Service procedural regulations.</td>
</tr>
<tr>
<td>2</td>
<td>Navy or Marine Corps</td>
<td>commercial insurance or a Navy Mutual Aid allotment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Army or Air Force</td>
<td>commercial insurance allotment</td>
<td>is absent without leave (AWOL) for 10 days or more</td>
<td>latest month in which enough pay accrues to satisfy deduction.</td>
</tr>
<tr>
<td>4</td>
<td>Navy or Marine Corps</td>
<td>commercial insurance or Navy Mutual Aid allotment</td>
<td>is AWOL for 15 days (or less, if allotment discontinuance is necessary to prevent overpayment)</td>
<td>month before the month in which absence began if authorization will reach allotment office before the date specified in Military Service procedural regulations; otherwise, the month absence began.</td>
</tr>
<tr>
<td>5</td>
<td>Army or Air Force</td>
<td>commercial insurance allotment</td>
<td>the convening authority approves a court-martial sentence imposing total forfeiture of pay and allowances</td>
<td>latest month in which enough pay accrues to satisfy deduction.</td>
</tr>
<tr>
<td>6</td>
<td>Navy or Marine Corps</td>
<td>commercial insurance or Navy Mutual Aid allotment</td>
<td></td>
<td>month prior to the date in which the convening authority approves the court-martial sentence.</td>
</tr>
<tr>
<td>7</td>
<td>Army or Air Force</td>
<td>commercial insurance allotment</td>
<td>has insufficient “take home” pay to satisfy Internal Revenue Service (IRS) notice of levy</td>
<td>month before the month in which IRS notice of levy is received. (Stop insurance allotments only if discontinuance of other discretionary allotments will not satisfy levy.)</td>
</tr>
<tr>
<td>8</td>
<td>Navy or Marine Corps</td>
<td>commercial insurance, or Navy Mutual Aid allotment</td>
<td></td>
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Table 42-3. Dates to Stop Insurance Allotments (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>If a member of the</th>
<th>authorizes a</th>
<th>and</th>
<th>then stop allotment effective the first day of the</th>
</tr>
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<tbody>
<tr>
<td>9</td>
<td>Army or Air Force</td>
<td>commercial insurance allotment</td>
<td>has insufficient pay, because of reduction in grade, nonpay status, or stoppage of pay, to warrant continuance of allotment</td>
<td>latest month in which enough pay accrues to satisfy deduction. Avoid stopping allotment unnecessarily or earlier than required.</td>
</tr>
<tr>
<td>10</td>
<td>Air Force, Army, Navy or Marine Corps</td>
<td>commercial insurance or a Navy Mutual Aid allotment</td>
<td>is separated, retires, or dies</td>
<td>(See procedural regulations of Military Service concerned.)</td>
</tr>
</tbody>
</table>
CHAPTER 42 - DISCRETIONARY ALLOTMENTS

*4202 - ADMINISTRATION OF DISCRETIONARY ALLOTMENTS

Title 37, United States Code, section 701

* 420201 Office of the Under Secretary of Defense (OUSD) Memo, November 21, 2014

*4205 - INSURANCE ALLOTMENTS

* 420502.A AR 37-104-4, June 8, 2005
AR 210-7, October 18, 2007

* 420502.B SECNAVINST 1740.2E, July 12, 2008

* 420502.C AFI 36-2925, August 28, 2013

*4206 - ALLOTMENTS FOR PAYMENT OF MORTGAGE OR RENT

OUSD Memo, November 21, 2014
VOLUME 7A, CHAPTER 43: “NONDISCRETIONARY ALLOTMENTS”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

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<td>Clarified paragraph 430301 in accordance with Department of Defense Instruction 5035.01, June 6, 2017.</td>
<td>Revision</td>
</tr>
<tr>
<td>4304</td>
<td>Deleted the Post-Vietnam Era Veterans Educational Assistance Program section as it is no longer applicable and renumbered subsequent sections.</td>
<td>Deletion</td>
</tr>
<tr>
<td>430502</td>
<td>Updated the reference for the salary offset due process procedures from Volume 8 to Volume 16.</td>
<td>Revision</td>
</tr>
<tr>
<td>Bibliography</td>
<td>Updated statutes and references.</td>
<td>Revision</td>
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CHAPTER 43

NONDISCRETIONARY ALLOTMENTS

4301 GENERAL

430101. Purpose

The purpose of this chapter is to provide the policies for members of the Armed Forces to initiate nondiscretionary allotment deductions from their pay accounts.

430102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

4302 ALLOTMENTS FOR THE PURCHASE OF SAVINGS BONDS

The U.S. Department of the Treasury (Treasury) discontinued the purchase of paper savings bonds through federal payroll deduction effective October 1, 2010. Military members may purchase electronic savings bonds by establishing a personal TreasuryDirect account with the Treasury and then initiating a nondiscretionary allotment made payable to the Treasury at their TreasuryDirect account. Members are authorized one nondiscretionary allotment for the purchase of bonds.

430201. Establishment of Allotment

Members electing to purchase electronic savings bonds will first create an account in TreasuryDirect. This account can be used to purchase multiple bonds. Once created, members must either log into myPay or contact their servicing finance office to establish an allotment to the TreasuryDirect account. The following information is required to initiate the allotment:

A. The routing transit number for TreasuryDirect is 051736158,

B. The TreasuryDirect account number provided by the Treasury, and

C. The specific dollar amount (as opposed to a percentage of pay) to be deducted monthly.

NOTE: The myPay system also requires that the member designate an account type, either checking or savings, even though that designation is inapplicable to an allotment to a TreasuryDirect account.

430202. Change or Cancellation of Allotments

Members may change or cancel their allotments through myPay, or through their servicing finance office.
430203. Administration of Allotments

Details covering the administration of savings bond allotments are contained in the procedural instructions of the Military Service concerned.

430204. Safekeeping of Bonds

The Federal Reserve Bank printed and mailed all U.S. Savings Bonds previously stored in safekeeping by the Defense Finance and Accounting Service to members. Members who did not receive all their savings bonds will need to file a claim with the U.S. Treasury Bureau of Fiscal Services through TreasuryDirect. To file a claim, members need to follow the instructions found on the TreasuryDirect website. Members must create a TreasuryDirect account, as the reissued bonds will be deposited to the account electronically.

4303 CHARITABLE CONTRIBUTIONS

*430301. General

* A. Combined Federal Campaign (CFC). In accordance with Title 5, Code of Federal Regulations (CFR), part 950, annual solicitations for donations to various community charity drives have been coordinated into a single combined fund-raising campaign. Basic information on the CFC and the Department of Defense (DoD) CFC Overseas Campaign is contained in the DoD Instruction (DoDI) 5035.01, June 6, 2017.

B. Service Relief Organizations (SROs). Members are authorized to make charitable contributions by allotment to the Army Emergency Relief, Navy and Marine Corps Relief Society, or affiliates of the Air Force Assistance Fund.

C. Allotment. Members meeting the requirements of this section may authorize a class C allotment for a charitable contribution to the CFC (domestic or overseas) or to any of the Military SROs indicated in subparagraph 430301.B. All allotments authorized are paid centrally by the offices shown in Chapter 40, section 4007.

430302. Limitations

Allotments for CFC and SROs must be at least $1 per month, and each allotter is authorized only one CFC and one SRO allotment.

430303. Discontinuance (CFC Only)

Once an allotment is stopped, it may not be reinstated during the current allotment period. (This limitation does not apply to Navy or Marine Corps members when the allotment is stopped because of change in pay group.) Stop the allotment:

A. At the end of the authorized withholding period;
B. Upon member’s written request; or
C. Upon separation (except when discharged and immediately reenlisted at the same station without a break in service), release from active duty, transfer to the Fleet Reserve or Fleet Marine Corps Reserve, retirement, or death.

430304. Transfer

Continue the allotment when a member participating in a CFC campaign is transferred, unless the member submits a written discontinuance request.

430305. Administration of Allotment

Details covering charitable contribution allotments are in the procedural instructions of the Military Department concerned.

4304 NONDISCRETIONARY ALLOTMENT FOR PRIVATIZED HOUSING PAYMENT

430401. General

The Military Housing Privatization Initiative (MHPI) authorizes assignment of Service members to privatized housing units. Service members assigned to privatized housing units are entitled to Basic Allowance for Housing (BAH). The member may be required to make lease payments for such housing in the form of an allotment. A member is authorized to initiate a nondiscretionary allotment for this payment.

430402. Restrictions

A. A member is authorized only one nondiscretionary allotment for the privatized housing payment.

B. A change to the member’s BAH amount due to promotion, demotion, administrative, or legislative action may require a change to the allotment amount. Under these or other circumstances, the Service member is responsible for ensuring the allotment amount is changed.

C. The Service member is responsible for reconciling overpayments or underpayments with the property manager.

D. The nondiscretionary allotment is restricted to lease payments to entities participating in the MHPI. An allotment to private individuals, corporations, firms, partnerships, companies, state or local government, or housing authority of a state or local government, not associated with the MHPI, is not authorized.
4305 NONDISCRETIONARY ALLOTMENT (SALARY OFFSET) FOR DELINQUENT TRAVEL CHARGE CARD DEBT

430501. Authority

Under the provisions of the “Travel and Transportation Reform Act of 1998,” heads of agencies may, upon written request of a federal contractor, collect, by deduction from the amount of pay owed to an employee of the agency, any undisputed amount of funds the employee owes to the travel charge card contractor that is delinquent. The Act defines the term ‘employee’ as an individual employed in or under an agency, including a member of any of the uniformed services. A member of one of the uniformed services is an employee of that uniformed service.

430502. Procedures

The due process procedures applicable to military members are the same as for civilian employees of the Department. Therefore, salary offset for a military member’s undisputed delinquent travel charge card debt must follow the procedures contained in Volume 16, Chapter 2, paragraph 020902. The amount deducted from a member’s pay for any pay period may not exceed 15 percent of disposable pay for the pay period, unless the member consents in writing to the deduction of a greater percentage of pay. Disposable pay will be calculated in accordance with Chapter 41, paragraphs 410203 through 410205.
*BIBLIOGRAPHY

CHAPTER 43 - NONDISCRETIONARY ALLOTMENTS

4302 - ALLOTMENTS FOR THE PURCHASE OF SAVINGS BONDS

430201  31 CFR 363
430203  Title 37, United States Code (U.S.C.), section 553(a)

4303 - CHARITABLE CONTRIBUTIONS

*  5 CFR 950
*  DoDI 5035.01, June 6, 2017
* 430301.A  Executive Order 13743, October 13, 2016
* 430302-430304  DoDI 5035.01, June 6, 2017

4304 - NONDISCRETIONARY ALLOTMENT FOR PRIVATIZED HOUSING PAYMENT

10 U.S.C. § 2882

4305 - NONDISCRETIONARY ALLOTMENT (SALARY OFFSET) FOR DELINQUENT TRAVEL CHARGE CARD DEBT

430501  5 U.S.C. § 5520a(k)(2)
        Public Law 105-264, section 2(d), October 19, 1998
        5 U.S.C. § 5520a
        DoDI 1344.09, December 8, 2008
430502  5 U.S.C. § 5514
VOLUME 7A, CHAPTER 44: “WITHHOLDING OF INCOME TAX”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated December 2013 is archived.

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<td>4401</td>
<td>Added new “General” section with “Purpose” and “Authoritative Guidance” and renumbered remaining sections accordingly.</td>
<td>Addition</td>
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<td>440202.B</td>
<td>Updated Puerto Rico and Commonwealth of Northern Mariana Islands taxation to reflect current guidelines.</td>
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<td>440203.A.4</td>
<td>Clarified “Qualified Hazardous Duty Area”.</td>
<td>Revision</td>
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<tr>
<td>440203.B.5</td>
<td>Clarified the appropriate authority to designate “Direct Support Areas”.</td>
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<tr>
<td>440203.E.2</td>
<td>Clarified “Tax Abatement in Case of Death”.</td>
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<tr>
<td>440205</td>
<td>Removed the obsolete “Problem Cases” paragraph.</td>
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<tr>
<td>Figure 44-1</td>
<td>Removed authorization of Combat Zone Tax Exclusion from Egypt; Israel; Mediterranean, Eastern; and Turkey.</td>
<td>Deletion</td>
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<td></td>
<td>Added Lebanon and The Federal Republic of Yugoslavia.</td>
<td>Revision</td>
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<tr>
<td></td>
<td>Added Termination Date for Kyrgyzstan; Philippines; Tajikistan; and Uzbekistan.</td>
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<tr>
<td></td>
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</tr>
<tr>
<td>Figure 44-2</td>
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<td>Revision</td>
</tr>
<tr>
<td></td>
<td>Added Commonwealth of Northern Mariana Islands.</td>
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<tr>
<td>Table 44-1</td>
<td>Removed obsolete rule 16 and note 11, which pertained to Death Gratuity payment and renumbered remaining rules and notes accordingly.</td>
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<tr>
<td>Table 44-2</td>
<td>Removed rules 6, 7, 8, 9, and 10, which pertained to Retired Pay, and renumbered remaining rules accordingly. This information is contained in Volume 7B, Chapter 19.</td>
<td>Deletion</td>
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CHAPTER 44

WITHHOLDING OF INCOME TAX

*4401 GENERAL

440101. Purpose

The purpose of this chapter is to describe the Federal Income Tax Withholding (FITW) and State Income Tax Withholding (SITW) requirements and procedures for Service member wages.

440102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

4402 WITHHOLDING FROM CURRENT PAY

440201. Wages Subject to FITW and SITW

The taxable pay of all Service members, except those listed in paragraph 440202, is subject to FITW and SITW. See Table 44-1. The taxable value of certain non-cash fringe benefits, (in excess of statutory limitations that are provided to some members), is also subject to federal and applicable state income taxes. See Table 44-1, rules 20 and 21.

*440202. Wages Not Subject to FITW and SITW

A. Combat Zone Tax Exclusion (CZTE)

1. Prior to March 20, 1996. All compensation a member (officer or enlisted) receives during a month in which a member performs active duty in a Combat Zone (CZ) qualifies the member for CZTE under subparagraph 440203.C. Commissioned Officers (0-1 and above) received a tax exclusion of $500.

2. Effective March 21, 1996. All compensation of an enlisted member or warrant officer received during a month in which the enlisted member or warrant officer performed active duty in a CZ or Qualified Hazardous Duty Area (QHDA) (defined in subparagraph 440203.B) qualifies the member for CZTE under subparagraph 440203.C. For commissioned officers, no more than an amount equal to the maximum CZTE in effect for any month during any part of which such officers perform active duty in a CZ or QHDA, qualifies them for CZ or QHDA tax exclusion under subparagraph 440203.B.

3. Maximum CZTE. The amount of the maximum CZTE in effect for a qualifying month equals the sum of the highest rate of enlisted basic pay payable under Chapter 1, Table 1-10, Note 2 and the amount of hostile fire/imminent danger pay actually
payable to the officer for the qualifying month. Also see Column B of rules 1 through 4 under Table 44-1.

* B. Puerto Rico and Commonwealth of Northern Mariana Islands (CNMI)

The U.S. Treasury Department has entered into an agreement with Puerto Rico and CNMI that requires the withholding of U.S. territorial income taxes instead of U.S. federal income tax for Service members who claim Puerto Rico or CNMI as their state of legal residence (as defined by the Internal Revenue Service (IRS)) and are serving:

1. On active duty status in the regular or reserve components of the:
   (a) Army;
   (b) Navy;
   (c) Air Force;
   (d) Marine Corps;
   (e) Coast Guard; or

2. In the National Guard and participating in exercises or performing duty under Title 32 United States Code (U.S.C.) section 502; or

3. In the Ready Reserve and participating in scheduled drills or training periods or are serving on active duty for training under 10 U.S.C. § 10147.

*440203. CZTE for Active Service in a CZ, QHDA, or Direct Support Area

A. CZ and QHDA Defined

1. Effective January 17, 1991, Executive Order 12744 designated the following areas (including air space and adjacent waters) as CZs: Persian Gulf; Red Sea; Gulf of Oman; Gulf of Aden; that portion of the Arabian Sea that lies north of 10 degrees N. Lat., and west of 68 degrees E. Long.; and the total land areas of Iraq, Kuwait, Saudi Arabia, Oman, Bahrain, Qatar, and the United Arab Emirates.

2. Effective March 24, 1999, Executive Order 13119 designated the following areas (including the airspace above) as a CZ: The Federal Republic of Yugoslavia (Serbia and Montenegro), Albania, the Adriatic Sea, and the Ionian Sea north of the 39th parallel. (Note: The CZ designation for Montenegro and Kosovo (previously a province within Serbia) under Executive Order 13119 remains in force even though Montenegro and Kosovo became independent nations since Executive Order 13119 was signed in March 1999.)
3. Effective September 19, 2001, Executive Order 13239, December 12, 2001, designates Afghanistan, including the air space above, as an area in which Armed Forces of the U.S. are and have engaged in combat.

4. QHDAs are the following:

   a. Any area of the Federal Republic of Yugoslavia (Serbia/Montenegro), Albania, the Adriatic Sea, and the northern Ionian Sea (above the 39th parallel). See Public Law 106-21, April 19, 1999; and


NOTE: In order to have CZTE treatment of wages for services performed in a QHDA, a member must be entitled to hostile fire or imminent danger pay while performing service in the QHDA.

B. Qualification for CZTE for Active Service in a CZ, QHDA, or Direct Support Area. A Service member is entitled to CZTE or QHDA exclusion for any month during any part in which he or she:

1. Performs active service in a CZ or QHDA designated in subparagraph 440203.A. Periods in the zone or area during which a member is absent from the duty assignment because of sickness, wounds, internment by the enemy, or other lawful cause is periods of active service.

2. Becomes a prisoner of war or missing in action while in active service in a CZ or QHDA. Such personnel are deemed, for the purposes of this paragraph, to continue in active service in the CZ or area for the period for which they are entitled to such status for military pay purposes.

3. Is granted official leave, or is authorized to depart from assigned duty in a CZ or QHDA for other lawful cause on or after November 21, 1995, and is directed to perform temporary duty (TDY), and the departure or return is on any day of the month. Exception: The tax exclusion does not apply for the calendar month in which a member is absent for:

   a. leave;

   b. Temporary Additional Duty (TAD); or

   c. TDY.

4. Is present, however briefly, in the CZ or QHDA on official duty. When the airspace over a CZ or QHDA is included as part of the zone or area, a member who passes over or through the zone or area during the course of a trip between two points, both of
which lie outside the zone or area, is entitled to an exclusion only if the member is assigned to official TDY to the airspace of the zone or area, or qualifies for hostile fire or imminent danger pay as a result of the flight. If the airspace is not designated for hostile fire or imminent danger pay (but is part of the designated zone or area), then a member must be assigned to perform duty in the airspace rather than flying over the zone or area as in an incidental part of the trip to qualify for the exclusion. The fact that most members are in an official duty status when flying through a designated airspace should not be construed to mean they are assigned to the airspace to perform duty and therefore entitled to the exclusion. The following examples apply:

Example 1. Member A is assigned as a navigator in an air unit stationed outside the CZ. On June 4, during the course of a flight between his home base and another base outside the CZ, the aircraft on which he serves as a navigator flies over a CZ (given that the airspace is part of the designated CZ). Member A is not on official TDY in the airspace of the CZ and does not qualify for hostile fire or imminent danger pay as a result of the flight. Accordingly, he is not deemed to have served in a CZ since he passes through the zone without either being on official duty to the CZ or qualifying for hostile fire or imminent danger pay.

Example 2. Same scenario as example 1, except that the airspace is not part of the designated zone and Member B is entitled to hostile fire or imminent danger pay as a result of the flight. Member B is deemed to have served in a CZ and is entitled to the CZTE if his duties are determined to be in direct support of the military operation in the zone.

Example 3. Member C is a navigator in an air unit stationed outside a CZ. On June 4, she is ordered to perform duty (execute a mission) in the airspace over the CZ (which is part of the designated zone) and return to her home station outside the CZ. Member C is not entitled to hostile fire or imminent danger pay as a result of the flight. She is, however, entitled to the CZTE for the month of June for performing official TDY in the airspace (CZ) during that period.

5. Performs military duties in areas outside the CZ or QHDA in direct support of military operations in the CZ or QHDA and qualifies for hostile fire or imminent danger pay under 37 U.S.C. § 310. (The hostile fire or imminent danger pay entitlement must be related to activities or circumstances in the CZ or QHDA.) Unit commanders who believe that their personnel qualify for CZTE treatment under this provision must request the appropriate designation. The Principal Deputy Under Secretary of Defense for Personnel and Readiness is responsible for designating direct support areas in accordance with (IAW) Department of Defense Instruction (DoDI) 1340.25, paragraph 4(b)(3). Once the area has been designated as a direct support area, all members serving in that area, who also receives hostile fire or imminent danger pay will qualify for CZTE benefits, unless otherwise specified.
a. When members are entitled to tax exclusion under this paragraph, entitlement continues for periods of absence, prisoner or missing status, and TDY as stated for service in the actual CZ or QHDA in subparagraphs 440203.B.1, 2, 3, or 4.

b. Military service is considered to be in direct support if it has the effect of maintaining, upholding, or providing assistance for those involved in military operations in the CZ or QHDA. The following examples are provided to assist in determining whether personnel qualify for CZ or QHDA tax exclusion. In each case, personnel must also be entitled to hostile fire pay or imminent danger pay:

Example 1. Since the act of transporting necessary supplies is a function included within the concept of providing direct support of military operations, services rendered on a supply vessel transporting supplies to a CZ or QHDA are in direct support of military operations in the CZ or QHDA.

Example 2. If an aircraft in a nearby country outside the CZ or QHDA is used to transport supplies and personnel into the CZ or QHDA, then the members of the ground crews who load the aircraft and the maintenance personnel who maintain the aircraft all qualify for CZ or QHDA tax exclusion. In addition, members who maintain and control the airstrip (e.g., as a meteorologist or air traffic controllers) are performing services in direct support of military operations in the CZ or QHDA qualify for the tax exclusion.

Example 3. Members of a unit or installation who support and assist other members of that unit or installation who serve in direct support of military operations in a CZ or QHDA are considered to be serving in direct support of military operations in the CZ or QHDA. Generally, all members who serve in support of operations at an installation where some members serve in direct support of military operations in a CZ or QHDA are considered to be serving in direct support of military operations in that CZ or QHDA (e.g., unit or installation personnel for an airstrip would qualify).

6. Is hospitalized or re-hospitalized any place as a result of wounds, disease, or injury incurred while serving in a CZ or QHDA or while serving in areas identified in subparagraph 440203.B.5. A member is considered as hospitalized or re-hospitalized until such time as status as a hospital patient ceases by reason of discharge from the hospital. CZ or QHDA tax exclusion under this subparagraph will not apply to any months beginning more than 2 years after the date specified by the President in an Executive Order as the date of the termination of combatant activities in the CZ.

C. CZ Tax Relief for Personnel Serving in Direct Support of Combat Operations. Figure 44-1 lists the CZ tax relief areas and effective dates.

D. Periods for Which Tax Exclusion Does Not Apply. Members who are in the CZ or QHDA merely for their own convenience, e.g., while on leave from a duty station not in the zone or area, are not entitled to the exclusion.
E. Tax Abatement in Case of Death

1. A member who dies in a CZ or QHDA or as a result of wounds, disease, or injury incurred while serving in the CZ or QHDA (Figure 44-1) is exempt from income tax for:

   a. The taxable year in which death occurs;

   b. Any prior taxable year ending on or after the first day served in a CZ or QHDA; or

   c. Any such tax for prior years that remains unpaid at date of death.

2. If an individual in a CZ or a QHDA is in missing status and is declared dead by Secretarial determination, for purposes of the tax abatement rules stated in 440203.E.1, the date of death is the date of the determination and not earlier. The tax abatement rules in 440203.E.1 do not apply for any taxable year that begins more than 2 years after it is determined that the area in which Service member went missing is no longer a CZ or QHDA under 26 U.S.C. § 112.

F. Termination Date Other than Cases of Hospitalization. In no case will the tax exclusion authorized in subparagraph 440203.B.1 through B.6, for active duty members, extend beyond the effective date specified in an executive order terminating the designation of the CZ. In the case of QHDAs, the exclusion will not extend beyond the effective date of the termination of hostile fire or imminent danger pay for the area.

440204. Tax Abatement for Death Caused by Terrorist or Military Action Overseas

A member whose death was caused by terrorist or military action overseas (excluding training exercises) qualifies for federal tax abatement under the provisions of 26 U.S.C. § 692(c). The law forgives the deceased member’s tax liability for the year of death and for all prior tax year(s) beginning with the tax year before the injuries or wounds occurred. The deceased member’s survivors, executor, or administrator should contact the IRS for necessary guidance in claiming the tax exemption.

440205. Rate of Withholding

A. General. The FITW/SITW will be IAW Treasury Department Circular E and Treasury Department regulations governing state income tax withholding as implemented in Military Service directives.

   B. Additional FITW and SITW. A member, entitled to CZTE while TAD or TDY, may authorize that regular withholding be continued. A member entitled to CZTE may authorize an additional amount to be withheld. The member’s pay account will be adjusted for
the CZTE. See the applicable procedural instructions of the Military Service concerned for preparation of additional tax withholding requests and effective dates.

440206. State and Local Taxes

A. Tax Requirements. The state in which a member claims legal residence (i.e., domicile) may tax compensation and other income regardless of the member’s location. Compensation for Military Service, however, is not taxable by any state, territory, possession, political subdivision, or district that is not the member’s legal residence.

B. Legal Residence. Each member must designate a legal residence and report any changes of legal residence. A member’s legal residence does not change because of a change of permanent station. Legal residence at the time of entry into the Armed Forces remains the same until changed by the member. A member makes notification of legal residence or change of legal residence by submitting a Department of Defense (DD) Form 2058, State of Legal Residence Certificate.

C. Native Americans. A Native American Service member who claims a federally recognized tribal reservation as their state of legal residence is not subject to state taxes. A Native American Service member makes notification of a federally recognized tribal reservation as a state of legal residence by submitting a DD Form 2058-2, Native American SITW Exemption Certificate.

D. Withholding. Compensation for military service that is subject to federal taxation also is subject to the mandatory withholding of income taxes on behalf of those states (including the District of Columbia) that have entered into an agreement for the purpose of such withholding with the Secretary of the Treasury. See Figure 44-2 for a list of the states that have entered into such an agreement and the effective date to start state tax withholding.

E. Disclosure of Withholding Information. The furnishing of annual wage and tax information of military members to states (including the District of Columbia) that have a withholding agreement with the Treasury Department must comply with the Privacy Act of 1974. Based upon regulatory provisions pertaining to disclosure to the states, the wages of a member who claims exemption from withholding should not be reported to a state without the member’s consent. In lieu of reporting the wages of members who claim exemption from state tax withholding, name, social security number, and the member’s claimed basis for exemption will be provided to the state. This rule applies to all Military Services and pay or personnel systems.

F. Delinquent Taxes. There is no authority for the involuntary collection of delinquent state tax liabilities of members.

440207. Nonresident Aliens

A. Definition. For the purpose of FITW, a nonresident alien is an individual who neither is a citizen of the U.S. nor a resident of the U.S. An alien (non-citizen) is a resident
of the U.S. if he or she is admitted lawfully to the U.S. for permanent residence, meets the substantial presence test, or makes an election to be treated as a resident during the first year of presence in the U.S., except as may be provided by tax treaty between the U.S. and the alien’s country of residence.

1. Lawfully Admitted for Permanent Residence. An alien is considered lawfully admitted for permanent residence when he or she first arrives in the U.S. after his or her immigration status is approved as a permanent resident. Status as lawfully admitted for permanent residence continues, regardless of the alien’s location, until the alien is outside the U.S. after his or her immigration status as a permanent resident is revoked or is determined by a court or administrative body to have been abandoned. Nominal presence in the U.S. of 10 days or less after revocation or abandonment of permanent resident status will be disregarded if the alien is substantially connected to a foreign country during that time.

2. Substantial Presence Test. An alien meeting the substantial presence test is a resident from the first day of presence in the U.S. in a calendar year in which the test is met, except that nominal presence for less than 10 days while still substantially connected to a foreign country is disregarded, until the alien leaves the U.S. and establishes connections closer to a foreign country than to the U.S.. Nominal presence in the U.S. of 10 days or less after this point is disregarded. Also, days of presence in the U.S. during which the alien is unable to leave the U.S. due to a medical condition that arose while in the U.S. are disregarded in applying the substantial presence test. An alien meets the substantial presence test if:

   a. He or she is present in the U.S. on at least 31 days of the calendar year; and

   b. The sum of the days on which the individual was present in the U.S. during the current calendar year, 1/3 of the days on which the individual was present in the first preceding calendar year, and 1/6 of the days on which the individual was present in the second preceding calendar year, equals or exceeds 183. Individuals do not meet the substantial presence test for the current year if they are present on less than 183 days in the current year and have, in the current year, a tax home in a foreign country to which they have closer connections than to the U.S., provided that they have not applied for an adjustment of immigration status or otherwise taken steps toward lawful permanent residence in the U.S.

B. Tax Liability. A Service member, who is a nonresident alien, is liable for U.S. income tax on pay attributable to service performed in the U.S., even if such pay is not subjected to FITW because of the provisions in subparagraph 440207.C. A nonresident alien member’s pay attributable to service performed outside the U.S. is not subject to U.S. income tax. For purposes of this paragraph, service outside the U.S. means shore duty at a naval or other military installation outside the U.S. and the States of Alaska or Hawaii, or duty on board a seagoing vessel of the Navy (other than a vessel normally used only in coastal waters). Service in a possession of the U.S. is considered duty outside the U.S. A nonresident alien member is not disqualified from eligibility for any of the income exclusions or withholding exemptions set forth in Chapters 44 and 45 because of a nonresident alien status.
C. Income Tax Withholding. The pay of a nonresident alien for any period of service within the U.S. exceeding 60 calendar days is subject to FITW. Such pay also may be subject to SITW, depending on the state residency status of the alien. Pay for periods of service within the U.S. of 60 calendar days or less, or for service outside the U.S., is not subject to FITW or SITW. The nonresident alien member nevertheless is subject to federal income taxation, and may be subject to state income taxation, on pay for all days of service within the U.S. and is responsible for reporting, and paying any tax due on, all such income. The fact that income tax is not withheld on pay attributable to a particular day does not prevent that day from being counted as a day of presence in the U.S. for purposes of subparagraph 440207.A.

440208. Advance Payment of Earned Income Credit Amounts

The Advance Payment of Earned Income Credit was repealed for any taxable year after December 31, 2010.

4403 COLLECTION OF DELINQUENT FEDERAL TAXES BY LEVY

440301. Authority

When a member does not pay any federal income tax due within 30 days after the IRS has issued a notice and payment demand to the member, the IRS may collect the tax by levy on the member’s salary or other income. Receipt by the cognizant Military Service (or Defense Finance and Accounting Service (DFAS) Site) of a levy notice is the legal authority to commence collection of the delinquent federal income taxes after taking into consideration the appropriate exemptions.

440302. Levy Processing Procedures

A. The IRS serves the tax levy by mail. The IRS Form 668-W(c), The Notice of Levy on Wages, Salary, and Other Income, includes instructions for the employer (Military Service) and the employee (member).

B. Upon receipt of the levy, the disbursing officer immediately:

1. Completes part 3 and returns the levy to the IRS if no funds are due the member (for example, higher precedence deductions (Chapter 52, Table 52-1) or if the member is in a status described in paragraph 440303); or

2. Forwards parts 2 through 5 to the member if funds are due or soon will become due.

C. The member certifies his or her filing status and number of personal exemptions and returns parts 3 and 4 to the disbursing officer within 3 days (or other period authorized by the IRS in coordination with the Military Service concerned and as established within Military Service regulations). If the member does not return parts 3 and 4, then the levy
will be processed as if the member is “married filing a separate return with one personal exemption.”

D. The levy will continue in effect until the amount due in the levy notice is collected or until released by the IRS.

E. Forward a misrouted levy notice or levy release to the member’s servicing DFAS Site.

440303. Effect on Members in a CZ or QHDA

A. The disbursing officer immediately will complete part 3, with appropriate notations, and return the levy to the IRS if the member is:

1. Serving (performing official duties) in a designated CZ or QHDA for any period of time;

2. Serving (performing official duties) outside a designated CZ or QHDA, but in direct support of military operations in a CZ or QHDA, and in receipt of hostile fire or imminent danger pay as a result of duties performed in direct support of designated CZ or QHDA operations;

3. Continuously hospitalized as a result of service in a designated CZ or QHDA (limited to 5 years of hospitalization in the U.S.); or

4. In a missing status.

B. Levy deferment remains in effect for 180 days after a member no longer meets any of the criteria listed in 440303.A. Entitlement begins again (including a new 180-day clock) when a member re-qualifies for deferment (again meets one of the criteria listed in 440303.A), with one exception. Re-hospitalization for a previously treated wound, illness, or injury does not re-qualify a member, nor does it stop/restart a 180-day clock.

440304. Attachment of Earnings and Payment to IRS

A. The member’s “take home pay,” minus exempt amounts claimed via the member’s certified claim on part 3 of the levy, will be attached and sent to the IRS until the levy is satisfied or released by the IRS. The member’s usual pay deductions will continue while the levy is in effect.

B. When exemptions are equal to or exceed the member’s “take home pay,” the disbursing officer will so advise the IRS office that served the levy.
4404 INSTALLMENT COLLECTION OF DELINQUENT TAXES

440401. Agreement for Liquidation of Federal Tax Indebtedness by Payroll Deductions

A member may arrange with the IRS to pay delinquent taxes by monthly deductions from pay using IRS Form 2159, Payroll Deduction Agreement. A member may not cancel an agreement once it is in effect. The Military Services handle agreements as follows:

A. **Army.** Collect and pay to IRS as prescribed for payment of indebtedness to instrumentalities and agencies of the government.

B. **Navy and Marine Corps.** Process the agreement as a T allotment if the period of liquidation is 3 months or longer. If the period is less than 3 months, then the disbursing officer pays each month to IRS in the amount of the deduction.

C. **Air Force.** Process as a Class T allotment.

440402. Change of Member’s Status During Liquidation Period

See Table 44-2.
*Figure 44-1. CZ Tax Relief Areas*

<table>
<thead>
<tr>
<th>Location</th>
<th>Effective Dates</th>
<th>From</th>
<th>Through</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Djibouti</strong> – Personnel serving in Djibouti due to their service in direct support of military operations in the Afghanistan CZ (note 1)</td>
<td>July 1, 2002</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Federal Republic of Yugoslavia (Serbia and Montenegro)</strong> – Personnel serving in:</td>
<td>March 24, 1999</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Albania</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Adriatic Sea</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Ionian Sea north of the 39th parallel. (notes 2 and 3)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Jordan</strong> – Personnel serving in Jordan due to their service in direct support of military operations in the Afghanistan CZ (note 1)</td>
<td>September 19, 2001</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Jordan</strong> – Personnel serving in direct support of military operations in the Arabian Peninsula CZ (note 5)</td>
<td>March 19, 2003</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Kyrgyzstan</strong> – Personnel serving in Kyrgyzstan due to their service in direct support of military operations in the Afghanistan CZ (note 1)</td>
<td>September 19, 2001</td>
<td>May 31, 2014 (note 4)</td>
<td></td>
</tr>
<tr>
<td><strong>Lebanon</strong> – Personnel serving in direct support of military operations in the Arabian Peninsula CZ (note 5)</td>
<td>February 12, 2015</td>
<td>February 11, 2020</td>
<td></td>
</tr>
<tr>
<td><strong>Pakistan</strong> – Personnel serving in Pakistan due to their service in direct support of military operations in the Afghanistan CZ (note 1)</td>
<td>September 19, 2001</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Philippines</strong> – Personnel deployed in conjunction with Operation Enduring Freedom based on their service in direct support of military operations in the Afghanistan CZ (note 1)</td>
<td>January 9, 2002</td>
<td>September 30, 2015</td>
<td></td>
</tr>
<tr>
<td><strong>Somalia</strong> – Personnel serving in:</td>
<td>January 1, 2004</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Somalia due to their service in direct support of military operations in the Afghanistan CZ</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Somalia airspace</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Water area of the Somali Basin including the following coordinates:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>° 1110N3-05115E2, 0600N6-04830E5, 0500N5-05030E8, 1130N5-05334E5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>° 0500N5-05030E8, 0100N1-04700E1, 0300S3-04300E7, 0100S1-04100E5, 0600N6-04830E5 (note 1)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
*Figure 44-1. CZ Tax Relief Areas (Continued)*

<table>
<thead>
<tr>
<th>Location</th>
<th>Effective Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Syria – Personnel serving in Syria due to their service in direct support of military operations in the Afghanistan CZ <em>(note 1)</em></td>
<td>From January 1, 2004 Through</td>
</tr>
<tr>
<td>*Tajikistan – Personnel serving in Tajikistan due to their service in direct support of military operations in the Afghanistan CZ <em>(note 1)</em></td>
<td>From September 19, 2001 Through May 31, 2014 <em>(note 4)</em></td>
</tr>
<tr>
<td>*Uzbekistan – Personnel serving in Uzbekistan due to their service in direct support of military operations in the Afghanistan CZ <em>(note 1)</em></td>
<td>From September 19, 2001 Through May 31, 2014 <em>(note 4)</em></td>
</tr>
<tr>
<td>Yemen – Personnel serving in Yemen due to their service in direct support of military operations in the Afghanistan CZ <em>(note 1)</em></td>
<td>From April 10, 2002 Through</td>
</tr>
</tbody>
</table>

*NOTES:*

1. The Afghanistan CZ is the area designated by Executive Order 13239.
2. The Federal Republic of Yugoslavia CZ is the area designated by Executive Order 13119.
3. The CZ designation for Montenegro and Kosovo (previously a province within Serbia) under Executive Order 13119 remains in force even though Montenegro and Kosovo became independent nations since Executive Order 13119 was signed in March 1999.
4. An individual serving in Kyrgyzstan, Tajikistan, and Uzbekistan who is not entitled to imminent danger pay, will still qualify for CTZE if in receipt of hostile fire pay, so long as those countries remain in “direct support” of a CZ.
5. The Arabian Peninsula CZ is the area designated by Executive Order 12744.
**Figure 44-2. State and Territories That Entered Withholding Agreement With Treasury**

<table>
<thead>
<tr>
<th>State</th>
<th>Effective Date To Start Withholding</th>
<th>State</th>
<th>Effective Date To Start Withholding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>July 1, 1977</td>
<td>Mississippi</td>
<td>July 1, 1978</td>
</tr>
<tr>
<td>Arizona</td>
<td>September 1, 1993</td>
<td>Missouri</td>
<td>January 1, 1993</td>
</tr>
<tr>
<td>Arkansas</td>
<td>March 30, 1981</td>
<td>Montana</td>
<td>October 29, 1977</td>
</tr>
<tr>
<td>California</td>
<td>February 1, 1978</td>
<td>Nebraska</td>
<td>September 1, 1977</td>
</tr>
<tr>
<td>Colorado</td>
<td>August 1, 1977</td>
<td>New Jersey</td>
<td>July 1, 1977</td>
</tr>
<tr>
<td>Connecticut</td>
<td>January 1, 1992</td>
<td>New Mexico</td>
<td>July 1, 1977</td>
</tr>
<tr>
<td>Delaware</td>
<td>July 1, 1977</td>
<td>New York</td>
<td>July 1, 1977</td>
</tr>
<tr>
<td>District of Columbia</td>
<td>August 1, 1977</td>
<td>North Carolina</td>
<td>July 1, 1977</td>
</tr>
<tr>
<td>Georgia</td>
<td>January 1, 1979</td>
<td>North Dakota</td>
<td>July 29, 1987</td>
</tr>
<tr>
<td>Hawaii</td>
<td>December 1, 1977</td>
<td>Ohio</td>
<td>September 1, 1978</td>
</tr>
<tr>
<td>Idaho</td>
<td>July 1, 1977</td>
<td>Oklahoma</td>
<td>September 1, 1977</td>
</tr>
<tr>
<td>Illinois</td>
<td>July 1, 1977</td>
<td>Oregon</td>
<td>November 1, 1977</td>
</tr>
<tr>
<td>Indiana</td>
<td>August 1, 1977</td>
<td>Pennsylvania</td>
<td>July 1, 1977</td>
</tr>
<tr>
<td>Iowa</td>
<td>July 1, 1977</td>
<td>Puerto Rico</td>
<td>February 15, 1998</td>
</tr>
<tr>
<td>Kansas</td>
<td>July 1, 1977</td>
<td>Rhode Island</td>
<td>August 1, 1977</td>
</tr>
<tr>
<td>Kentucky</td>
<td>September 1, 1977</td>
<td>South Carolina</td>
<td>July 1, 1977</td>
</tr>
<tr>
<td>Louisiana</td>
<td>September 1, 1977</td>
<td>Utah</td>
<td>July 1, 1977</td>
</tr>
<tr>
<td>Maine</td>
<td>November 1, 1977</td>
<td>Vermont</td>
<td>January 1, 1990</td>
</tr>
<tr>
<td>Maryland</td>
<td>August 1, 1977</td>
<td>Virginia</td>
<td>July 1, 1977</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>August 1, 1977</td>
<td>West Virginia</td>
<td>July 1, 1977</td>
</tr>
<tr>
<td>Michigan</td>
<td>July 1, 1977</td>
<td>Wisconsin</td>
<td>August 1, 1977</td>
</tr>
<tr>
<td>Minnesota</td>
<td>November 1, 1977</td>
<td>Common Wealth of Northern Mariana Islands</td>
<td>December 2006</td>
</tr>
</tbody>
</table>
Table 44-1. Taxability of Items of Military Pay and Allowances

<table>
<thead>
<tr>
<th>RULE</th>
<th>If item is</th>
<th>A</th>
<th>B</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>taxable and subject to FITW/SITW</td>
<td>taxable but not subject to FITW/SITW</td>
</tr>
<tr>
<td>1</td>
<td>basic pay (note 4) for any month</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>incentive pay for hazardous duty (see Chapters 22 through 24)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>special pay (see Chapters 3, 5, 6, 7, 8, 10, 11, 15, 17, 18 and 21)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>lump-sum payment of accrued leave (basic pay portion)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>a bonus entitlement (including installments) if earned (reenlists, extends, signs agreement) in a month during which CZTE does not apply.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Table 44-1. Taxability of Items of Military Pay and Allowances (Continued)

<table>
<thead>
<tr>
<th>Rule</th>
<th>If item is</th>
<th>A</th>
<th>B</th>
<th>then item is (notes 1, 2, and 3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>National Call to Service Bonus (NCSB) or Student Loan Repayment Program</td>
<td>taxable and subject to FITW/SITW</td>
<td>taxable but not subject to FITW/SITW</td>
<td>for the NCSB for the actual months that are served in a CZ or QHDA during the initial 15 month of service following initial entry training; and for the SLRP for the actual months served in a CZ or QHDA out of the 12-month period. (note 6 and note 8)</td>
</tr>
<tr>
<td>7</td>
<td>separation pay, readjustment pay, or severance pay (except for disability)</td>
<td>and remains taxable income subject to reporting and withholding, even if paid during any month in which the CZ exclusion applies.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>contract cancellation pay</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>pay forfeited by court martial sentence or non-judicial punishment</td>
<td></td>
<td></td>
<td>and is loss of entitlement to pay in the amount of the forfeiture (however, remaining pay is subject to tax withholding (note 10)).</td>
</tr>
</tbody>
</table>
Table 44-1. Taxability of Items of Military Pay and Allowances (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>If item is</th>
<th>A</th>
<th>B</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>payment(s) of travel and transportation costs incurred while carrying on business of U.S. Government (includes any temporary lodging entitlements)</td>
<td>taxable and subject to FITW/SITW if assignments are over 1 year. All travel reimbursement expenses are taxable, regardless of whether the reimbursements exceed the traveler's expenses IAW Internal Revenue Code 162(a) and Revenue Rule 99-7</td>
<td>taxable but not subject to FITW/SITW if the amounts received are in excess of actual travel and transportation costs incurred while carrying on business of U.S. Government. The amount will not be reported on IRS Form W-2 or 1099, but the member will account for such payment(s) on applicable individual income tax returns</td>
</tr>
<tr>
<td>11</td>
<td>an incentive payment paid to member for do-it-yourself move per Department of Defense Financial Management Regulation (DoD FMR) Volume 9, Chapter 6, paragraph 060302.</td>
<td>at time of payment</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>muster duty allowance</td>
<td>at time of payment under the provisions of subparagraph 580205.B.</td>
<td></td>
</tr>
</tbody>
</table>
**Table 44-1. Taxability of Items of Military Pay and Allowances (Continued)**

<table>
<thead>
<tr>
<th>RULE</th>
<th>If item is</th>
<th>A</th>
<th>B</th>
<th>then item is (notes 1, 2, and 3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>13</td>
<td>funeral duty allowance</td>
<td>at time of payment.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>personal money allowance</td>
<td>and will be reported on Form W-2.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>an allowance (Basic Allowance for Subsistence, Basic Allowance for Housing, Family Separation Allowance, clothing and uniform allowances, and overseas station allowances) (note 11)</td>
<td></td>
<td>at any time.</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>an otherwise taxable item of pay earned by member but unpaid at death</td>
<td>but will be reported on IRS Form 1099-MISC when paid to beneficiary (note 12).</td>
<td>if death occurs in month member was entitled to CZ or QHDA exclusion.</td>
<td></td>
</tr>
</tbody>
</table>
Table 44-1. Taxability of Items of Military Pay and Allowances (Continued)

<table>
<thead>
<tr>
<th>Rule</th>
<th>If item is</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>17</td>
<td>special separation benefit or voluntary separation incentive (VSI)</td>
<td>taxable and subject to FITW/SITW</td>
<td>taxable but not subject to FITW/SITW</td>
<td>not taxable</td>
</tr>
<tr>
<td></td>
<td></td>
<td>at the flat withholding rate (currently 25 percent) for FITW and at the appropriate SITW rate for Special Separation Bonus (SSB) payments and initial VSI payments. Withhold taxes from VSI installment payments at the annual withholding rate contained in IRS Circular E (note 13).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>inactive duty training (IDT) pay</td>
<td>at time of payment (CZTE does not apply to pay for IDTs).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>former captive payment (see Chapter 37)</td>
<td>if payment is for former captive status resulting from a lawful action. Payment will be reported on IRS Form W-2 (note 12).</td>
<td>if payment is for former captive status resulting from the deprivation of personal rights.</td>
<td></td>
</tr>
<tr>
<td>Rule</td>
<td>If item is</td>
<td>A</td>
<td>B</td>
<td></td>
</tr>
<tr>
<td>------</td>
<td>------------</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>taxable and subject to FITW/SITW</td>
<td>taxable but not subject to FITW/SITW</td>
<td>not taxable</td>
</tr>
<tr>
<td>20</td>
<td>employer provided home-to-work transportation</td>
<td>even if transportation is provided for security reasons (note 14).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>employer-provided parking</td>
<td>to the extent that the value exceeds the monthly exclusion limit (note 14).</td>
<td></td>
<td>to the extent that the value is equal to or less than the monthly exclusion limit.</td>
</tr>
<tr>
<td>22</td>
<td>Thrift Savings Plan (TSP)</td>
<td>For traditional TSP contributions, taxes are deferred until contributions are withdrawn. However, taxes are withheld for those who make Roth TSP contributions, since Roth contributions are after-tax contribution.</td>
<td></td>
<td>if TSP contribution is made from pay earned in a CZ or QHDA (for commissioned officers, limited to maximum monthly CZTE amount).</td>
</tr>
<tr>
<td>23</td>
<td>waived portion of court martial forfeiture of taxable pay or pay and allowances (Chapter 48)</td>
<td>see subparagraph Chapter 48, 480307.C.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 44-1. Taxability of Items of Military Pay and Allowances (Continued)

NOTES:

1. The susceptibility of items of military pay and allowances to state income taxes depends upon the law of the member’s state of legal residence. Items of pay and allowances, which are not subject to FITW, however, will not be subject to SITW. Items of pay and allowances subject to FITW will be subject to SITW if the member’s state of legal residence has entered into a withholding agreement with the Secretary of the Treasury. The total or partial exclusion by states of military pay from income will be recognized in the computation of the amount of state income tax to be withheld.

2. If a member receives an overpayment of a taxable pay item, then the overpayment should be reported in the year paid unless the CZ or QHDA tax exclusion is applicable. If recovery of the overpayment is waived remitted, or canceled, then there is no additional tax reporting requirements. If the overpayment consists of a nontaxable pay item, then the overpayment should not be reported as taxable income if the resulting debt is waived, remitted, or canceled.

3. Taxable wages and withholding must reflect the debt in the year the payment was received. Collection action will reflect impact on taxable wages and withholding (if applicable) as collection is made, but only if made in the same year as the original payment.

4. Excludes the reduction of basic pay for educational benefits under the “New Montgomery GI Bill” after December 31, 1985. Members wishing to increase their Montgomery G.I. Bill benefits may contribute up to $600, IAW 38 U.S.C. § 3011(e). This contribution is not a reduction in basic pay and therefore, does not reduce a member’s taxable wages.

5. Add the payments (rules 1 through 6) made currently or at a later date for a commissioned officer (O-1 and above) to other pay for the month (up to the highest rate of pay payable to any enlisted member) to calculate the maximum amount to be applied for CZ or QHDA tax exclusion. (See subparagraph 350203.B.)

6. Effective April 1, 1996 for CZ and QHDA tax exclusion for commissioned officers (O-1 and above), amounts over the highest enlisted grade (Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, or Sergeant Major of the Marine Corps; (see Chapter 1, Table 1-10, note 2, for clarification) plus the amount of hostile fire/imminent danger pay that is actually payable to the officer for that month are taxable and subject to federal and state tax withholding.

7. Only pay and allowances actually earned during any month in which a CZ or QHDA designation applies are excludable, even if paid in a later, non-qualifying month. Entitlements earned during any non-qualifying month, but paid in a month the exclusion applies, remain taxable. Accrued leave payments qualify only for that portion of days that were actually earned during a qualifying month.

8. The tax exempt computation for the NCSB and SLRP will be the number of months in the CZ/QHDA divided by 15 months for the NCSB or 12 months for the SLRP. The resulting percentage will be multiplied against the bonus or loan amount. The result will be the tax exempt amount for the member.

9. See Chapter 35, paragraph 350504 for exceptions to the normally taxable payment of disability severance pay.
Table 44-1. Taxability of Items of Military Pay and Allowances (Continued)

NOTES: (cont.)

10. This does not apply to fines imposed by courts-martial or non-judicial punishments. Withhold tax from the member’s full pay credited before deducting the fine. Report the full amount of the pay credited, without deducting the fine, as taxable income.

11. Allowances considered nontaxable on September 9, 1986 remain nontaxable. Any allowance created after September 9, 1986 will be taxable for federal and state income tax purposes unless specified otherwise.

12. Exception is pay earned for any month CZ or QHDA exclusion applies. CZs and QHDAs are so designated by Executive Order or statute, respectively.

13. SSB and VSI payments remain taxable even if a member signs the agreement to separate while serving in a CZ or QHDA.

14. Home-to-work provided transportation and employer provided parking.
   a. Per the DoD Manual 4500.36-R, the USD Comptroller and USD (P&R) jointly will issue updated annual guidance concerning the valuation, on a monthly basis, of taxable government employer-provided home-to-work transportation fringe benefits provided to certain military members. Armed Forces Tax Council service representatives annually will distribute the updated guidance to the Military Services.
   b. Each DoD Component will determine the value, to be calculated on a monthly basis, of government employer-provided taxable parking fringe benefits provided to military members.
   c. Determination must be accomplished utilizing the provisions of the Internal Revenue Code (See IRS Publication 15-B) and Treasury Regulations and accordingly documented. Each member’s Service will:
      (1) Identify members receiving government employer-provided home-to-work transportation and/or parking fringe benefit;
      (2) Certify fringe benefit was authorized, calculate and certify the value of the taxable fringe benefits, and submit the appropriate taxable gross income amounts to the servicing DFAS central site, no less often than once a year. Exception: When members receive taxable fringe benefits from active duty assignments outside their DoD Component, the agency providing the taxable fringe benefit (such as parking) calculates the value of the benefit provided, and the member’s Service verifies the correctness of the calculation;
      (3) Keep members receiving such benefits advised of the tax liability annually accruing to them.
   d. Each member’s certified taxable fringe benefit amount must be sent to the servicing DFAS central site no less often than annually and not later than December 15, each year, for processing to:
      (1) Include the taxable non-cash benefit amounts in members’ gross income;
      (2) Withhold and deduct appropriate federal and state income taxes (not FICA taxes); and
      (3) Generate an IRS Form W-2 that reflects the adjusted gross income and withholding amounts. The military services’ field finance offices are not authorized to process taxable fringe benefits as additional taxable wages, to withhold applicable taxes, or to generate a manual IRS Form W-2.
*Table 44-2. Collection of Delinquent Taxes by Installment - Change of Member’s Status

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>When a member who has arranged with IRS for installment collection of delinquent taxes and then</td>
<td>immediately reenlists</td>
<td>deduct from member’s pay as agreed with IRS without interruption</td>
<td>and</td>
</tr>
<tr>
<td>2</td>
<td>does not immediately reenlist</td>
<td>deduct from final pay enough to liquidate the remaining indebtedness, or all available if the remaining indebtedness is more than is available</td>
<td>notify IRS of the member’s separation.</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>enters a period of unauthorized absence for which pay and allowances are not payable</td>
<td>is a member of the Army or Air Force</td>
<td>deduct from member’s pay, and pay to IRS for the month the absence begins the amount agreed to or as much as is available if less than agreed to</td>
<td>suspend further deductions and payments for tax indebtedness until member is restored to a pay status. If deductions and payments are suspended at the time additional payment is due, then notify IRS. Remove suspension when member is restored to a pay status. Deduct and pay for the month of restoration as much as is available if less than the agreed to amount.</td>
</tr>
</tbody>
</table>
**Table 44-2. Collection of Delinquent Taxes by Installment - Change of Member’s Status**

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>When a member who has arranged with IRS for installment collection of delinquent taxes and then and</td>
<td>enters a period of unauthorized absence for which pay and allowances are not payable is a member of the Navy or Marine Corps and a T allotment has not been established deduct from member’s pay, and pay to IRS for the month the absence begins the amount agreed to or as much as is available if less than agreed to notify IRS of the member’s separation.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
<td>is a member of the Navy or Marine Corps and a T allotment has been established</td>
<td>cancel the T allotment on the 15th day following the date absence began (or earlier if necessary to prevent allotment overpayment) suspend further deductions and payments for tax indebtedness until member is restored to a pay status. If deductions and payments are suspended at the time additional payment is due, then notify IRS. Remove suspension when member is restored to a pay status. Deduct and pay for the month of restoration as much as is available if less than the agreed to amount.</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>has qualified for collection deferment because of service in a CZ or enters hospitalized/missing status as a result of service in a CZ (see note)</td>
<td>defer initiating collection effective the month entering such status</td>
<td>commence collection IAW paragraph 440203 B.6.</td>
<td></td>
</tr>
</tbody>
</table>

**NOTE:** Includes direct support of CZ operations.
**BIBLIOGRAPHY**

CHAPTER 44 - WITHHOLDING INCOME TAX

4402 - WITHHOLDING FROM CURRENT PAY

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>440201</td>
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<td>440202.B</td>
<td>IRS Publication 3</td>
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<td>*</td>
<td>IRS Publication 80 (2016)</td>
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<tr>
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<td>Treasury Financial Manual (TFM), Volume 1, Part 3, Chapter 5000</td>
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<td>440202.A3</td>
<td>Executive Order 12744, January 17, 1991</td>
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<td>440202.A4</td>
<td>Executive Order 13119, March 24, 1999</td>
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<td>*</td>
<td>Executive Order 13239, September 19, 2001</td>
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<td>Public Law 106-21</td>
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<td>26 U.S.C. § 112</td>
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<td>440205.B</td>
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<td>440206</td>
<td>37 U.S.C. § 310</td>
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<td>440207</td>
<td>26 U.S.C. § 3402I</td>
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<td>TFM, Volume 1, Part 3, Chapter 5000</td>
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<td>50 U.S.C. Appendix 574</td>
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<td>440207.A3</td>
<td>TFM, Part 3, Chapter 5000</td>
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<td>TFM, Part 3, Chapter 5000</td>
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<td>440207.A7</td>
<td>26 C.F.R. 301.7701(b)-1</td>
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<td>440208</td>
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</tr>
<tr>
<td>*</td>
<td>Public Law 95-600, November 6, 1978</td>
</tr>
<tr>
<td>*</td>
<td>Public Law 111-226, August 10, 2010</td>
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4403 - COLLECTION OF DELINQUENT FEDERAL TAXES BY LEVY

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<td>440301</td>
<td>26 U.S.C. § 6321(a)</td>
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<td>440302</td>
<td>26 U.S.C. § 6331</td>
</tr>
<tr>
<td>*</td>
<td>Public Law 100-647, November 10, 1988</td>
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<tr>
<td>440303</td>
<td>26 U.S.C. § 6331, 6334</td>
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<td>*</td>
<td>Public Law 100-647, November 10, 1988</td>
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</tbody>
</table>

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Figure 44-1

- **Djibouti**
  - Under Secretary of Defense Personnel and Readiness (USD (P&R)) Memo, November 21, 2002
  - Federal Republic of Yugoslavia (Serbia and Montenegro)
    - USD (P&R) Memo, March 26, 2009
- **Jordan**
  - USD (P&R) Memo, December 14, 2001
- **Kyrgyzstan**
  - USD (P&R) Memo, December 14, 2001
  - USD (P&R) Memo, December 31, 2013
  - 26 (C.F.R.), Part 1, § 1.112-1 (e)
- **Lebanon**
  - USD (P&R) Memo, October 21, 2015
- **Pakistan**
  - USD (P&R) Memo, December 14, 2001
- **Philippines**
  - Assistant Secretary of Defense (ASD) Force Management & Personnel Memo, October 31, 2002
  - ASD Manpower and Reserve Affairs Memo, December 31, 2015
- **Somalia**
  - USD (P&R) Memo, October 17, 2006
- **Syria**
  - USD (P&R) Memo, January 7, 2005
- **Tajikistan**
  - USD (P&R) Memo, December 14, 2001
  - USD (P&R) Memo, December 31, 2013
  - 26 C.F.R., Part 1, § 1.112-1 (e)
- **Uzbekistan**
  - USD (P&R) Memo, December 14, 2001
  - USD (P&R) Memo, December 31, 2013
  - 26 C.F.R., Part 1, § 1.112-1 (e)
- **Yemen**
  - ASD (FM&P) Undated Memo
  - 31 CFR 215.8

Table 44-1

<table>
<thead>
<tr>
<th>Rules</th>
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<tr>
<td>5 and 6</td>
<td>Public Law 104-117, March 20, 1996, 109 Stat 827</td>
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<tr>
<td>7</td>
<td>Treasury Regulation 1.112-1</td>
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<td></td>
<td>Waterman v. Commissioner, 179 F.3d 123</td>
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<tr>
<td></td>
<td>(4th Circuit. 1999)</td>
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<td>Rule 10</td>
<td>Public Law 94-212, February 9, 1976</td>
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<td>Rule 11</td>
<td>Revised Rule 77-350, IR Bulletin No. 40, October 3, 1977</td>
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<td>Treasury Regulation 1.62-2</td>
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<td>Treasury Regulation 31.3401(a)</td>
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<td>Public Law 108-121, § 102, November 11, 2003</td>
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<td>Treasury Regulation 1.162-1(b) (5) and 1.262-2(e)</td>
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<td>IRS Revenue Ruling 79-311</td>
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<td>Treasury Regulation 1.61-12</td>
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<tr>
<td>Note 4</td>
<td>Public Law 106-419, § 105, November 1, 2000</td>
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<td>Notes 5 and 12</td>
<td>Public Law 104-117, March 20, 1996, 109 Stat 827</td>
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<td>Note 7</td>
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</table>
Note 11  26 U.S.C. § 134
Note 14  IRS Publication 15-B

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* Rule 6  26 U.S.C. § 7508
Note  IRS Notice 951 (February 1991)
VOLUME 7A, CHAPTER 45: “FEDERAL INSURANCE CONTRIBUTIONS ACT (FICA)”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated August 2015 is archived.

<table>
<thead>
<tr>
<th>PARAGRAPH</th>
<th>EXPLANATION OF CHANGE/REVISION</th>
<th>PURPOSE</th>
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<tbody>
<tr>
<td>All</td>
<td>Updated hyperlinks and formatting to comply with current administrative instructions.</td>
<td>Revision</td>
</tr>
<tr>
<td>Table 45-1</td>
<td>Updated the table to reflect the 2016 and 2017 FICA percentages, maximum taxable wages, and maximum tax rates.</td>
<td>Revision</td>
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CHAPTER 45

FEDERAL INSURANCE CONTRIBUTIONS ACT (FICA)

4501 GENERAL

450101. Purpose

FICA requires Federal Agencies to withhold Social Security and Medicare taxes from the basic pay of military members covered by the Social Security Act and to pay matching FICA taxes to the Social Security Administration. See Table 45-1 for the FICA tax component for Old Age, Survivors, and Disability Insurance (OASDI) tax, also called Social Security tax, and the FICA tax component for Hospital Insurance tax, also called Medicare tax. The OASDI tax rate applies only to those basic pay payments that do not exceed the annually variable OASDI wage base. There is no cap on wages subject to the withholding of Medicare tax.

450102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

4502 REQUIREMENTS

450201. Members Subject to FICA

Any member appointed to, enlisted in, or inducted into any Military Service is subject to FICA tax. This includes members serving in:

A. The Military Service Academies (excluding foreign nationals);

B. An aviation cadet status; or

C. A combat zone.

450202. Taxable Wages

The following wages are subject to FICA withholding:

A. Basic pay (excluding reduction for educational benefits under the Montgomery G.I. Bill);

B. Inactive duty compensation;

C. Taxable amounts earned but unpaid at the date of death (subject to the maximum earnings tax) if paid to the beneficiary during the same calendar year in which the member’s death occurs;
D. Basic pay or compensation earned when absence is the result of injury, sickness, or hospitalization;

E. Taxable amounts received prior to the Government’s voidance of the member’s enlistment contract; and

F. Waived portions of forfeitures of basic pay payable to dependent(s) of a confined member as prescribed in Chapter 48, subparagraph 480307.C.

4503 DEDUCTION OF FICA TAX

450301. Amount

See the “Contribution and Benefit Base” on the Social Security Website or Table 45-1 for the withholding percentage rate and the total maximum tax.

450302. Maximum Tax

Discontinue deductions when the member’s total active duty basic pay plus inactive duty compensation equals the annual maximum earnings subject to FICA withholding, and when the maximum tax has been deducted.

450303. Effect of Punishment, Absence, and Non-Pay Status

See Table 45-2.

450304. More Than One Employer

Deduct FICA taxes regardless of any amounts previously or currently being deducted by another employer. Each Military Service is considered a separate employer; however, cross-servicing of a member’s pay account between the Military Services does not constitute a change of employer. A break in service of any length within the same Military Service does not constitute a change of employer. Consider all FICA tax withheld during the calendar year in determining the total amount withheld. If this amount is in excess of the maximum tax, then the member may claim the excess from the Military Service concerned, and adjustments will be made accordingly.

450305. Retroactive Entitlements and Deductions

Retroactive entitlements and deductions will adjust the pay for the year in which they are made and will be reflected in the tax reporting for the quarter in which paid. All retroactive payments are subject to FICA withholding at the rates in effect at the time of payment. If the member has been discharged, separated, or retired, then issue an Internal Revenue Service (IRS) Form W-2, Wage and Tax Statement.
450306. Indebtedness

FICA taxes previously withheld may not be used to offset any indebtedness.
*Table 45-1. FICA Percentages, Maximum Taxable Wages, and Maximum Tax

<table>
<thead>
<tr>
<th>Year</th>
<th>Social Security (OASDI) Tax</th>
<th>Medicare (Hospital Insurance) Tax</th>
<th>Maximum FICA Wages</th>
<th>Maximum Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>6.20%</td>
<td>1.45%</td>
<td>$84,900</td>
<td>$5,263.80</td>
</tr>
<tr>
<td>2003</td>
<td>6.20%</td>
<td>1.45%</td>
<td>$87,000</td>
<td>$5,394.00</td>
</tr>
<tr>
<td>2004</td>
<td>6.20%</td>
<td>1.45%</td>
<td>$87,900</td>
<td>$5,449.80</td>
</tr>
<tr>
<td>2005</td>
<td>6.20%</td>
<td>1.45%</td>
<td>$90,000</td>
<td>$5,580.00</td>
</tr>
<tr>
<td>2006</td>
<td>6.20%</td>
<td>1.45%</td>
<td>$94,200</td>
<td>$5,840.40</td>
</tr>
<tr>
<td>2007</td>
<td>6.20%</td>
<td>1.45%</td>
<td>$97,500</td>
<td>$6,045.00</td>
</tr>
<tr>
<td>2008</td>
<td>6.20%</td>
<td>1.45%</td>
<td>$102,000</td>
<td>$6,324.00</td>
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<tr>
<td>2009</td>
<td>6.20%</td>
<td>1.45%</td>
<td>$106,800</td>
<td>$6,621.60</td>
</tr>
<tr>
<td>2010</td>
<td>6.20%</td>
<td>1.45%</td>
<td>$106,800</td>
<td>$6,621.60</td>
</tr>
<tr>
<td>2011</td>
<td>6.20%</td>
<td>1.45%</td>
<td>$106,800</td>
<td>$4,485.60</td>
</tr>
<tr>
<td>2012</td>
<td>6.20%</td>
<td>1.45%</td>
<td>$110,100</td>
<td>$4,624.20</td>
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<tr>
<td>2013</td>
<td>4.20%</td>
<td>1.45%</td>
<td>$113,700</td>
<td>$7,049.40</td>
</tr>
<tr>
<td>2014</td>
<td>4.20%</td>
<td>1.45%</td>
<td>$117,000</td>
<td>$7,254.00</td>
</tr>
<tr>
<td>2015</td>
<td>6.20%</td>
<td>1.45%</td>
<td>$118,500</td>
<td>$7,347.00</td>
</tr>
<tr>
<td>2016</td>
<td>6.20%</td>
<td>1.45%</td>
<td>$118,500</td>
<td>$7,347.00</td>
</tr>
<tr>
<td>2017</td>
<td>6.20%</td>
<td>1.45%</td>
<td>$127,200</td>
<td>$7,886.40</td>
</tr>
</tbody>
</table>

**NOTE:** If the current year is not listed, see the “Contribution and Benefit Base” on the Social Security Website.
Table 45-2. Effect of Punishment, Absence, and Non-Pay Status

<table>
<thead>
<tr>
<th>RULE</th>
<th>When a member</th>
<th>then</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>is fined by court-martial and the fine is deducted from pay</td>
<td>the amount of the fine is subject to FICA tax.</td>
</tr>
<tr>
<td>2</td>
<td>is required to forfeit pay as the result of court-martial or nonjudicial punishment</td>
<td>the forfeiture is a loss of entitlement to the basic pay involved, and the lost amount is not subject to FICA tax. (Note)</td>
</tr>
<tr>
<td>3</td>
<td>has pay detained under court-martial or nonjudicial punishment</td>
<td>the amount detained is not subject to FICA tax until it is actually paid to the member.</td>
</tr>
<tr>
<td>4</td>
<td>is absent without leave</td>
<td>the amount of basic pay deducted for the period is not subject to FICA tax.</td>
</tr>
<tr>
<td>5</td>
<td>is confined by civil authorities under conditions that require loss of pay</td>
<td></td>
</tr>
</tbody>
</table>

**NOTE:** The waived portion of a forfeiture is taxable income to the confined member and is subject to FICA under Chapter 48, subparagraph 480307.C and subparagraph 450202.F.
BIBLIOGRAPHY

CHAPTER 45 - FEDERAL INSURANCE CONTRIBUTIONS ACT (FICA)

4501 – GENERAL

Title 42, United States Code (U.S.C.), section 410(1)

4502 – REQUIREMENTS

450201 42 U.S.C. § 410(1)
26 U.S.C. § 3121(m)
450202 42 U.S.C. § 409(d)

4503 – DEDUCTION OF FICA TAX

450301 26 U.S.C. § 3101; 3102
450304 26 U.S.C. § 3101
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Table 45-1 42 U.S.C. § 430
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VOLUME 7A, CHAPTER 46: “DEDUCTIONS FOR THE ARMED FORCES RETIREMENT HOMES”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated July 2014 is archived.

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<td>Added “Purpose” and “Authoritative Guidance” paragraphs to comply with current administrative instructions.</td>
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CHAPTER 46

DEDUCTIONS FOR THE ARMED FORCES RETIREMENT HOMES

4601 GENERAL

*460101. Purpose

The Armed Forces Retirement Home (AFRH) is an independent establishment in the executive branch. The purpose of the Retirement Home is to provide residences and related services for retired and former members of the Armed Forces who meet the eligibility requirements of the AFRH. The AFRH includes the AFRH – Washington (Soldiers’ and Airmen’s Home) and the AFRH – Gulfport (Naval Home).

*460102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

4602 AMOUNT

The Secretary of Defense sets the monthly deduction from pay in an amount not to exceed $1.00. The deductions of pay, which are not prorated for partial months of service, are deposited in the AFRH Trust Fund.

4603 APPLICABILITY

460301. Members Subject to Deductions

The following members are subject to deductions:

A. Regular enlisted members,

B. Warrant officers,

C. Limited duty officers of the Armed Forces, and

D. Coast Guard members (when it is operating as a Military Service in the Navy).

460302. Members Not Subject to Deductions

The following members are not subject to deductions:

A. Reserve Component members,
B. Commissioned officers, and

C. Members in a non-pay status for the entire calendar month.
*BIBLIOGRAPHY

CHAPTER 46 - DEDUCTIONS FOR THE ARMED FORCES RETIREMENT HOMES

4601 - GENERAL

* 460101 Title 24 United States Code (U.S.C.), Chapter 10

4602 - AMOUNT

37 U.S.C. § 1007(i)

4603 - APPLICABILITY

37 U.S.C. § 1007(i)
SUMMARY OF MAJOR CHANGES

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CHAPTER 47

SERVICEMEMBERS’ GROUP LIFE INSURANCE (SGLI) PROGRAM

4701 GENERAL

470101. Purpose

The SGLI Program is administered by the Department of Veterans Affairs (VA). Eligible members, who receive basic pay for 1 or more days per month or members of the Ready Reserves who drill for points, are responsible for the payment of SGLI and Family SGLI (FSGLI) premiums, unless the eligible member elects to waive coverage. Coverage and premiums are discussed in sections 4702 and 4705, respectively.

470102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

4702 COVERAGE

470201. Full-and Part-Time Coverage

A. Full-Time Coverage. Full-time coverage automatically insures eligible members against death in the amount of $400,000 when a member is performing active duty or active duty for training for an ordered period of more than 30 days, or while on full-time duty as a cadet or midshipman at a Service Academy. All members of the Ready Reserve and National Guard, who are assigned or attached to a unit or position that may require performing active duty or active duty for training, and will be scheduled to perform at least 12 periods of inactive duty for training annually, are also eligible for full-time SGLI coverage. Members may elect coverage for an amount less than $400,000, in $50,000 increments, or may elect to waive coverage.

B. Part-Time Coverage. Part-time coverage is provided for the following members while performing active duty or active duty for training for an ordered period of less than 31 days:

1. Commissioned, warrant, or enlisted members of the Army, Navy, Air Force, Marine Corps and Coast Guard Reserves;

2. Members of the Individual Ready Reserve during 1-day call-ups;

3. Members of the Army and Air National Guard performing duty at:
   a. Rifle ranges for the training of civilians in the use of military arms;
   b. Required drills;
47-5

c. Field exercises;
d. National Guard Schools; and
e. Small arms competitions; and

4. Cadets, or midshipmen of the Senior Reserve Officers Training Corps while attending field training or practice cruises.

The eligible member is insured during the days of actual duty performed and becomes eligible for full-time coverage when the member performs active duty or active duty for training for an ordered period of more than 30 days.

C. Changes in Coverage. A member, who is covered for an amount less than maximum SGLI coverage, may apply later in writing for increased coverage, to an amount of up to maximum SGLI coverage, with proof of good health.

470202. Periods of Coverage

See Table 47-1.

470203. Forfeiture of Coverage

Any person guilty of mutiny, treason, spying, desertion, or who, because of conscientious objections, refuses to serve in the Armed Forces of the United States, or refuses to wear the uniform of the Armed Forces, forfeits all rights to any coverage. This insurance is not payable for death inflicted as a lawful punishment for crime or for military or naval offense, except when inflicted by an enemy of the United States.

4703 MARRIED MEMBER’S DESIGNATION OF A BENEFICIARY OTHER THAN THE SPOUSE

When a member designates a beneficiary for SGLI coverage other than his or her current lawful spouse or child(ren), or makes an election for reduced or no coverage, the Secretary concerned will notify the spouse in writing, at the last address of record. The advisory must be made as quickly as possible or within 30 days from the date of such election. The notification will not include the name(s) of the actual designated beneficiary(ies).

4704 APPELLATE LEAVE

When placed on appellate leave following confinement with total forfeiture of pay and allowances (during which coverage had been properly stopped, see Table 47-1, rule 9), coverage is not reinstated. If appellate leave is followed by a restoration to duty with pay, then coverage is reinstated on the date the member returns to full duty status and continues during the period of excess leave. Coverage is reinstated at the amount in effect on the day prior to its stoppage.
4705 SGLI PREMIUMS

470501. Premium Rates

The premium rates effective July 1, 2014 are included in subparagraphs 470501.A and B.

A. Full-Time Coverage. For members who meet the requirements for full-time coverage, the premium rate is 7 cents per month per $1,000 of coverage, $3.50 monthly for each $50,000, or $28.00 monthly for $400,000 of coverage. An additional $1 is charged each month for Traumatic Injury Protection SGLI (TSGLI). TSGLI coverage is automatic for those insured under basic SGLI and can be declined only by refusing basic SGLI coverage. When a member no longer meets the requirements for full-time SGLI coverage, the member’s Service must notify the member of the pending termination of benefits. For rules concerning starting and stopping deductions, see Table 47-1. Monthly deductions are not prorated for partial months of service. Deduct the full monthly premium for any month in which a member is covered for at least 1 day. During months in which coverage amounts change, deduct the full month’s premium for the higher coverage rate.

B. Part-Time Coverage. The premium rate for part-time coverage is $28.00 per year for $400,000 of coverage. An additional $1 is charged for TSGLI. The annual premium is collected from the member’s pay account during the first period of duty in which the member is in a pay status. Members of the Individual Ready Reserve will be charged $1.00 for $400,000 of coverage for 1-day call-ups.

470502. Non-Pay Status

During any month in which a member is assigned to the Ready Reserve of a Uniformed Service, and is insured under a policy of insurance purchased by the Secretary concerned, the Uniformed Service concerned will contribute from the appropriation for active duty pay, the share of the cost attributable to insuring such member under this policy. Any amounts contributed on behalf of the member will be collected by deduction from the member’s pay or otherwise, which may include establishing a debt against the member’s pay account, and will be credited to the appropriation from which the contribution was made.

470503. Direct Remitters

Each Service must have clearly established programs to identify members who are required to make a direct remittance of premiums. Services must notify members at least 30 days in advance of the date the direct remittance is due. The notice will include the amount of the payment, the date it is due, and the Service’s address to which the payment should be sent. The member must make remittance within 30 days from the date of the notice.

470504. Failure to Make Remittance within 60 Days

When the Secretary concerned determines that a member has failed to make direct remittance within 60 days of the due date, the Secretary concerned will send a “Notice of SGLI
Termination” to the member’s official address. The notice must clearly state that effective 60 days from the date of such notice, the member’s SGLI will be terminated. Termination of the insurance may be vacated if, before the expiration of 60 days from the date of the “Notice of SGLI Termination,” the member remits all amounts past due for SGLI coverage and can justify the failure to make timely remittance to the Secretary concerned.

4706  REFUNDS

Refunds will not be made in the case of amounts deducted before the effective date of any election for reduced or waived coverage. When the Office of SGLI (OSGLI) rejects a request for reinstatement of coverage or increased coverage, any increase in premiums withheld pending OSGLI rejection will be credited to the member's pay account.

4707  EXTRA HAZARD COSTS

470701. Cost

In addition to a deduction from the member’s pay, each Military Service contributes from its appropriations an amount (determined by the VA) attributable to the extra hazard cost of SGLI. This premium reflects the cost of death claims in excess of the level of death claims that would result from normal peacetime service.

470702. Payment

The Military Services centrally pay the premium for extra hazard costs, along with the member premiums to the VA.

4708  SETTLEMENT OF SGLI CLAIMS

Death claims are filed with the OSGLI. The order of precedence for payment is the same as prescribed in subparagraph 471010.C. The OSGLI will reduce the insurance proceeds by the amount of any member premiums not paid. Effective July 1, 2011, the SGLI Form (commonly named and referred to as SGLV) 8283, Claim for Death Benefits, and SGLV Form 8283A, Claim for Family Coverage Death Benefits, were updated to reflect electronic funds transfer as a settlement payment option for the beneficiaries.

4709  FSGLI

470901. Eligibility

FSGLI automatically covers spouses and dependent children (insurable dependents) of Uniformed Service members. In order for the spouse and children to be eligible for family coverage, the service member will be enrolled in the full-time SGLI coverage. Enrollment for members of the Uniformed Services is based on dependent information in the Defense Enrollment Eligibility Reporting System (DEERS). For Marine Corps members, enrollment is based on dependent information in the Marine Corps Total Force System (MCTFS).
NOTE: Effective October 10, 2008, coverage was expanded to include the member's stillborn child.

470902. Spousal Coverage

The spouse of an eligible member automatically is covered for $100,000. Coverage of a spouse, however, cannot exceed the member’s SGLI coverage if such coverage is less than $100,000. For example, if the member’s SGLI coverage is $50,000, then the coverage for the spouse cannot exceed $50,000.

470903. Cost

The premiums are based on the age and the amount of coverage. The premium rates for the spouse are as follows:

<table>
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<th>Age</th>
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<tr>
<td>Under 35</td>
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<td>60 and Over</td>
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470904. Children’s Coverage

Each child is covered in the amount of $10,000 at no cost to the member. The member may not decline coverage or elect to insure any child for less than $10,000. In the case of a member married to another member, a child may not be insured by more than one member. The child will be insured by the coverage of the member whose eligibility for insurance occurred first, except in cases where the senior member does not have legal custody of the child. In such cases, the child will be insured under the coverage of the member who has custody of the child.

470905. Member Married to Member

A member married to another member is eligible for coverage under this program. Members who were married on or before January 1, 2013 were automatically enrolled for FSGLI when their marriage was reported to DEERS/MCTFS. Members married on and after January 2, 2013, who want the FSGLI coverage, must complete the FSGLI enrollment documentation through their servicing personnel offices.
Effective Date

Family coverage under SGLI is effective with regard to dependents of a member on the latest of the following dates:

A. The date member enrolled in SGLI;

B. In the case of the spouse, the date of marriage; or

C. In the case of the child, the date of birth. If a child is not a natural child of the member, then the date in which the child acquires status as dependent of the member.

Reinstatement or Increase in Coverage

The member must complete the SGLV 8286A, Spouse Coverage Election and Certificate, to increase or reinstate FSGLI if coverage was previously reduced or declined. Proof of good health is required. If the good health requirement is met, then the effective date of reinstatement or increase of coverage is the date the application is received by the member’s branch of service.

Termination of Coverage

Family coverage under SGLI will stop:

A. On the last day of the member’s SGLI coverage; or

B. 120 days after:
   1. The date of an election made in writing by the member to terminate the coverage (a premium is due for the month in which the election is received; no further premiums are due);
   2. Date of the member’s death;
   3. Date the member separates from the Service; or
   4. Date of termination of the dependent status of an insurable dependent of the member.

Refunds

See section 4706.

Beneficiary

The member is the primary beneficiary for family coverage. For the settlement of a claim, refer to section 4708.
4710 TSGLI

471001. Definitions

The following definitions are applicable only to this section.

A. **Traumatic Event.** A traumatic event occurs during the application of external force, violence, chemical, biological, or radiological weapons, or accidental ingestion of a contaminated substance causing damage to a living being. A traumatic event does not include cases involving adverse reactions to vaccinations, surgical trauma, or adverse outcomes of medical procedures.

B. **Traumatic Injury Protection.** Traumatic injury protection provides for the payment of a specified benefit amount to a member insured by SGLI who sustains a traumatic injury directly resulting in a scheduled loss.

471002. Eligibility

The TSGLI under the auspices of the SGLI program provides payments to severely injured members who suffer a scheduled loss as a direct result of serious trauma incurred under conditions in subparagraph 471001.A, such as loss of an arm or leg. If a member suffers more than one such qualifying loss as a result of traumatic injury from the same traumatic event, then payment will be made for a single loss providing the highest payment. This monetary assistance helps the member and his/her family through an often long and arduous treatment and rehabilitation period. In order for a member to be eligible for TSGLI benefits, the member must meet the following requirements:

A. Be a member of the Uniformed Services and insured by SGLI under paragraph 470201 on the date of the traumatic event. For this purpose, the member will be considered a member of the Uniformed Services until midnight on the date of termination of the member’s duty status in the Uniformed Services that established eligibility for SGLI, notwithstanding an extension of SGLI coverage under Table 47-1;

B. Must suffer a scheduled loss (e.g., an arm, a leg) as a direct result of a traumatic injury and no other cause;

C. Must survive a period of not less than 7 full days from the date of the traumatic injury. The 7-day period begins on the date and Zulu (Greenwich Meridian) time of the traumatic injury and ends 168 full hours later; and

D. Must suffer a scheduled loss (e.g., an arm, a leg) within 2 years of the traumatic injury.

471003. Limitations

A benefit will not be paid if a scheduled loss is due to a traumatic injury caused by:
A. The member’s attempted suicide, while sane or insane;

B. An intentionally self-inflicted injury or an attempt to inflict such injury;

C. Medical or surgical treatment of an illness or disease; or

D. Willful use of illegal or controlled substance, unless administered or consumed on the advice of a medical doctor.

471004. Other Limitations

A benefit will not be paid for a scheduled loss resulting from:

A. A physical/mental illness or disease, whether or not caused by a traumatic injury, other than a pyogenic infection or physical illness or disease caused by biological, chemical, or radiological weapons or accidental ingestion of a contaminated substance; or

B. A mental disorder whether or not caused by a traumatic injury.

471005. Exclusion

For the purposes of this section, if the member is insured under SGLI only as an insurable dependent of another service member, then the insurable dependent will not be considered a member insured under TSGLI.

471006. Effective Date

All members covered by the SGLI program will be automatically covered under TSGLI. Members must decline SGLI coverage in order to cancel TSGLI.

471007. Amount of Coverage

Members who suffer a loss from a traumatic injury are eligible to receive monetary compensation of not less than $25,000 and not more than $100,000.

471008. TSGLI Premium

Deduct a monthly premium of $1.00 in addition to SGLI premium from the member’s pay the month the member’s SGLI coverage begins. There is no cost for TSGLI coverage for a member while performing funeral honors and muster duties.

471009. Termination of TSGLI

A. TSGLI coverage terminates at midnight of the last day of the month that the member is no longer covered under SGLI, or at midnight of the date of the member’s separation from service, whichever occurs first.
B. TSGLI coverage is not in effect during the 120-day post-separation period or during the 2-year SGLI disability extension.

C. TSGLI cannot be converted to Veterans’ Group Life Insurance (VGLI) or commercial coverage.

471010. Payment of Traumatic Injury Protection Benefit

The payment of traumatic injury protection benefit will be paid to the member who suffered the scheduled loss, except under the following circumstances:

A. If the member is legally incapacitated, then the member’s legal guardian, agent, or attorney acting under a valid Power of Attorney, will be paid the benefit on behalf of the member.

B. If no guardian, agent, or attorney is authorized to act as the member’s legal representative, then a military trustee who has been appointed will be paid the benefit on behalf of the member. The military trustee will report the receipt of the traumatic injury benefit payment and any disbursements from that payment to the Department of Defense (DoD) per subparagraph 471103.D.

C. If a member who is eligible for payment of TSGLI benefits dies before payment is made, then the beneficiary or beneficiaries will be paid the benefit in the following order of precedence:

1. Beneficiary designated by the member in writing, if the designation is received by the Military Department concerned before the member’s death;

2. Surviving spouse;

3. Children and their descendants, by representation. The term “children” includes the following:

   a. Legitimate Children;

   b. Legally Adopted Children; and

   c. Illegitimate Children. The illegitimate child of a female member is an eligible beneficiary. An illegitimate child of a male member is an eligible beneficiary only if:

      (1) The member acknowledges the child, in writing, with a signature;

      (2) The member has been judicially ordered to contribute to the child’s support;
(3) The member has been, before his death, judicially decreed to be the father of such child;

(4) Proof of paternity is established by a certified copy of the public record of birth or church record of baptism showing that the insured was the informant and was named as father of the child; or

(5) Proof of paternity is established from service department or other public records, such as school or welfare agencies, which show that with his knowledge the insured was named as father of the child;

NOTE: A stepchild is not an eligible beneficiary unless adopted by the deceased member.

4. Father and mother in equal parts or, if either is dead, then the survivor;

5. Legal representative of the deceased member’s estate; or

6. Person entitled under the law of the domicile of the deceased member.

471011. Taxability

All benefits paid under any law administered by the VA are exempt from taxation. SGLI is a benefit administered by the VA; therefore, all benefits paid are not taxable. If an overpayment occurs and the overpayment is not returned, then the benefit may be taxable.

471012. Settlement of Claims

The member must complete SGLV 8600, Servicemembers’ Group Life Insurance Traumatic Injury Protection Program (TSGLI), Part A of the Application for TSGLI Benefits Form, sign and submit the form to his/her Service representative for review and certification. Once the claim is approved, the Service representative will forward the claim to OSGLI for payment.

471013. Appeal of Eligibility Determination

To appeal the denial of a claim for TSGLI benefits, an appeal of eligibility determination must be submitted in writing by the member or member's legal representative, or by the beneficiary or the beneficiary's legal representative, within 1 year of the date of the denial of eligibility. The appeal must be submitted to the office of the Uniformed Service identified in the decision regarding the member's eligibility for the benefit.
4711 DESIGNATION OF FIDUCIARY OR TRUSTEE UNDER TSGLI

471101. Authority

The Secretary concerned, in consultation with the Secretary of VA, will develop a process for the designation of a fiduciary or trustee of a member of the Uniformed Services who is insured against traumatic injury under section 4710. The trustee will receive payment for a qualifying loss under section 4710 in the event that the member becomes medically incapacitated or experiences an extended loss of consciousness.

471102. Appointment of Fiduciary or Trustee

If a member is legally incapacitated and has no legal guardian, agent, or attorney acting on his or her behalf, then a fiduciary or trustee may be appointed to act on the member’s behalf. The authority to appoint military trustees has been delegated to the Director, Defense Finance and Accounting Service (DFAS) Cleveland.

A. The fiduciary or trustee appointed by the Director, DFAS Cleveland, has the authority to receive, expend, and account for monies received from the military and, specifically under this section, TSGLI benefits. The trustee must use the monies received for the benefit of the incompetent member.

B. All applications to appoint a trustee and related documentation should be submitted to:

Defense Finance and Accounting Service
Retired Pay Department
P.O. Box 998021, Room 1579
Cleveland, OH 44199-8021

C. The Director, DFAS Cleveland, may designate one of the following persons as trustee for an incompetent military member, if the person (except for a lawful spouse) is 21 years of age or over:

1. Lawful spouse (not subject to age requirement);

2. Children:
   a. Legitimate Child; or
   b. Adopted Child;

3. Father and mother;

4. Head of an institution, if member is a patient; or
5. Any other person or persons, if determined to be in the best interest of the member.

471103. Authority of Fiduciary or Trustee

The fiduciary or trustee:

A. Will submit a DoD (DD) Form 2827, Application for Trusteeship, as verification of appointment as trustee of the member;

B. Has the ability to gain access to the Prudential’s Alliance Account after providing written confirmation of his or her appointment of fiduciary or trustee by DFAS;

C. Can access the Prudential’s Alliance Account and choose how to disburse the member’s TSGLI benefit payment. The designated trustee must furnish a suitable bond when the amount received may exceed $1,000. The required bond must have as the surety, a company approved by the U.S. Government, and be in an amount stipulated by the Director, DFAS Cleveland. If a bond is required, then only the premium fee charged by the bonding company may be paid from funds received on behalf of the member. Other expenses incurred when securing the bond will not be paid with member funds; and

D. Must provide an annual accounting of any disbursements, including the TSGLI payments, to the Director, DFAS Cleveland. The report must show all funds received, all expenditures made on behalf of the member, and a statement of the condition of the trustee’s account at the time the report is submitted. Upon request, the trustee may be required to provide receipts, cancelled checks, voucher accounts, savings account passbook, and other supporting financial documents of the trustee account.

4712 REIMBURSEMENT ALLOWANCE FOR SGLI PREMIUM DEDUCTION

*471201. General

Effective December 23, 2016, the Secretary concerned will pay an allowance to a member of the Armed Forces based on the SGLI premium of the SGLI coverage held by a member while serving in a designated duty assignment at any time during the month. For the purpose of reimbursement allowance for SGLI deduction, the term "designated duty assignment" means a permanent or temporary duty assignment outside the United States or its possessions in support of a contingency operation in an area that:

A. Has been designated a combat zone; or

B. Is in direct support of an area that has been designated a combat zone.
471202. Premiums

The reimbursement is the monthly premium for the first $150,000 of SGLI coverage plus the cost for TSGLI of $1.00, which is automatically extended to any member covered under the SGLI program. The allowance is equal to the SGLI premium for the SGLI coverage the member elected, not to exceed $400,000 plus TSGLI of $1.00. The member must complete a SGLV 8286, Servicemembers’ Group Life Insurance Election and Certificate, to increase or decrease SGLI coverage. See the following example to determine the amount of the allowance.

Example: A member, deployed in August 2014 to a designated duty assignment, chooses to retain coverage of $400,000. That member’s August 2014 premium would be $29.00 ($3.50 for $50,000 of coverage times 8, plus $1.00 for TSGLI). If a member chooses to retain coverage of $400,000, then the allowance reimbursement would equal the premium of $29.00.

471203. Tax Implication

The premium amount for the first $50,000 of coverage is excluded from taxable income. Therefore, and based on the example in paragraph 471202, the member’s taxable amount is $25.50 ($29.00 less $3.50). The $25.50 amount may also be excludable from taxable income if the amount is earned while serving in a Combat Zone Tax Exclusion (CZTE) area. For officers, however, the exclusion of the allowance from taxable income is subject to application of the monthly maximum CZTE. See Chapter 44, paragraph 440202.
Table 47-1. Effective Dates of SGLI Coverage and Deductions (Full-Time and Part-Time)

<table>
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<tr>
<th></th>
<th>A</th>
<th>B</th>
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<tbody>
<tr>
<td>R U L E</td>
<td>When a member required to perform duty described in section 4702, or Chapter 58, paragraphs 580205, or 580206</td>
<td>then the effective date of coverage is the first day of entry on such duty (note 2). Maximum basic coverage is automatically in effect until the member elects reduced coverage or waives coverage (note 3)</td>
<td>starts the month of the date of entry.</td>
</tr>
<tr>
<td>1</td>
<td>enters such duty</td>
<td></td>
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<tr>
<td>2</td>
<td>resumes the obligation or reenters on such duty in the same Uniformed Service the day following termination of such period of obligation (note 4)</td>
<td>coverage (excluding elections of reduced or no coverage) is continuous (note 5)</td>
<td>continues at the appropriate rate.</td>
</tr>
<tr>
<td>3</td>
<td>elects a reduced amount of coverage after entry on such duty</td>
<td>coverage is the first day of the month following receipt by the Uniformed Service of the member's election, entered on SGLV 8286 (note 6)</td>
<td>starts in the reduced amount the first day of the month following receipt of the member's election. For deduction refunds, see section 4706.</td>
</tr>
<tr>
<td>4</td>
<td>applies for increase or reinstatement of coverage after entry on such duty</td>
<td>coverage is the date of receipt by the Uniformed Service of the application with evidence of good health (note 7)</td>
<td>starts the month of the date the application is received by the Military Service.</td>
</tr>
<tr>
<td>5</td>
<td>elects not to be covered (declines or cancels) after entry on such duty</td>
<td>termination is the first day of the month following receipt by the Uniformed Service of the member's election, entered on SGLV 8286 (note 6)</td>
<td>stops at the end of the month in which the member's election is received by the Military Service. For deduction refunds, see section 4706.</td>
</tr>
<tr>
<td>6</td>
<td>is covered full-time and is separated and does not reenter active duty or immediately resumes part-time coverage</td>
<td>termination is 120 days after separation (note 8)</td>
<td>stops at the end of the month of separation.</td>
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</table>
Table 47-1. Effective Dates of SGLI Coverage and Deductions (Full-Time and Part-Time) (Continued)

<table>
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<tr>
<th>R</th>
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<tr>
<td>7</td>
<td>is covered on a part-time basis and qualified period of duty ends</td>
<td>termination is the day active duty or active duty for training ends, or the hour inactive duty ends (notes 3, 9 and 10)</td>
<td>see Chapter 58, paragraph 580805.</td>
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<tr>
<td>8</td>
<td>is a member of a Reserve Component not covered on a full-time basis and is called to Extended Active Duty, Active Duty for Special Work, or mobilization</td>
<td>coverage is the first day of active duty (maximum basic coverage is automatic unless a member applies for reduced or no coverage).</td>
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<tr>
<td>9</td>
<td>is covered full-time and is Absent Without Leave, confined by civil authorities under a sentence adjudged by a civilian court, or confined by military authorities under a court-martial sentence involving total forfeiture of pay and allowances</td>
<td>termination is at the end of the 31st continuous day of such status (note 11)</td>
<td>stops at the end of the month in which the 31st day of such status is reached.</td>
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<tr>
<td>10</td>
<td>forfeits rights to SGLI under the provisions of section 4702 and Chapter 58, paragraph 580807</td>
<td>termination is the end of the day before the date of conviction, refusal to perform service, or refusal to wear the uniform (note 12)</td>
<td>stops at the end of the month in which coverage is terminated.</td>
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</tbody>
</table>

NOTES:
1. Members in an excess leave status normally remain eligible for coverage. (See section 4704 for the appellate leave exception.) Establish monthly premiums in such cases as deductions against member pay accounts or collect as cash according to procedures of the Military Service concerned.
2. First-time enlistees in the Ready Reserves are eligible for coverage on the date of enlistment when assigned to a Ready Reserve unit, regardless if they are or are not required to participate in periods of inactive duty training and have not yet been called to their initial active duty period. This does not apply to delayed entry active duty enlistees.
Table 47-1. Effective Dates of SGLI Coverage and Deductions (Full-Time and Part-Time)
(Continued)

3. Elections made by Reserve Component members continue in effect during continuous
obligation to perform duty in the same Uniformed Service. Reserve Component members are
not required to reelect or reapply for their desired level of coverage each time they perform
duty. For the exception, see rule 8.

4. A new period of coverage begins and new elections must be submitted when a member resumes
an obligation to perform duty or reenters on duty in the same Uniformed Service more than 1
day following termination of previous obligation; or when a member assumes an obligation to
perform duty and enters on duty in a different Uniformed Service at any time. A member
entering active duty after a break in service is automatically covered by the maximum basic
coverage, until the member elects otherwise, even though the member may have converted
former SGLI coverage to an individual policy following last discharge or release from active
duty. A former member, insured under the VGLI Program, who declines SGLI coverage solely
to maintain VGLI coverage, upon termination of VGLI, will be automatically insured under
maximum basic coverage if the member otherwise is qualified.

5. Any previous election for less than $400,000 is canceled. Maximum basic coverage is
automatically in effect unless member again chooses a reduced amount.

6. For members covered on a part-time basis, an election for reduced or no coverage is effective
at the end of the last day of the duty period being performed. If the election is made outside a
duty period, then the reduced or waived coverage is effective when the election is received by
the Military Service.

7. Increase or reinstatement of coverage is contingent upon written application by the member on
SGLV 8286, Servicemembers’ Group Life Insurance Election and Certificate, and approval by
the OSGLI.

8. In the case of members totally disabled on the date of separation from such duty, the insurance
will cease 1 year after the date of separation or on the date the insured ceases to be totally
disabled, whichever is earlier, but in no event prior to the expiration of 120 days after
separation.

9. Part-time coverage is in effect only on the days of:
   a. active duty;
   b. active duty for training;
   c. inactive duty training, if the site is outside reasonable commuting distance from the
      member’s residence, and includes the time-period of travel to and from such duty,
      while remaining:
         1. overnight immediately before the commencement of inactive duty training;
         2. overnight between successive periods of inactive duty training; or
         3. in the vicinity of the site of the inactive duty training.

10. Coverage continues for 120 days after the period of duty if the member, during that duty period,
incurs or aggravates a disability and the disability renders the member uninsurable at standard
premium rates, according to good health standards approved by the VA, and as determined by
the OSGLI.
11. Members carried in an absent without leave or confined status, except for an offense listed in paragraph 470203, remain eligible for coverage. Insurance terminated under the provisions of rule 9, together with any elections made, will be automatically reinstated as of the date the member is restored to duty with pay. Start premium deductions at the appropriate rate on the month of the date the member is restored to duty with pay.

12. Members restored to duty under conditions, which, in effect, result in a remission of sentence, may apply for reinstatement of coverage under rule 4.
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471203
26 U.S.C. § 79
26 U.S.C. § 134
VOLUME 7A, CHAPTER 48: “COURT-MARTIAL SENTENCES”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an * symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue and underlined font.

The previous version dated December 2012 is archived.

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<th>PURPOSE</th>
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<td>480104</td>
<td>Deleted paragraph as no longer relevant.</td>
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<tr>
<td>480105</td>
<td>Renamed, renumbered and moved to 480306.</td>
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<td>480306-480307</td>
<td>Renumbered to 480307 and 480308.</td>
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<td>480308</td>
<td>Clarified that forfeitures will not be collected during appellate leave or from lump sum accrued leave payments.</td>
<td>Update</td>
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<tr>
<td>480602.C</td>
<td>Clarified the collection for fines during appellate leave or from lump sum accrued leave payments.</td>
<td>Update</td>
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CHAPTER 48

COURT-MARTIAL SENTENCES

4801 EFFECT OF SENTENCES ON PAY AND ALLOWANCES

480101. Forfeitures

A. A sentence to partial forfeiture of pay deprives a member of the amount of pay stated in the sentence. The sentence applies for the number of months or days expressly stated.

B. Forfeitures apply to pay (and allowances if total forfeitures of pay and allowances are specifically adjudged) becoming due on and after the date forfeitures are effective (see paragraph 480502), unless the convening authority suspends or remits the forfeiture.

480102. Fines

A fine is in the nature of a judgment. It makes a member pecuniary liable to the United States for the amounts specified in the sentence. Fines are not self-executing. They are debts to the government until:

A. Paid in cash by the member;

B. Collected by deduction from the member’s current pay; or

C. Collected by deduction on settlement of a member’s pay account at discharge.

480103. Forfeiture of Allowances

Allowances are forfeited only when a sentence by a general court-martial includes forfeiture of all pay and allowances.

4802 REQUIREMENT FOR REDUCTION IN GRADE UNDER CERTAIN COURT-MARTIAL SENTENCES

Unless otherwise provided in regulations of the Military Service concerned, a court-martial sentence, as approved by the convening authority which includes dishonorable or bad conduct discharge, confinement, or hard labor without confinement, by operation of law requires reduction of an enlisted member to pay grade E-1 effective on the date of that approval. If the sentence of a member who is thus reduced in pay grade is set aside or disapproved, or, as finally approved, does not include any of the above punishment, all rights and privileges denied the member because of the reduction are restored. The member is entitled to the pay and allowances to which member would have been entitled, for the period the reduction was in effect, had the
grade reduction not been applied. The Military Services apply reduction in this instance as follows:

480201. Army

An accused member may be retained in the grade held at the time of the sentence or in any intermediate grade if the convening or higher authority, taking initial action on the case, suspends all elements of the sentence which would otherwise require reduction to pay grade E-1 by operation of law and provides for retaining the member’s present or intermediate grade as set forth in Army Regulation (AR) 600-8-19. When the action set forth in AR 600-8-19 is not taken, the member is reduced to pay grade E-1 effective on the date the sentence is approved by the convening authority.

480202. Navy and Marine Corps

Exercising sole discretion, the convening authority or supervisory authority may retain the accused member in the pay grade held at the time of sentence or an intermediate pay grade and suspend the automatic reduction to pay grade E-1 which would otherwise be affected. The automatic reduction may be suspended without regard to whether any part of the approved sentence was suspended. Additionally, the convening authority may direct that the accused serve in pay grade E-1 while in confinement but be returned to the pay grade held at the time of sentence or an intermediate pay grade upon release from confinement. If, however, the adjudged sentence included a reduction in pay grade, the reduction should be suspended for the same period as the automatic reduction is suspended. Failure of the convening authority to address automatic reduction will result in the automatic reduction to pay grade E-1 on the date of the convening authority’s action.

480203. Air Force

Reductions in grade must be expressly stated in the court-martial sentence. If the sentence includes an approved reduction, as well as punitive discharge, confinement at hard labor, or hard labor without confinement, the member will be reduced under Article 58a, Uniform Code of Military Justice (UCMJ), at the time of action by the convening authority. The reduction, if approved, will not be delayed until completion of appellate review under Article 71(c), UCMJ.

480204. Effective Date of Automatic Reduction in Grade

If an enlisted member is reduced by operation of law to pay grade E-1, the effective date of the reduction is the date on which the sentence is approved by the convening authority.

480205. Reduction in Grade as a Result of Court-Martial Sentence

A reduction in grade that is imposed as part of a court-martial sentence takes effect on the date the sentence is approved by the convening authority, or on the 14th day after the sentence is adjudged, whichever is earlier.
4803 FORFEITURES

480301. Pay Subject to Forfeiture

Forfeitures, other than total forfeitures apply to:

A. Basic pay, based on the member's years of service, and

B. Career sea pay or hardship duty pay, provided such pay continues to accrue after the effective date of the sentence, and

C. An allotment made voluntarily.

480302. Pay Not Subject to Forfeiture

Forfeitures, other than total forfeitures, do not apply to special (other than sea or hardship duty pay) or incentive pay.

480303. Taxes

A forfeiture is a loss of entitlement to the pay involved. Consequently, forfeitures are not taxed. Compute the amount of pay to be forfeited before withholding for federal and state income and Federal Insurance Contribution Act (FICA) taxes. Compute taxes from the remaining pay not forfeited.

480304. Reduction in Grade

If a member’s sentence includes or requires a reduction in grade, apply forfeitures to the pay of the grade to which reduced.

480305. Concurrent Forfeitures

When two or more sentences require forfeitures for a concurrent period, the amount stated in each sentence is forfeited only for the specified period. If each forfeiture results from a court-martial under which the maximum forfeiture which could be imposed is two-thirds of the pay subject to forfeiture, then collect only two-thirds of the pay subject to forfeiture for the concurrent period. Following the concurrent period, pay is forfeited under the remaining sentence at the rate specified in the sentence for the time remaining in that sentence.

480306. Non-Collection of Ordered Forfeitures

If any amount ordered forfeited is not actually withheld or collected during the period specified by the approved sentence, such amount may be collected involuntarily as an erroneous payment as provided in Table 50-1, rule 3, at a rate not to exceed the maximum authorized by Table 50-6, rule 2.
Forfeiture of Pay or Allowances During Certain Court-Martial Confinements

A. General Court-Martial. A member automatically forfeits all pay and allowances while in confinement or in a parole status when the member is sentenced to:

1. Death;
2. Confinement for more than six months; or
3. Confinement of any length and either a dishonorable discharge, a bad conduct discharge, or a dismissal.

B. Special Court-Martial. The forfeiture provisions in subparagraph 480307.A also apply for sentences adjudged by special court-martial. However, automatic forfeitures are limited to two-thirds of all pay.

C. Waiver of Forfeitures in Favor of Dependents. The convening authority or a person acting under 10 United States Code (U.S.C.) 860 may waive any or all of the forfeitures of pay and allowances that were imposed by operation of law ("automatically"). The portion waived is payable to the accused member’s dependent(s) as directed by the convening authority or person taking action.

1. Intent of Waiver and Taxability of Waived Forfeiture Amount. Direct payments to dependents, of the waived portion of a forfeiture are intended to provide transitional compensation and direct financial assistance for a period not to exceed six months. Because the waived portion of the forfeiture remains wages generated by the member’s military status, it is taxable income to the accused member, even though paid to the member’s dependents. Therefore, after appropriate federal, state, and FICA taxes are withheld from the taxable portion of the waived forfeiture amount, and the remaining (net) waived amount is paid to the member’s dependent(s), as directed. See Table 44-1, rule 24.

2. Other Deductions and Collections. The UCMJ contains no provisions for the deduction of any of the items appearing in Table 52-1 from the waived forfeiture of pay and allowances. Therefore, only applicable taxes listed in subparagraph 480307.C.1, may be deducted from the waived portion of pay and allowances that would otherwise be forfeited, with the remaining amount paid to the member’s dependent(s), as directed by the convening authority. See Table 44-1, rule 24, and Table 45-2, rule 2.

3. Effective Date of Payments. The effective date of any payment is the date directed by the convening authority or, if not specifically stated, the date of the convening authority action on the waiver.

D. Effect of Disapproval, Set Aside, or Reduction of Punishment. If the sentence of a member who forfeits pay and allowances is set aside, disapproved or, as finally approved, does not provide for a punishment listed in subparagraph 480307.A, then pay the
member the pay and allowances that the member would been paid except for the forfeiture, for
the period during which the forfeiture was in effect. The payment to the member should be
reduced by the amount of any payments made to the member’s dependents under subparagraph
480307.C.

NOTE: The net refundable automatic forfeiture amount to be paid to eligible members (see
subparagraphs 480307.A and 480502.B) is current year taxable income subject to appropriate
withholding of federal, state, and FICA taxes.

*480308. No Collection of Forfeitures of Pay During Appellate Leave

A member who has accrued leave before entering an appellate leave status will use
his/her accrued leave for the period of appellate leave, unless the member elects to be paid for
such accrued leave in a lump sum. Forfeitures will not be deducted from these leave payments in
either situation.

4804 EXECUTION OF COURT-MARTIAL SENTENCES, APPELLATE REVIEW
REQUIREMENTS

See Table 48-1.

4805 EFFECTIVE DATES OF FINES AND FORFEITURES

480501. Fines

Begin collection of fines on the date the convening authority orders execution of the
sentence.

480502. Forfeitures

A. Forfeitures of pay or pay and allowances start on the date the convening
authority approves that part of the sentence establishing the forfeiture, or on the 14th day after
the date the sentence was adjudged, whichever is earlier.

B. Upon application by the accused, the convening authority may defer the
start of the forfeiture until the date the convening authority approves the sentence. The
convening authority may revoke the deferment at any time.

C. A convening authority may defer the execution of a forfeiture until a prior
forfeiture is executed.
4806 COLLECTION

480601. Forfeitures

Since court-martial forfeitures constitute a loss of entitlement to the pay or pay and allowances concerned, they constitute a reduction of pay that takes precedence over all debts. (See Table 52-1, rule 1).

*480602. Fines

Fines constitute indebtedness to the United States. Collect fines as follows:

A. **Current Pay.** Fines may be collected involuntarily from the current pay of all members. They are collected after all other prior indebtedness for the period involved has been collected. If prior deductions reduce the member’s pay by two-thirds of gross pay for any month, no pay accrues against which fines may be applied. In such case, defer collection of fines until pay accrues against which they may be applied.

B. **Final Pay.** Fines may be collected involuntarily from the final pay of all members. They are collected after all other indebtedness. Collections will not reduce pay received by enlisted members of the Army or Air Force to less than one-third of gross pay. Separation travel allowances and donations on discharge will not be used to liquidate an indebtedness for enlisted members. Otherwise, all final pay and amounts due the member at separation may be collected involuntarily. See Table 50-6, rule 2.

* C. **Appellate Leave.** Fines may be collected involuntarily from the member while the member is on appellate leave, or from any lump sum payment of accrued leave paid at the commencement of appellate leave.

480603. Rate of Collection

Charge forfeitures of pay against a member’s pay at the rate required by the sentence until the sentence is fully satisfied. Forfeitures of pay are considered as collected from day to day as pay accrues. Prorate the monthly rate of forfeiture on a daily basis for a portion of a month. The amount of forfeiture or fine is governed by the language of the sentence. For example, a sentence to forfeit $20 per month for 6 months means a forfeiture of $120 to be collected at $20 per month. Pay cannot be forfeited by implication. For example, a sentence reading “to be confined for 2 months and to forfeit $60 of his or her pay for a like period,” does not mean a forfeiture of $60 per month for 2 months, or a total of $120, but means a forfeiture of only $60.

480604. Non-Pay Status

During periods when a member is in a non-pay status, pay does not accrue against which forfeitures or fines can apply. Do not count such periods in computing the time during which pay is forfeited for a specific period.
480605. Restoration to Duty

A member restored to duty following a non-pay status is again entitled to pay against which forfeitures or fines may apply.

480606. Service Beyond Estimated Term of Service (ETS) for Medical Care

The pay and allowances of an enlisted member retained beyond ETS for medical care or hospitalization are subject to forfeitures and fines.

480607. Non-Collection Due to Administrative Error

Collect court-martial forfeitures not collected due to administrative error when the error is discovered. Collection may be made for the court-martial forfeiture or for erroneous payments made during the period covered by the sentence. Indebtedness of this type cannot be remitted under statutes authorizing remission of indebtedness.

480608. Pay Due or Accrued

Pay of a member subject to forfeiture by sentence of court-martial is pay which is earned on and after the effective date of the forfeiture. See section 4805.

480609. Forfeiture Based on Reserve Status in Certain Circumstances

All punishments (as the result of any offense committed on or after March 12, 1987) remaining unserved (A) at the time a member of a Reserve Component is released from active duty or (B) at the end of a period of active duty training or the end of any normal period of inactive duty training may be carried over to subsequent periods of inactive duty training or active duty. A forfeiture of pay may be collected from active duty and inactive duty training pay during subsequent periods of duty. See section 4812.

4807 REMISSION, SUSPENSION, AND CANCELLATION OF FORFEITURES

480701. Death or Separation

A. The death or discharge of a member under a suspended sentence operates as a complete remission of any unexecuted or unremitting part of a sentence.

B. Discharge, release from active duty (except under paragraph 480609), or death of a member under an unsuspended sentence to forfeiture cancels any uncollected portion of the forfeiture which would extend beyond the date of discharge, release, or death.

480702. End of Term of Service, Unauthorized Absence, or Desertion

The end of term of service of a member in military confinement, unauthorized absence or desertion of a member, stops collections of uncollected forfeitures since no pay accrues against
which forfeitures can operate. If an unauthorized absentee or deserter is restored to pay status, then resume otherwise proper collections.

480703. Extension of Enlistment

When an enlisted member begins a voluntary extension of enlistment, uncollected forfeitures attributable to the collection period that would extend beyond the normal expiration of term of service are cancelled. Involuntary extensions of enlistment do not interrupt collection of forfeitures.

480704. Restoration to Duty

If a member who was sentenced to a dishonorable or bad conduct discharge, total forfeitures and confinement, is released from confinement and restored to duty, (s)he is entitled to pay and allowances from the date restored to duty, and the forfeiture becomes inoperative thereafter. This applies even though no other action may have been taken to suspend, remit, or mitigate the sentence to total forfeiture. A restoration to duty to serve out an incomplete enlistment, from which an enlisted member has received a sentence of dishonorable or bad conduct discharge, revives partially unsatisfied forfeitures.

480705. Effective Date

An order remitting, mitigating, or suspending the unexecuted portion of a sentence is effective from the date of the order, except when a later date is specified. Such an order relieves the member of the unexecuted portion of the forfeiture or fine on and after the effective date.

480706. Results of Remission or Suspension

When an unexecuted portion of a sentence to forfeiture or fine is remitted or suspended, the member is no longer subject to the unexecuted forfeiture or fine.

480707. Vacation of Suspension

When a suspension of a forfeiture or fine is vacated, the uncollected forfeiture or fine is revived and proper for collection.

4808 SENTENCES DISAPPROVED OR SET ASIDE

480801. When New Trial or Rehearing Is Not Ordered

When a court-martial sentence is set aside or disapproved and a new trial or rehearing is not ordered, all rights, privileges, and property affected by the executed part of the sentence are restored to the member. Such restoration includes any executed forfeiture and any pay and allowances lost as a result of an executed reduction in grade.
480802. New Trial or Rehearing Ordered

A. When an executed court-martial sentence which includes a forfeiture is set aside or disapproved, and a new trial or rehearing is ordered that results in an approved sentence to forfeiture, credit the member with the amount of any forfeiture affected under the first sentence. When an unexecuted court-martial sentence which includes a forfeiture is set aside or disapproved and a rehearing is ordered, the member is entitled to full pay and allowances (subject to other proper deductions) for the period from the convening authority’s action on the original sentence until the convening authority's action on the subsequent sentence. Entitlement to pay and allowances thereafter depends on the terms of the new sentence.

B. When a previously executed dishonorable or bad conduct discharge is not imposed by a new trial, the member is entitled to the pay and allowances which the member would have received had the dishonorable or bad conduct discharge not been executed. When a previously executed dismissal of an officer is not imposed by a new trial, an administrative discharge is substituted. The President may reappoint the officer to the grade and rank the officer would have attained if the officer had not been dismissed. The total time between the dismissal and reappointment is considered as actual service for all purposes, including pay and allowances.

4809 REIMBURSEMENT OF PAY WITHHELD UNDER ILLEGAL SENTENCES

A member is entitled to reimbursement for pay withheld under an illegal sentence of a court-martial.

4810 PAY AND ALLOWANCES WHILE ON PAROLE

A member released on parole from a disciplinary barracks is considered to be in an authorized leave status and is entitled to pay and allowances to the extent the member has unused accrued leave to the member's credit, less any fines and forfeitures still remaining in effect. Once the member's accrued leave has been used, the member is considered to be in an excess leave or leave without pay status and is not entitled to pay and allowances during this period unless, upon appellate review, the conviction is completely overturned or set aside. If the member is subject to a new trial or rehearing, however, apply the provisions of paragraph 480802.

4811 DISPOSITION OF COURT-MARTIAL FORFEITURES AND FINES

Armed Forces (regular and Reserve) court martial forfeitures and fines of enlisted members, warrant officers, and limited duty officers in excess of government indebtedness will be transferred to the Armed Forces Retirement Home Trust Fund. For purposes of this paragraph only, the term “government indebtedness” refers to an amount due from the member for reimbursement to the government. For example, the repayment of an advance of pay is a reimbursement but, an amount due to the Internal Revenue Service, while considered a debt to the government, is not a “reimbursement” or “government indebtedness,” for purposes of this paragraph.
481101. Separation From Service Not Involved

When enlisted members, warrant officers or limited duty officers have been sentenced by court-martial to forfeit all or part of their pay, no part of the forfeiture is creditable to the Armed Forces Retirement Home Trust Fund until amounts equal to all outstanding indebtedness to the government have been withheld. Transfer only those amounts forfeited that are in excess of any government indebtedness or amounts owed any individuals. In addition, for the purposes of this paragraph, the term “amounts owed any individuals” refers to amounts owed from a member’s pay by direction of a commanding officer pursuant to Article 139 of the UCMJ.

481102. Members Who Are Being Separated From Service

A court-martial forfeiture of a limited duty officer, warrant officer, or enlisted member is not credited to the Armed Forces Retirement Home Trust Fund when the member has unsatisfied indebtedness at date of separation, except as shown in paragraph 481103. Such forfeitures remain in the military personnel appropriation. If the unsatisfied debt at separation is less than the forfeiture, credit the difference between the aggregate unsatisfied debt and the forfeiture to the Armed Forces Retirement Home Trust Fund. (For example: If the uncollected indebtedness is $500 and forfeiture is $600, credit to the Armed Forces Retirement Home Trust Fund the difference of $100 between the unsatisfied indebtedness and the forfeiture.) Transfer amounts collected afterward to counterbalance the indebtedness not to exceed the aggregate forfeiture, less amounts previously credited to the Armed Forces Retirement Home Trust Fund.

481103. Indebtedness After Forfeiture Becomes Effective

If debts occur to enlisted members, warrant officers or limited duty officers after a court-martial has been executed and before credit of the forfeiture has been made to the Armed Forces Retirement Home Trust Fund, such debts will not affect the disposition of the forfeiture. Credit the forfeiture to the Armed Forces Retirement Home Trust Fund as if the indebtedness did not exist.

481104. Remission of Indebtedness

If a court-martial forfeiture of enlisted members, warrant officers or limited duty officers is not credited to the Armed Forces Retirement Home Trust Fund due to outstanding debts, and the unliquidated portion of the debts are thereafter remitted or cancelled, do not credit the forfeiture that equals the amount of indebtedness remitted or cancelled to the Armed Forces Retirement Home Trust Fund. That amount remains in the military personnel appropriation.

481105. Commissioned Officers

Credit court-martial forfeitures and fines of commissioned officers (except limited duty officers and warrant officers) to the appropriation to which the member’s pay is properly chargeable.
4812 FORFEITURE SENTENCES CARRIED OVER TO SUBSEQUENT RESERVE COMPONENT DUTY

481201. General

In the case of a forfeiture sentence carried forward according to paragraph 480609, convert the stated amount of forfeiture to a percentage using the monthly rate of basic pay in Table 1-7 through 1-10 for the member’s grade and length of service on the date the forfeiture sentence is approved. Apply that percentage to the pay for every period of duty the member actually performs during the stated period of the forfeiture sentence.

481202. Collection

The forfeiture sentence is satisfied by collection from however few periods of duty the member performs during the stated period of forfeiture. With regard to collection, apply the following:

A. If a member performs periods of duty without forfeiture collection, the amount not collected on the basis of paragraph 481103 becomes an amount due the United States.

B. Otherwise, collect the forfeiture at the percentage rate computed according to paragraph 481201 from all periods of duty during the stated period of forfeiture.

481203. Time Restriction

Note that the forfeiture sentence is satisfied by collection from duty performed during the stated period of forfeiture only. If a member performs no duty during the stated period of the forfeiture sentence, no further collection action is necessary.

Example

A. A member, E-4, receives a sentence which includes a forfeiture (either nonjudicial punishment or court-martial sentence) of $200 a month for 2 months ($400).

B. The member's monthly rate of pay is $912.60.

C. Convert the original forfeiture to a percentage, \( \frac{200}{912.60} = 21.92\% \).

D. For each period of duty performed during the stated period of the sentence, collect 21.92% of the member's pay from active duty and inactive duty training pay.
Table 48-1. Execution of Court-Martial Sentences, Appellate Review Requirements

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>When a court-martial sentence involves dismissal of a commissioned officer, a cadet, or midshipman</td>
<td>the sentence to dismissal, dishonorable or bad conduct discharge may (note 1) not be executed until reviewed by the Secretary of the Military Department concerned or by an Under Secretary or Assistant Secretary designated by the cognizant Secretary</td>
<td>who will approve the sentence or any part or commuted form of the sentence, as the Secretary or designee sees fit. The Secretary or designee may suspend execution of any part of a sentence which the Secretary or designee approves.</td>
</tr>
<tr>
<td>2</td>
<td>includes a dismissal, dishonorable or bad conduct discharge and the appellate review is not waived or an appeal is not withdrawn</td>
<td>not be executed until reviewed by the Court of Criminal Appeals</td>
<td>will provide a final judgment of the legality of the proceedings.</td>
</tr>
<tr>
<td>3</td>
<td>includes a dismissal, dishonorable or bad conduct discharge and the appellate review is waived or appeal is withdrawn</td>
<td>not be executed until reviewed by the Judge Advocate.</td>
<td></td>
</tr>
</tbody>
</table>

Note:
1. Any part of a court-martial sentence other than death, dismissal, dishonorable discharge or bad conduct discharge may be ordered executed by the convening authority or under regulations of the Secretary concerned, a commissioned officer commanding for the time being, a successor in command, or any person exercising general court-martial jurisdiction in place of the convening authority.
*BIBLIOGRAPHY

VOLUME 7A, CHAPTER 48: “COURT-MARTIAL SENTENCES”

4801 - EFFECT OF SENTENCES ON PAY AND ALLOWANCES

MCM 2008, Part II, Chapter X
1 Comp Gen 291 (1921)
41 Comp Gen 296 (1961)

4802 - REQUIREMENT FOR REDUCTION IN GRADE UNDER CERTAIN COURT - MARTIAL SENTENCES

10 U.S.C. 858a

480205 10 U.S.C. 857

4803 - FORFEITURES

MCM 2008. Part II, Chapter X
36 Comp Gen 79
36 Comp Gen 755

480301.B MCM 2008, Chapter 10, Rule 1003(b)(2)
480306 10 U.S.C. 858(b)

* 480308 63 Comp Gen 341, 344 (1984)
10 U.S.C. 706(a)

4804 - EXECUTION OF COURT-MARTIAL SENTENCES - APPELLATE REVIEW REQUIREMENTS

10 U.S.C. 871

4805 - EFFECTIVE DATES OF FINES AND FORFEITURES

10 U.S.C. 857

480501 MCM 2008, Part II, Rule 1003
480502.C 42 Comp. Gen. 279

4806 - COLLECTION

36 Comp Gen 79
38 Comp Gen 788
36 Comp Gen 755
41 Comp Gen 269

480602.A 37 U.S.C. 1007(c)
4807 - REMISSION, SUSPENSION, AND CANCELLATION OF FORFEITURES

10 U.S.C. 4837, 6161, and 9837

480704  MS Comp Gen B-119220, April 19, 1954
480707  10 U.S.C. 872

4808 - SENTENCES DISAPPROVED OR SET ASIDE

10 U.S.C. 875

4810 - PAY AND ALLOWANCES WHILE ON PAROLE

59 Comp Gen 12

4811 - DISPOSITION OF COURT-MARTIAL FORFEITURES AND FINES

24 U.S.C. 419 (a) (4)
10 U.S.C. 2772

4812 - FORFEITURE SENTENCES CARRIED OVER TO SUBSEQUENT RESERVE COMPONENT DUTY

MCM 2008, Part II, Rule 204

Table 48-1

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<tr>
<td>Rule 1</td>
<td>10 U.S.C. 871(b)</td>
</tr>
<tr>
<td>Rule 2</td>
<td>10 U.S.C. 871(c)(1)</td>
</tr>
<tr>
<td>Rule 3</td>
<td>10 U.S.C. 871(c)(2)</td>
</tr>
<tr>
<td>Note 1</td>
<td>10 U.S.C. 871(c)(2)</td>
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VOLUME 7A, CHAPTER 49: “NON-JUDICIAL PUNISHMENT”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated July 2014 is archived.

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<th>PURPOSE</th>
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<td>All</td>
<td>Updated hyperlinks and formatting to comply with current administrative instructions.</td>
<td>Revision</td>
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<tr>
<td>4901</td>
<td>Inserted “Purpose” and “Authoritative Guidance” paragraphs.</td>
<td>Addition</td>
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CHAPTER 49
NON-JUDICIAL PUNISHMENT

4901 GENERAL

*490101. Purpose

This chapter prescribes the effect, and limitations of non-judicial punishment on a members’ pay.

*490102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

4902 AUTHORIZED PUNISHMENTS AFFECTING PAY

Non-judicial punishments which affect pay are forfeiture of pay, reduction in grade, or a combination of these. Except as provided in this chapter, provisions of Chapter 48 relating to forfeiture of pay and reduction in grade by courts-martial also apply when such penalties are imposed as non-judicial punishment.

4903 LIMITATIONS

490301. Maximum Forfeiture of Pay

The maximum forfeiture of pay which may be imposed under Article 15, UCMJ, is outlined in the Manual for Courts-Martial (MCM), United States (2012 Edition), part V and Title 10, United States Code (U.S.C.), section 815.

490302. Concurrent Courts-Martial and Non-Judicial Forfeiture of Pay

When non-judicial forfeitures of pay run concurrently with partial courts-martial forfeitures of pay which are subject to the two-third’s limitation, the maximum total amount collectible is two-thirds of the pay subject to forfeiture.

490303. Reduction in Grade

When punishment includes both a reduction in grade, whether or not suspended, and a forfeiture of pay, the forfeiture of pay is based on the grade to which reduced.

4904 SUSPENSION, REMISSION, AND MITIGATION

See Table 49-1.
4905 EXECUTION OF PUNISHMENT DURING APPEAL PROCEDURES

A member who incurs non-judicial punishment considered unjust or out of proportion to the offense may, through proper channels, appeal to the next higher authority. The member may be required to undergo the adjudged punishment pending determination of the appeal.

4906 EFFECTIVE DATES

Forfeitures of pay and reductions in grade, if unsuspended, are effective on the date the commander imposes the punishment. (For Navy and Marine Corps members, however, non-judicial forfeitures of pay do not run concurrently. If a forfeiture of pay is imposed by a non-judicial punishment while a prior forfeiture of pay is still in effect, it will not commence until the prior forfeiture of pay is completed.) Pay accrued by a member before the imposition of the punishment is not subject to forfeiture. When a forfeiture of pay is suspended, the suspension takes effect on the date of the action. When a member is restored to a higher grade by suspension of a reduction in grade, the member is entitled to pay of the higher grade only from the date of suspension. If, however, a reduction in grade or forfeiture of pay is set aside and all rights, privileges, and property affected by it are restored, then the member is entitled to pay as though the reduction in grade had never been imposed. When the suspension of a punishment is vacated, the effective date for pay purposes is the date of the vacation.

4907 DISPOSITION OF FORFEITURES OF PAY COLLECTED BY NON-JUDICIAL PUNISHMENT

Disposition of pay forfeited as a result of a non-judicial punishment is treated similar to pay forfeited by court-martial action. Refer to Chapter 48, section 4811 for disposition policies.
Table 49-1. Suspension, Remission, Setting Aside, and Mitigation of Non-Judicial Punishment

<table>
<thead>
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<th>C</th>
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<tbody>
<tr>
<td>1</td>
<td>reduction in grade</td>
<td>not been executed</td>
<td>at any time</td>
<td>remit or set the reduction in grade aside, or mitigate it to a forfeiture of pay (note 2).</td>
</tr>
<tr>
<td>2</td>
<td>forfeiture of pay</td>
<td>not been executed (note 1)</td>
<td></td>
<td>remit or set the forfeiture of pay aside (in whole or in part), or mitigate it to lesser forfeiture of pay.</td>
</tr>
<tr>
<td>3</td>
<td>reduction in grade</td>
<td>been executed</td>
<td>only within 4 months after execution</td>
<td>set the reduction in grade aside in whole or in part, or mitigate it to forfeiture of pay (note 2 and 3).</td>
</tr>
<tr>
<td>4</td>
<td>forfeiture of pay</td>
<td></td>
<td></td>
<td>set the forfeiture of pay aside (in whole or in part) (note 3).</td>
</tr>
</tbody>
</table>

**NOTES:**

1. An uncollected forfeiture of pay is considered to be unexecuted during the period for which it was imposed. Upon the expiration of the forfeiture period all unsuspended forfeitures of pay, whether or not collected, are fully executed.

2. If mitigated, the amount of forfeiture of pay may not be greater than the amount that could have been imposed initially by the officer who imposed the reduction in grade, and the mitigation must be accomplished within 4 months of the date of execution.

3. Usually, executed punishments are set aside within 4 months after the punishment has been executed.
CHAPTER 49 – NON-JUDICIAL PUNISHMENT

4901 – GENERAL

10 U.S.C. § 815

4902 – AUTHORIZED PUNISHMENTS AFFECTING PAY

10 U.S.C. § 815

4903 – LIMITATIONS

10 U.S.C. § 815

4904 – SUSPENSION, REMISSION, AND MITIGATION

10 U.S.C. § 815

4905 – EXECUTION OF PUNISHMENT DURING APPEAL PROCEDURES

10 U.S.C. § 815

4906 – EFFECTIVE DATES

10 U.S.C. § 815

MCM, United States (2012 Edition), part V

4907 – DISPOSITION OF FORFEITURES OF PAY COLLECTED BY NON-JUDICIAL PUNISHMENT

10 U.S.C. § 2772

Table 49-1

MCM, United States (2012 Edition), part V, paragraph 6

10 U.S.C. § 815
VOLUME 7A, CHAPTER 50: “BANKRUPTCY”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

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CHAPTER 50

BANKRUPTCY

5001 GENERAL

500101. Purpose

This chapter prescribes the policies to be followed when a Service member files a petition of bankruptcy under Title 11, United States Code (U.S.C.), Chapter 7 or 13.

500102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

5002 BANKRUPTCIES

500201. General Information

A. Filing. A member may file a petition of bankruptcy under 11 U.S.C., Chapter 7 or 13 of the Bankruptcy Code. The law waives the U.S. Government’s sovereign immunity for purposes of compliance with payroll deduction orders issued by the bankruptcy courts. Accordingly, the Defense Finance and Accounting Service (DFAS) will honor the bankruptcy withholding orders.

B. Automatic Stay Provisions. An amount of indebtedness owed to the United States that was incurred prior to the filing date of the petition, is described as a pre-petition debt. Collecting debts by offset from the member’s pay account is authorized only through the day prior to the date the bankruptcy petition is filed. Continuing deductions from the member’s pay after the filing of a petition in a bankruptcy is improper and violates the automatic stay provisions of the bankruptcy statute. Amounts withheld after the date the bankruptcy petition is filed must be refunded to the member.

C. Proof of Claim. Upon notice or actual knowledge of the filing of a bankruptcy petition, when the member has listed the U.S. Government as a creditor, the military pay office will file a proof of claim with the bankruptcy court concerned for all Chapter 13 filings and if requested by the bankruptcy trustee in a Chapter 7 case. The proof of claim is filed with the bankruptcy court on Official Form 410.

D. Post-Petition Debt. If the bankruptcy is completed and the debtor receives a discharge, then, generally, the listed indebtedness to the United States is discharged with few exceptions. Any new debt that was incurred after the filing of the bankruptcy petition is known as a post-petition debt. The bankruptcy proceedings do not affect post-petition debts. However, prior to taking any collection action on post-petition debts, the matter should be coordinated with the DFAS Office of General Counsel, Garnishment Law Directorate.
E. **Dismissal.** If the court subsequently dismisses a bankruptcy case, then collection is permitted by offset if otherwise authorized.

500202. Procedures

A. All Bankruptcy Notices and Chapter 13 withholding orders should be submitted or faxed to:

    DFAS Cleveland
    Garnishment Law Directorate
    P.O. Box 998002
    Cleveland, OH 44199-8002
    Commercial Fax: (877) 622-5930
    (216) 367-3675

**NOTE:** DFAS Cleveland Garnishment Law Directorate is the designated agent for service of process for all military members’ bankruptcy notices and bankruptcy withholding orders.

B. The following information should be included with the bankruptcy order:

    full name, and full Social Security number.

C. The bankruptcy notice is effective when it is filed with the court and the provisions of the automatic stay are effective with that date.

D. When the notice does not sufficiently identify the member, it will be returned directly to the person who submitted the order, with an explanation of the deficiency.

E. Upon receipt of an effective bankruptcy order, together with all the required information, the Garnishment Law Directorate (office of the designated official) will review the case to determine if there are any involuntary allotments or garnishments that need to be terminated as a result of the automatic stay (child support, alimony, child support arrears, and alimony arrears are not terminated unless the bankruptcy order specifically states so). The Garnishment Law Directorate will then establish the withholding against the member’s pay to comply with the bankruptcy order within 30 days. Withholdings will continue until the amount specified in the order is collected, or the order is cancelled or suspended.

    1. Within 30 calendar days after the date of receipt of the order, the designated official will send notice to the member stating this fact.
    
    2. The letter will inform the member of the date that the withholding is scheduled to begin and the amount or percentage that will be deducted.
3. When the member identified in the order is found not to be entitled to money due from, or payable by, DFAS, the designated official will return the order to the person who submitted it and advise him or her that no money is due from, or payable by, DFAS to the named individual. When it appears that amounts are exhausted temporarily or are otherwise unavailable, the authorized person will be told why and for how long any money is unavailable, if known.

500203. Chapter 13, Adjustment of Debts of an Individual With Regular Income - The Plan

A. A member may file a petition with the court to enter into a “Chapter 13 Plan” under the Bankruptcy Code. Under Chapter 13, a member must submit a proposed repayment plan to the bankruptcy court that provides, among other things, that all or a specified amount of future income as is necessary to pay claims under the plan will be sent to the control of the bankruptcy trustee.

B. When the plan is confirmed by the court, its provisions are binding upon the member and all creditors of the member, regardless of whether they are affected by the plan or have been included in the plan.

C. Once the bankruptcy court confirms a plan, it usually orders the employer to pay a specific amount of a member’s income to the trustee named in the order.

D. The pay of a member is subject to payment to the trustee appointed by the court, pursuant to Chapter 13 of the Bankruptcy Act. The payment by DFAS of part of the member’s pay in response to a court order issued under a Chapter 13 Wage Earner’s Plan case does not conflict with 31 U.S.C., section 3713 (Priority of Government Claims). Compliance with such a court order gives the Government a valid acquittance against the member since the court order is binding on the member.

E. If the United States is both the employer and creditor when the member files a Chapter 13 Plan, then the Government’s priority under 31 U.S.C. § 3713 (Priority of Government Claims) may be asserted in the absence of a judicial determination to the contrary. This is done through a filing of the proof of claim by the appropriate pay office.
BIBLIOGRAPHY

CHAPTER 50 – BANKRUPTCY

5001 – GENERAL


5002 – BANKRUPTCIES

500203.D
31 U.S.C. § 3713

500203.E
31 U.S.C. § 3713
VOLUME 7A, CHAPTER 51: “SAVINGS PROGRAMS”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated April 2013 is archived.

<table>
<thead>
<tr>
<th>PARAGRAPH</th>
<th>EXPLANATION OF CHANGE/REVISION</th>
<th>PURPOSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>5101</td>
<td>Inserted General section and renumbered remaining sections, paragraphs, and subparagraphs accordingly.</td>
<td>Revision</td>
</tr>
<tr>
<td>510201.A</td>
<td>Renamed Permanent Duty Assignment definition to Designated Duty Assignment.</td>
<td>Revision</td>
</tr>
<tr>
<td>510203</td>
<td>Deleted Military Operations no longer in effect for Saving Deposit Program (SDP).</td>
<td>Deletion</td>
</tr>
<tr>
<td>510301.B</td>
<td>Updated annual contribution limitation.</td>
<td>Revision</td>
</tr>
<tr>
<td>510303</td>
<td>Updated Catch-up Contributions.</td>
<td>Revision</td>
</tr>
<tr>
<td>Figure 51-1</td>
<td>Updated to include Assignment Incentive Pay.</td>
<td>Revision</td>
</tr>
<tr>
<td>Table 51-1 (Previous Version)</td>
<td>Deleted table since all eligible areas for SDP are contained in paragraph 510203.</td>
<td>Deletion</td>
</tr>
<tr>
<td>Table 51-1</td>
<td>Revised Rule 7 to clarify entitlement to SDP while away from authorized area.</td>
<td>Revision</td>
</tr>
<tr>
<td>Tables 51-2 (Previous Version)</td>
<td>Renumbered to Table 51-1. Deleted references to Persian Gulf Conflict. Deleted obsolete Military Operations cited in notes 4, 5, and 6.</td>
<td>Revision and Deletion</td>
</tr>
<tr>
<td>Table 51-3 (Previous Version)</td>
<td>Renumbered to Table 51-2. Deleted references to Persian Gulf Conflict.</td>
<td>Revision and Deletion</td>
</tr>
<tr>
<td>Table 51-2</td>
<td>Clarified Rule 1 SDP repayment guidance.</td>
<td>Revision</td>
</tr>
<tr>
<td>Bibliography</td>
<td>Updated statutes.</td>
<td>Revision</td>
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</table>
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CHAPTER 51

SAVINGS PROGRAMS

*5101 GENERAL

*510101 Overview

The chapter provides policy for Uniformed Services Savings Deposit Program (USSDP) and Thrift Savings Program (TSP).

*510102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

5102 UNIFORMED SERVICES SAVINGS DEPOSIT PROGRAM (USSDP)

Under joint regulations prescribed by the Secretaries concerned, a member of the Armed Forces, who is on a designated duty assignment outside the United States or its possessions may deposit during that tour of duty, not more than his un-allotted current pay and allowances in amounts of $5 or more, with any branch, office, or officer of a uniformed service. Amounts so deposited will be deposited in the Treasury and kept as a separate fund, and must be accounted for in the same manner as public funds.

*510201. Definitions

* A. Designated Duty Assignment. A designated duty assignment is a permanent or temporary duty assignment for which the Secretary concerned has determined that a member of the Armed Forces serving in such an assignment is eligible to participate in the USSDP.

B. Un-allotted Current Pay and Allowances. The amount of money a member is entitled to receive on the payday immediately before the date of deposit, less authorized deductions and allotments (e.g., for dependents or insurance). Pay and allowances include special continuation pay, reenlistment bonus, travel allowance on discharge, and pay, and allowances for unused accrued leave. Advance pay and travel allowance for permanent change of station and Temporary Duty (TDY) travel may not be deposited.

510202. Allotments

Active duty officers and enlisted members may make deposits into the USSDP by allotment. Such allotment must be processed in accordance with the procedural instructions of the Military Service concerned. However, the restrictions of this chapter are applicable when starting this type of allotment.
*510203. Authorized Operations and Geographical Areas

A. Effective November 1, 2001, any member assigned to Operation Enduring Freedom (OEF) became authorized to participate in the USSDP, provided that he or she had served for at least 30 consecutive days or at least 1 day in each of 3 consecutive months, in the OEF area of eligibility.

B. Effective February 1, 2003, any member serving in an assignment outside the United States or its possessions in support of OEF in an area that has been designated a combat zone or is in direct support of a combat zone is eligible to participate in the USSDP after the member has served in that assignment for at least 30 consecutive days or at least 1 day for each of 3 consecutive months.

C. The geographic area of eligibility for OEF consists of the total land area of Afghanistan, Pakistan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan, the waters consisting of the Red Sea, Gulf of Aden, Gulf of Oman, and Arabian Sea (portion north of 10 degrees north latitude and west of 68 degrees east longitude), or in the airspace thereover. Effective February 1, 2003 the area of eligibility was expanded to any area that has been designated a combat zone or an area designated in direct support of a combat zone.

510204. Member in a Missing Status

The Secretary of the Military Department concerned may, in the interest of a member who is in a missing status (see Glossary) or his dependents, initiate, stop, modify, and change allotments for deposit of unpaid pay and allowances accruing in a missing member's pay account, and authorize withdrawal of deposits made under this chapter, even though the member had an opportunity to make deposits and elected not to do so. Interest may be computed from the day the member entered into a missing status, or January 1, 1991, whichever is later. The $10,000 limitation on the amount that interest is payable does not apply to deposit accounts of members in a missing status.

Examples:

1. A member entered into a missing status on February 1, 2008. Unpaid pay and allowances have been accruing in his pay account at the rate of $100 per month since that date. An account was opened for the member on May 1, 2008, with an initial deposit of $300 (February, March, and April). His account was credited with $100 per month on June 1, 2008, and the first day of each month thereafter while he remains in a missing status, or until modified, stopped, or repaid at the direction of the Secretary of the Military Department concerned. Interest accrued from February 1, 2008.

2. A member entered into a missing status on February 18, 2008. The amount of unpaid pay and allowance due to the member on the payday following February 18, 2008, determined the amount of the initial deposit. The member's account was opened on March 1, 2008, with the initial deposit and his account was credited with his un-
allotted pay and allowances monthly on the first day of each month thereafter as prescribed in example 1. Interest accrued from February 18, 2008.

510205. Deposits

A. Amounts. Amounts up to $10,000 may be deposited with interest accrual at the rate of 10 percent per annum. The maximum amount on which 10 percent interest is computed is $10,000 (principal and accrued interest combined). Deposits may not be more than the amount defined as un-allotted current pay and allowances in subparagraph 510201.B. When, however, the member can establish to the satisfaction of his commanding officer that he or she was unable to make a deposit in the normal manner, un-allotted pay in excess of current pay and allowances may be deposited. Members may not accumulate back pay prior to departing for a designated duty assignment outside the United States or its possessions in order to deposit the back pay once the member becomes eligible for the USSDP. When members arrive in a covered geographic area or a covered duty assignment, they may deposit the amount they could have, or did, accrue during the month of arrival, less authorized deductions. Members who are paid twice monthly may combine pay accrued at midmonth and pay accrued at end-of-month, or combine end-of-month pay with pay accrued on the following midmonth payday for a single deposit, provided the total amount deposited in a one month period does not exceed the amount they are entitled to be paid for 1 month.

B. Power of Attorney. An agent with a power of attorney from the member may make deposits, either by allotment or by cash, into the USSDP on behalf of the member, if the power of attorney states the authority to establish, change, or stop allotments. When accepting a cash deposit from the agent on the member's behalf, the disbursing officer must ensure that the amount deposited does not exceed the member's un-allotted pay and allowances for the period involved.

510206. Interest

A. Accrual of Interest. See Table 51-1.

B. Conditions Under Which Deposits, Plus Interest, Are Repaid. See Table 51-2.

C. Computation of Interest. Deposits made on or before the 10th of the month accrue interest from the 1st of the month. Deposits made after the 10th of the month accrue interest from the first day of the following month. The effective date of deposit is the date the deposit is made to the disbursing officer, finance officer, or any other designated officer of the Uniformed Service. Compute interest at the rate of 10 percent per annum, compounded quarterly, according to the calendar quarter. Compute the quarterly interest on the average quarterly balance on deposit. Ten percent is compounded quarterly on amounts less than $10,000. Once $10,000 is on deposit, simple interest will be computed on the $10,000. No interest is paid on amounts exceeding $10,000, except on amounts for a member who is in a missing status.
D. **Taxability of Interest Paid.** Interest paid on the amounts deposited into the USSDP is taxable.

510207. **Computation**

A. **Computing Average Quarterly Balance**

1. If there were no emergency withdrawals during the quarter, determine the average quarterly balance by adding amounts on deposit on the 10th day of each month of the quarter, and divide the total by three.

**Example 1:**

<table>
<thead>
<tr>
<th>Date</th>
<th>Deposits</th>
<th>Deposit 10th Day of</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 5</td>
<td>$20.00</td>
<td>$20.00 Jan</td>
</tr>
<tr>
<td>Feb 3</td>
<td>20.00</td>
<td>40.00 Feb</td>
</tr>
<tr>
<td>Feb 20</td>
<td>20.00</td>
<td>Mar</td>
</tr>
<tr>
<td>Mar 10</td>
<td>20.00</td>
<td>80.00 Mar</td>
</tr>
</tbody>
</table>

$140.00 divided by 3 = $46.67 average quarterly balance.

**Example 2:**

<table>
<thead>
<tr>
<th>Date</th>
<th>Deposits</th>
<th>Deposit 10th Day of</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan</td>
<td>$0.00</td>
<td>$ 0.00 Jan</td>
</tr>
<tr>
<td>Feb 3</td>
<td>20.00</td>
<td>20.00 Feb</td>
</tr>
<tr>
<td>Feb 20</td>
<td>20.00</td>
<td>Mar</td>
</tr>
<tr>
<td>Mar 3</td>
<td>20.00</td>
<td>60.00 Mar</td>
</tr>
</tbody>
</table>

$80.00 divided by 3 = $26.67 average quarterly balance

2. Emergency withdrawals at any time during a quarter reduce the average quarterly balance on which interest accrues.
Example:

<table>
<thead>
<tr>
<th>Date</th>
<th>Deposits</th>
<th>Withdrawals</th>
<th>Amount On 10th Day of Deposit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apr 1</td>
<td>$147.12</td>
<td>$0.00</td>
<td>Apr 167.12</td>
</tr>
<tr>
<td>Apr 3</td>
<td>20.00</td>
<td>$167.12</td>
<td>Apr 167.12</td>
</tr>
<tr>
<td>May 15</td>
<td>10.00</td>
<td>--</td>
<td>May 167.12</td>
</tr>
<tr>
<td>Jun 4</td>
<td>30.00</td>
<td>--</td>
<td>Jun 127.12</td>
</tr>
<tr>
<td>Jun 15</td>
<td>80.00</td>
<td>$461.36</td>
<td>$461.00 divided by 3 = $153.79 average quarterly balance</td>
</tr>
</tbody>
</table>

$461.00 divided by 3 = $153.79 average quarterly balance

3. Except for amounts on deposit, in the case of a member, who is in a missing status, the maximum amount upon which 10 percent interest is payable is $10,000 (principal and accrued interest combined).

Example:

<table>
<thead>
<tr>
<th>Date</th>
<th>Quarterly Interest</th>
<th>Amount on Deposit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 10</td>
<td>-0-</td>
<td>$10,000.00</td>
</tr>
<tr>
<td>Apr 1</td>
<td>250.00</td>
<td>10,250.00</td>
</tr>
<tr>
<td>July 1</td>
<td>250.00</td>
<td>10,500.00</td>
</tr>
</tbody>
</table>

B. Computation of Interest at 10 Percent Rate

Repay deposits, plus interest, under the conditions shown in Table 51-1. Compute interest at the rate of:

1 Month-1/12 of 10 percent or .00833…
2 Months-2/12 of 10 percent or .01666…
3 Months-(Full Quarter) .025

Example 1: Member's Request

A member has $355 on deposit (principal plus compounded interest as of June 30, 2009). The member requested repayment on August 12, 2009. The member was repaid $355 plus interest of $5.92 for the months of July and August (.01666… x $355) or $360.92.

Example 2: Ninety-Day Rule

Same example as 1, above, except the member requested repayment on October 15, 2009. The member was repaid $355 plus interest of $8.88 for the months of July, August, and September (.025 x $355) or $363.88. Interest for October 1-15, 1991, was not
allowed since the 90-day limitation period ended on October 12, 2009 (a day other than the last day of the month).

Example 3:  Member Discharged

Same example as 1, above, except the member was discharged overseas for his or her convenience on July 15, 2009. The member was repaid $355 plus interest of $2.96 for the month of July (.00833… x $355) or $357.96, assuming full repayment was in effect in the month of July.

Example 4:  Member Dies

On March 8, 2009, the member had on deposit the maximum amount of $10,000 (principal plus simple interest) and made no new deposits. On November 15, 2009, while assigned in the OEF area the member dies, and settlement of unpaid pay and allowances was made to member's heir(s) on December 15, 2009. The amount repaid was $10,000 plus simple interest of $833.33 for period March 1 through December 31, 2009 (.00833… x 10), or $10,833.33.

510208. Payment of Interest Upon Final Settlement of Deposit Account

A. Except when the 90-day limitation discussed in paragraph 510213 applies, interest will stop at the end of the month in which full repayment is made to the member or member's heirs.

B. In no case will interest accrue for a period longer than 90 days (computed on a day-for-day basis of actual elapsed time) after the member's eligibility to make deposits terminates. Should the 90-day limitation period end on any day other than the last day of the month, interest will accrue through the last day of the preceding month. If the 90-day limitation period ends on the last day of the month, interest accrues for that month. In determining when the 90-day limitation period terminates, the last day of the month is February 28 (February 29 in leap year), the 30th of a 30-day month, or the 31st day of a 31-day month.

510209. Withdrawal of Deposits - Emergency

Withdrawals may be made in an emergency only when the health or welfare of a member or his dependent(s) would be jeopardized if the withdrawal were not granted. Emergency withdrawals may be authorized by the member's commanding officer.

512010. Withdrawal of Deposits - Members in a Missing Status

Withdrawals may be made when directed by the Secretary of the Military Department concerned when deemed in the best interest of the member, the member's dependent(s) or the U.S. Government.
510211. Discharge While Eligible to Make Deposits

Members, eligible to make deposits, which are discharged and immediately reenlist, extend their enlistments, or who are discharged to accept a commission may not withdraw their deposits.

510212. Accounts Which Have Reached $10,000

In situations where the member's principal and interest on deposit reaches $10,000, any amounts representing interest accruing in the account subsequent to that time which causes the $10,000 total to be exceeded, may be withdrawn quarterly at the member's request.

510213. Automatic Refund

Accounts will accrue interest no more than 90 days after a member leaves a designated USSDP area. Members should withdraw their funds after the 90-day period. If no withdrawal is made within 120 days after the qualifying duty terminates, the Defense Finance and Accounting Service will automatically transfer the funds to the military pay account of the USSDP account owner.

510214. Application to Indebtedness or Forfeiture

Savings deposits and accrued interest are exempt from collection for members’ debts, including debts owed to the United States Government or its agencies, except for levies issued by the Internal Revenue Service. Deposits are not subject to forfeiture by sentence of a court-martial and are not forfeited by desertion.

510215. Liability of Disbursing Officers

A disbursing officer who fails to process a deposit properly into his or her account is liable for the amount of the deposit, plus interest, from the effective date of the deposit to date of withdrawal or repayment.

5103 THRIFT SAVINGS PLAN (TSP)

TSP is a Government-sponsored retirement savings and investment plan. The traditional TSP offers tax deferral advantages similar to those offered by private corporations to their employees under 401(k) plans. There is also a Roth TSP option which offers the opportunity to make after-tax contributions. The Federal Retirement Thrift Investment Board (Board) operates and administers the plan solely for the benefit of the participants and their beneficiaries.

*510301. Participation

A. When to Begin TSP Deductions. Any member of the Uniformed Services may elect to participate in the TSP. The payroll deduction will commence the first full pay period after the service accepts the TSP Election Form (TSP-U-1).
B. Contribution Limitations. A member is authorized to contribute from 1 to 92 percent of their basic pay. Members are not permitted to contribute more than 92 percent of their basic pay so that required deductions of Social Security and Medicare can be made. If a member is contributing to the TSP from basic pay, the member is also authorized to contribute bonuses, incentive, or special pay (See Figure 51-1).

1. Contribution for members not serving in a combat zone may not exceed $18,000 for 2015.

2. A member serving in a combat zone tax exclusion area, as defined in Volume 7A, Chapter 10, can contribute a total of $53,000 in 2015.

C. Member Transfers

1. When members transfer between components or branches of the Uniformed Services, their TSP contributions may be continued. The member will notify their gaining servicing organization of their existing TSP contribution rates in order to continue TSP contributions and or loan payments without interruption.

2. If a member separates from the service and rejoins after a break in service of 31 days or more, the member may sign up immediately to contribute to TSP.

3. If a member separates from the service and rejoins after a break in service of less than 31 days, and the member had been contributing to the TSP, contributions to the TSP should resume the first pay period after rejoining the service.

4. A member of the Uniformed Service who is also a Federal civilian employee may contribute under both programs to the TSP. The yearly contribution limitations in subparagraph 510301.B will apply to the combined accounts and not to each account separately.

D. All TSP contributions must be made through payroll deduction. Make-up missing contributions for basic, special, incentive, and bonus payments are permitted only through payroll deductions.

E. The choice to stop contributing to TSP is permitted at any time. It is effective at the end of the pay period in which that election is accepted by the member's servicing activity. If basic pay contributions are terminated, TSP deductions for special, incentive and bonus pays will also be terminated with the same effective date.

510302. Roth TSP

Members may elect to contribute to a Roth TSP account instead of, or in addition to, a traditional TSP account. Any member eligible to contribute to a traditional TSP account may also contribute to a Roth TSP account.
A. **Payroll Deductions.** Roth TSP contributions are taken after-tax. In the same manner as a traditional TSP account, a payroll deduction will begin the first full pay period after the service accepts the TSP Election Form (TSP-U-1). Roth TSP contributions must be made through payroll deduction. Lump-sum contributions for special, incentive, and bonus payments are permitted only through payroll deductions.

B. **Maximum Contribution Limits.** The same maximum contribution limits apply to traditional TSP also apply to Roth TSP. The contribution limit is $18,000 in 2015. If a member elects to contribute to both traditional TSP and Roth TSP, the maximum contribution limits apply to the combined accounts, not to each account separately.

*510303. Catch-Up Contributions*

A TSP participant age 50 years or older may make catch-up contributions to both traditional and Roth TSP accounts. Only deductions from basic pay are allowable. The amount of the catch-up will not exceed the annual limit of $6,000. To contribute, a member must self-certify on the Catch-Up Contribution Election Form (TSP-U-1-C) that he/she expects to contribute the maximum amount to the TSP or other eligible employer plans. That amount is $18,000 in 2015. Future catch-up amounts will be set by the IRS and announced by the Thrift Investment Board. The website is [http://www.tsp.gov](http://www.tsp.gov). If a member elects to contribute catch-up contributions to both traditional TSP and Roth TSP, the maximum contribution limits apply to the combined accounts, not to each account separately.

510304. **Matching Contributions**

The Secretary concerned may enter into an agreement with a member to make matching contributions to the traditional TSP for the benefit of the member, if the member is in a specialty designated as critical to meet wartime or peacetime requirements. The member must commit to serve on active duty in that specialty for a period of 6 years.

A. The Secretary concerned will make these contributions for each pay period of the 6-year period that the member makes contributions.

B. Contributions are matched dollar for dollar for the first 3 percent of basic pay contributed per pay period and the 50 cents on the dollar for the next 2 percent of pay. Therefore, the member will not receive matching contributions for amounts contributed above 5 percent.

C. Participants in Roth TSP will be eligible for matching contributions, but those contributions will be applied to a traditional TSP account, not to a Roth TSP account.

510305. **TSP Loan Program**

A. **General.** All TSP participants are eligible to obtain a TSP loan. Members may borrow only from their own contributions and earnings. The minimum amount a member can borrow is $1,000. A member may have a total of two loans outstanding, one of each type.
listed below. The total outstanding loans cannot exceed $50,000. When a member has both a
civilian TSP account and a military TSP account, the maximum loan amount applies to the
combined accounts and not to each account separately.

B. **Types of Loans.** Loans can be made for the following purposes:

1. Residential; or

2. General purpose.

C. **Interest Rate.** The interest rate will be the posted rate for the G Fund at
the time that the loan application is processed by the TSP. The rate is fixed at that level for the
life of the loan, and the interest paid on the loan is not tax deductible.

D. **Tax Exempt Amount.** When a participating member has contributions that
are made from tax-exempt pay as well as from tax-deferred pay, the loan principal will be made
and repaid on a pro rata basis from these funds. For additional information, see *TSP Loans*
(June 2006).

510306. **Breakage (Lost TSP Earnings) Due to Agency Error**

A. **Conditions.** If a member receives pay from which member contributions
should have been deducted, but as a result of agency error, all or any part of those deductions
were not made, even if the member makes up those member contributions, the belated member
contributions will not require payment of breakage. The following are applicable conditions that
require payment of breakage:

1. **Delayed or Erroneous Contributions When Member Received Pay**
   
   a. If a member receives pay, but as a result of an agency error
   all or any part of the agency matching contribution associated with that pay are not timely
   received by the TSP record keeper, the agency belated contributions will be subject to breakage.

   b. If a member receives pay where contributions were
   properly deducted but, as a result of an agency error, all or any part of the associated agency
   matching contributions were not timely received by the TSP record keeper, the belated
   contributions will be subject to breakage.

   c. If a member receives pay where contributions were
   properly deducted but, as a result of an agency error all or any part of those member
   contributions were not timely received by the TSP record keeper, the belated contributions will
   be subject to breakage.

2. **Agency Delay in Basic Pay, Special Pay, Incentive Pay, and Bonus.** Where, as the result of an agency error, a member does not timely receive all or any part
of pay to which entitled, all such belated member contributions and agency matching contributions will be subject to breakage.

3. **Late Payroll Submissions.** All contributions contained in a payroll submission received by the TSP record keeper more than one pay period after the pay date associated with that payroll submission will be subject to breakage.

4. **Loan Allotments.** Loan allotments deducted from the member's pay but not timely received by the TSP record keeper due to agency error will be subject to breakage.

B. **Minimum Dollar Amount.** Breakage on loan allotments and late contributions will be calculated by the TSP system only for those contributions and loan allotments that are $1 or more.

C. **Agency Responsibility.** The employing agency whose error caused a late or erroneous investment of money in the TSP is responsible for payment of any breakage resulting from that error. The paying office that submitted payment records or loan allotments that are subject to breakage is also responsible for submitting the appropriate payment records relating to those submissions. The amount of breakage that is calculated will be charged to the TSP clearing account of the submitting paying office. Where another employing agency caused the late or erroneous submission by the submitting paying office, the paying office that was charged for the amount of breakage calculated should seek reimbursement from the other employing agency.

D. **Detailed Information on Breakage.** For detailed information concerning the breakage (lost TSP earnings) process, refer to TSP regulations in *5 Code of Federal Regulations, part 1605* or TSP Bulletins. The TSP bulletins are available under Info for TSP Representatives on the TSP’s website at [http://www.tsp.gov](http://www.tsp.gov).
*Figure 51-1. Pay Entitlements Available for TSP Contributions*

<table>
<thead>
<tr>
<th>DoD FMR, Volume 7A, Chapter section, paragraph, or subparagraph</th>
<th>Bonuses</th>
</tr>
</thead>
<tbody>
<tr>
<td>0603</td>
<td>Accession Bonus (Dental)</td>
</tr>
<tr>
<td>070201</td>
<td>Accession Bonus (Pharmacy)</td>
</tr>
<tr>
<td>2102</td>
<td>Accession Bonus For Registered Nurses</td>
</tr>
<tr>
<td>0307</td>
<td>Accession Bonus for Officer Candidates</td>
</tr>
<tr>
<td>0308</td>
<td>Accession Bonus for New Officers in Critical Skills</td>
</tr>
<tr>
<td>20</td>
<td>Aviator Retention Bonus (Aviator Continuation Pay)</td>
</tr>
<tr>
<td>61</td>
<td>Bonus Program for the Individual Ready Reserve and Inactive National Guard</td>
</tr>
<tr>
<td>5705</td>
<td>Bonus for Reenlistment, Enlistment, or Voluntary Extension (Ready Reserve)</td>
</tr>
<tr>
<td>66</td>
<td>Career Status Bonus</td>
</tr>
<tr>
<td>0604</td>
<td>Critical Skills Wartime Accession Bonus (Dental)</td>
</tr>
<tr>
<td>0510</td>
<td>Critical Skills Wartime Accession Bonus (Medical)</td>
</tr>
<tr>
<td>0902</td>
<td>Enlistment Bonus</td>
</tr>
<tr>
<td>0905</td>
<td>Enlistment Bonus (Army)</td>
</tr>
<tr>
<td>5604</td>
<td>Enlistment Bonus (Selected Reserve)</td>
</tr>
<tr>
<td>5705</td>
<td>Enlistment Bonus (Ready Reserve)</td>
</tr>
<tr>
<td>1902</td>
<td>Foreign Language Proficiency Bonus</td>
</tr>
<tr>
<td>0609</td>
<td>Multiyear Retention Bonus (Dental)</td>
</tr>
<tr>
<td>0515</td>
<td>Multiyear Retention Bonus (Medical)</td>
</tr>
<tr>
<td>030201</td>
<td>Nuclear Career Accession Bonus</td>
</tr>
<tr>
<td>030203</td>
<td>Nuclear Career Annual Incentive Bonus</td>
</tr>
<tr>
<td>5606</td>
<td>Prior Service Enlistment Bonus</td>
</tr>
<tr>
<td>0903</td>
<td>Reenlistment Bonus</td>
</tr>
<tr>
<td>5605</td>
<td>Reenlistment Bonus (Selected Reserve)</td>
</tr>
<tr>
<td>5604</td>
<td>Reserve Affiliation Bonus</td>
</tr>
<tr>
<td>0904</td>
<td>Retention Bonus for Members Qualified in a Critical Military Skill</td>
</tr>
<tr>
<td>0309</td>
<td>Retention Incentive for Officers in a Critical Military Skills</td>
</tr>
<tr>
<td>14</td>
<td>Special Pay for Enlisted Members Extending Duty at Designated</td>
</tr>
<tr>
<td>5603</td>
<td>Selected Reserve Health Care Professionals In Critically Short Wartime Specialties</td>
</tr>
<tr>
<td>5602</td>
<td>Selected Reserve Officer Accession And Affiliation Bonus</td>
</tr>
<tr>
<td>030402</td>
<td>Special Warfare Officer Retention Bonus</td>
</tr>
<tr>
<td>03100</td>
<td>Transfer between Armed Forces</td>
</tr>
</tbody>
</table>
Figure 51-1. Pay Entitlements Available for TSP Contributions (Continued)

<table>
<thead>
<tr>
<th>DoD FMR, Volume 7A, Chapter section, paragraph, or subparagraph</th>
<th>Bonuses cont.</th>
</tr>
</thead>
<tbody>
<tr>
<td>0513</td>
<td>Health Professions Officer Accession Bonus (Medical)</td>
</tr>
<tr>
<td>0706</td>
<td>Health Professions Officer Accession Bonus (Veterinarian)</td>
</tr>
<tr>
<td>0515</td>
<td>Health Professions Officer Retention Bonus</td>
</tr>
</tbody>
</table>

**Incentive Pays**

| *15 |
| Assignment Incentive Pay |

| 2203 |
| Aviation Career Incentive Pay |
| 2204 |
| Career Enlisted Flyer Incentive Pay |
| 24 |
| Hazardous Duty Incentive Pays |
| 23 |
| Submarine Duty |
| 0514 |
| Health Professions Officer Incentive Pay (Medical) |
| 0705 |
| Health Professions Officer Incentive Pay (Veterinarian) |
| 0516 |
| Health Professions Officer Board Certification Incentive Pay |

**Special Pays**

| 0508 |
| Board Certified Pay for Non-Physician Health Care Providers |
| 180202.A |
| Career Sea Pay |
| 180202.B |
| Career Sea Pay Premium |
| 13 |
| Combat-Related Injury Rehabilitation Pay |
| 030202 |
| Continuation Pay for Nuclear-Qualified Officers Extending Period of Active Service |
| 0607 |
| Dental Additional Special Pay |
| 0608 |
| Dental Board Certified Pay |
| 0606 |
| Dental Variable Special Pay |
| 0605 |
| Oral or Maxillofacial Dental Surgeon Incentive Special Pay |
| 0610 |
| Reserve Dental Officers Special Pay |
| 580208 |
| Designated Unit Pay |
| 0508 |
| Diplomate Pay for Psychologists |
| 11 |
| Diving Duty |
| 0305 |
| Engineering and Scientific Career Continuation Pay |
| 140201.A |
| Enlisted Members Extending Duty at Designated Locations Overseas |
| 17 |
| Hardship Duty Pay |
Figure 51-1. Pay Entitlements Available for TSP Contributions (Continued)

<table>
<thead>
<tr>
<th>DoD FMR, Volume 7A, Chapter section, paragraph, or subparagraph</th>
<th>Special Pays cont.</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Hostile Fire and Imminent Danger Pay</td>
</tr>
<tr>
<td>0306</td>
<td>Judge Advocate Continuation Pay</td>
</tr>
<tr>
<td>0506</td>
<td>Medical Additional Special Pay</td>
</tr>
<tr>
<td>0507</td>
<td>Medical Board Certified Pay</td>
</tr>
<tr>
<td>0504</td>
<td>Medical Incentive Special Pay</td>
</tr>
<tr>
<td>0505</td>
<td>Medical Variable Special Pay</td>
</tr>
<tr>
<td>0509</td>
<td>Special Pay for Reserve Medical Officers</td>
</tr>
<tr>
<td>0508</td>
<td>Non-physician Health Care Providers</td>
</tr>
<tr>
<td>21</td>
<td>Nurse Anesthetists</td>
</tr>
<tr>
<td>0303</td>
<td>Officers Holding Position of Unusual Responsibility and of Critical Nature</td>
</tr>
<tr>
<td>070302</td>
<td>Optometrists Regular Special Pay</td>
</tr>
<tr>
<td>070303</td>
<td>Optometrists Retention Special Pay</td>
</tr>
<tr>
<td>070202</td>
<td>Pharmacy Officers</td>
</tr>
<tr>
<td>5804</td>
<td>Reserve Health Care Professionals in Critically Short Wartime Specialties</td>
</tr>
<tr>
<td>08</td>
<td>Special Duty Assignment Pay for Enlisted Members</td>
</tr>
<tr>
<td>570501</td>
<td>Special Duty Assignment Pay (Guard and Reserve)</td>
</tr>
<tr>
<td>0305</td>
<td>Surface Warfare Officer Continuation Pay</td>
</tr>
<tr>
<td>070502</td>
<td>Veterinarians</td>
</tr>
<tr>
<td>010303.A</td>
<td>Weapons of Mass Destruction Civil Support Team</td>
</tr>
</tbody>
</table>
**Table 51-1.** Savings Deposits, Special Determinations on Accrual of Interest

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>When an eligible member has a savings deposit account in effect and the member is in a deserter status</td>
<td>and is returned to military control</td>
<td>then interest accrues to the end of the month before the month the member entered a deserter status and resumes the first of the month after the month the member returns to military control (note 1).</td>
</tr>
<tr>
<td>2</td>
<td>returns to military control after desertion</td>
<td>has personnel records corrected to remove a mark of desertion</td>
<td>accrues during the period the member was originally considered to be a deserter (note 2).</td>
</tr>
<tr>
<td>3</td>
<td>is separated or discharged</td>
<td>repayment of deposits is delayed for any reason (note 3)</td>
<td>accrues to the end of the month in which repayment is made, not to exceed 90 days after eligibility to make deposits terminates.</td>
</tr>
<tr>
<td>4</td>
<td>does not request repayment after termination of eligibility to make deposits</td>
<td>within 90 days is again entitled to make deposits</td>
<td>continuously accrues.</td>
</tr>
<tr>
<td>5</td>
<td>is in a missing status</td>
<td>the Secretary of the Military Department concerned (or designee) directs repayment of total amount of deposit</td>
<td>accrues to the end of the month in which repayment is directed.</td>
</tr>
<tr>
<td>6</td>
<td>a finding of death is made</td>
<td></td>
<td>accrues to the end of the month in which repayment is made not to exceed 90 days after the date pay and allowances terminate.</td>
</tr>
<tr>
<td>7</td>
<td>goes on official TDY or temporary additional duty (TAD) away from the USSDP authorized duty assignment or USSDP authorized area for a period of 90 days or more</td>
<td></td>
<td>accrues for the first 90 days of TDY or TAD, but not after 90 days (note 4).</td>
</tr>
</tbody>
</table>

**NOTES:**
1. Interest does not accrue on deposits during the period a member is in a desertion status.
2. Interest will be computed and retroactively credited.
3. Delays in repayment of deposits include withholding of issued discharge certificates pending release from confinement when sentenced to dishonorable discharge.
4. Interest would again accrue upon return to the USSDP authorized duty assignment or the authorized USSDP area.
Table 51-2.  Savings Deposits, Conditions Under Which Deposits, Plus Interest Are Repaid

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
</tr>
</thead>
<tbody>
<tr>
<td>*1</td>
<td>When an eligible member has a savings account and the member permanently departs the authorized USSDP area, then all deposits, plus interest will be repaid upon the member's request upon departure from the USSDP authorized duty assignment or the USSDP authorized location. If no request is received after 90 days from the departure from the authorized SDP area, all deposits plus interest will be automatically repaid to the member.</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>is discharged or separated overseas (not for reentry into the Military Service)</td>
<td>discharge or separation from the Military Service or not to exceed 90 days thereafter.</td>
</tr>
<tr>
<td>3</td>
<td>is in a missing status</td>
<td>direction of the Secretary concerned or designee.</td>
</tr>
<tr>
<td>4</td>
<td>dies</td>
<td>settlement of member's unpaid pay and allowances as provided in Chapter 36 (note).</td>
</tr>
</tbody>
</table>

NOTE: Interest on deposits stops at the end of the month in which full repayment is made. Do not continue interest beyond 90 days after the date of the member's death, or when a member's USSDP authorized duty assignment terminates, whichever is earlier. See Table 51-1, Rule 6, for death cases where a missing status is involved.
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CHAPTER 51 – SAVINGS DEPOSIT PROGRAMS

5102 – UNIFORMED SERVICES SAVINGS DEPOSIT PROGRAM (USSDP)

510201.A  10 U.S.C. 1035(a)
510202   OASD (FM&P) Memo, January 29, 1991
510203.A  10 U.S.C. 1035(g)(3)
          OASD (FM&P) Memo, January 29, 1991
          OASD (FM&P) Memo, July 30, 1991
510203.B  OASD (FM&P) Memo, January 8, 1996
          OASD (FM&P) Memo, February 23, 1996
510203.D  OASD (FM&P) Memo, August 14, 1998
510203.E.1 ASD (FMP) Memo, November 26, 2001
510203.E.2 PDUSD (P&R) Memo, February 24, 2003
510204   10 U.S.C. 1035(e)
510205   10 U.S.C. 1035(d)
510212   OUSD (Comp) Memo, April 16, 2008
510213

5103 – THRIFT SAVINGS PLAN (TSP)

510301.A  5 U.S.C. 8431-8441
*  510301.B  5 U.S.C. 8440e
*  510302  5 U.S.C. 8432d
*  510303  26 U.S.C. 402(g)
          26 U.S.C. 414(v)
          IR-2014-99
510305  5 U.S.C. 8433(g)
510306  5 U.S.C. 8432a
          5 C.F.R. part 1605

Figure 51-1  37 U.S.C. Chapter 5
VOLUME 7A, CHAPTER 52: “PRIORITY OF PAY DEDUCTIONS AND COLLECTIONS”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated February 2016 is archived.

<table>
<thead>
<tr>
<th>PARAGRAPH</th>
<th>EXPLANATION OF CHANGE/REVISION</th>
<th>PURPOSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>Updated formatting to comply with current administrative instructions.</td>
<td>Revision</td>
</tr>
</tbody>
</table>
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CHAPTER 52

PRIORITY OF PAY DEDUCTIONS AND COLLECTIONS

5201 GENERAL

520101. Purpose

This chapter guides military service central site pay operations and field military finance/disbursing offices, henceforth referred to as “finance offices”, concerning the sequence order for processing deductions and debt collections from a member’s military pay entitlements when the member does not have sufficient pay. Finance offices must review a member’s military pay entitlements to determine if the member has sufficient pay to offset all deductions and debt collections. If a member does not have enough pay, Table 52-1, Priority of Deductions and Collections, states which deduction/collection will collect first from the current pay. If a member has voluntary deductions for Thrift Savings Plan (TSP) contributions and/or discretionary allotments that prevent the finance office from collecting debts due the United States, or to other entities listed in Table 52-1, the finance office has the authority to stop those voluntary deductions and process the debt collection. The finance office will notify the member that he/she has 30 days to voluntarily change, their TSP contribution, or discretionary allotment amounts. If they fail to make the changes, the finance office will initiate stoppages and specify when the changes will appear on the member’s military pay account. These actions will not substitute for, but may be included in, any indebtedness notification required by Volume 16.

520102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.
Table 52-1. Priority of Deductions and Collections

<table>
<thead>
<tr>
<th>Rule</th>
<th>When the amounts due to a member are not enough to cover authorized deductions or collections, collect applicable amounts shown in the following sequence:</th>
</tr>
</thead>
</table>
| 1    | Reduction of pay entitlement  
Losses of pay entitlement take precedence over all items for deduction or collection:  
   a. Forfeiture (note 1)  
   b. Reduction for educational benefit under "Montgomery G.I. Bill" (note 1) |
| 2    | Reimbursement to the United States  
Collected amounts for deposit to the credit of the U.S. Treasury, in the following order:  
   a. Federal Insurance Contribution Act tax  
   b. Deductions for Armed Forces Retirement Homes  
   c. Federal Income Tax Withholding (this includes any amounts voluntarily authorized by member in excess of the minimum withholding required)  
   d. Deductions for Servicemembers’ Group Life Insurance (SGLI), Family SGLI, and Traumatic SGLI |
| 3    | State income tax withholding |
| 4    | Involuntary repayment of indebtedness to the United States  
a. Routine pay adjustment as referenced in Volume 16, Chapter 3, paragraph 030306.D  
b. Repayment of advances of pay/allowances or advances of travel  
c. Other collections (overpayments of pay or allowances outside the scope of a routine pay adjustment)  
d. Repayment of public funds entrusted to an accountable member or funds obtained by any member through fraud, larceny, embezzlement, or other unlawful means  
e. Clothing allowance charges  
f. Transportation charges  
g. Subsistence charges  
h. Government property lost or damaged. (note 2)  
i. Telephone or telegraph charges  
j. Damage to assigned housing due to negligence or abuse  
k. Indebtedness to a Commissary, Department of Defense (DoD) contracted Military Banking Facility overseas, or other appropriated fund activity for an uncollectable check or defaulted loan  
l. Unpaid hospital bills for medical services furnished to a dependent  
m. Compensation or stipend payments received by a medical officer from state, county, municipal, or privately owned hospitals for medical services  
n. Jury duty fees received by a member  
o. Amounts due to other Uniformed Services or departments or agencies outside DoD, including court judgments |
| 5    | Garnishment for alimony and child support payments |
Table 52-1. Priority of Deductions and Collections (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>When the amounts due to a member are not enough to cover authorized deductions or collections, collect applicable amounts shown in the following sequence:</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Statutorily-required child and spousal support allotments</td>
</tr>
<tr>
<td>7</td>
<td>Reimbursement to individuals and agencies</td>
</tr>
<tr>
<td></td>
<td>Remittances to an individual or agency by disbursing officer making deductions as follows:</td>
</tr>
<tr>
<td></td>
<td>a. Deductions for rental of premises occupied by dependents</td>
</tr>
<tr>
<td></td>
<td>b. Deduction for payment for damages to private property</td>
</tr>
<tr>
<td>8</td>
<td>Court-ordered bankruptcy payments under Chapter 13 of the revised Bankruptcy Act</td>
</tr>
<tr>
<td>9</td>
<td>Indebtedness to a nonappropriated fund activity</td>
</tr>
<tr>
<td>10</td>
<td>Amounts due Service relief society (Army Emergency Relief, Air Force Aid Society, Navy-Marine Corps Relief Society, or Coast Guard Mutual Assistance) only at final separation</td>
</tr>
<tr>
<td>11</td>
<td>Voluntary repayment of indebtedness to the United States</td>
</tr>
<tr>
<td></td>
<td>In order specified by the Military Service member (note 4)</td>
</tr>
<tr>
<td>12</td>
<td>Involuntary allotment for commercial debts</td>
</tr>
<tr>
<td></td>
<td>(note 5)</td>
</tr>
<tr>
<td>13</td>
<td>TSP</td>
</tr>
<tr>
<td></td>
<td>Payments to TSP in the following order:</td>
</tr>
<tr>
<td></td>
<td>a. TSP loan repayments</td>
</tr>
<tr>
<td></td>
<td>b. TSP catch-up deductions</td>
</tr>
<tr>
<td></td>
<td>c. TSP deductions</td>
</tr>
<tr>
<td></td>
<td>d. Roth TSP deductions</td>
</tr>
</tbody>
</table>
Table 52-1. Priority of Deductions and Collections (Continued)

<table>
<thead>
<tr>
<th>R</th>
<th>U</th>
<th>L</th>
<th>E</th>
<th>When the amounts due to a member are not enough to cover authorized deductions or collections, collect applicable amounts shown in the following sequence:</th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
<td>Allotments</td>
<td>Payments made to an allotted by the United States will be disbursed in the following order:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>a. Emergency support of dependent</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>b. Government insurance (discretionary allotment)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>c. Repayment of individual indebtedness or for payment to an individual or financial organization for disposition as authorized by the allotter (discretionary allotment)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>d. Purchase of U.S. Savings bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>e. Donation to charity drives</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>f. Other discretionary allotments (note 5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Internal Revenue Service paper levy for delinquent Federal income taxes</td>
<td>(See Chapter 44, section 4403 and Table 52-1, note 5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Court-Martial fines</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NOTES:

1. Gross pay to which the Military Service member would otherwise be entitled must be reduced by the monthly amount of the forfeiture or educational benefit under the Montgomery G.I. Bill. The forfeiture or educational benefit is subtracted to determine a new, reduced monthly gross pay amount. Deductions based on gross pay will be computed on the reduced gross pay.

2. This is a voluntary indebtedness for members of the Navy or Marine Corps, who fall under Volume 16, Chapter 3, Table 3-3, Rule 5.

3. In cases where the U.S. Bankruptcy Court has mandated that a sum is to be deducted monthly, the court order will be followed as prescribed in Military Service regulations. The order of precedence in Table 52-1 will apply unless otherwise specified in the court order in which case the court’s order prevails.

4. Upon separation, these become involuntary and fall under rule 4.

5. If the date of a tax levy is earlier than the effective date of a voluntary allotment or an involuntary allotment for commercial debts, then the tax levy should be collected before either allotment.
BIBLIOGRAPHY

CHAPTER 52 – PRIORITY OF PAY DEDUCTIONS AND COLLECTIONS

Table 52-1

<table>
<thead>
<tr>
<th>Rule</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1(a)</td>
<td>36 Comptroller General 79</td>
</tr>
<tr>
<td>1(b)</td>
<td>Title 38, United States Code (U.S.C.), section 3011(b)(3)</td>
</tr>
<tr>
<td>2(a)</td>
<td>26 U.S.C. §§ 3102, 3121</td>
</tr>
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SUMMARY OF MAJOR CHANGES

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<td>Updated formatting and hyperlinks to comply with current administrative guidance.</td>
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<td>540101</td>
<td>Updated paragraph to reflect “United Concordia Companies, Inc.” as the current Tricare Dental Program administrator.</td>
<td>Revision</td>
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<tr>
<td>540208</td>
<td>Updated paragraph with hyperlink to premium rates.</td>
<td>Revision</td>
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CHAPTER 54

TRICARE DENTAL PROGRAM

5401 GENERAL

*540101. Purpose

The TRICARE Dental Program (TDP), administered by United Concordia Companies, Inc., is a worldwide dental care plan offered to eligible beneficiaries by the Department of Defense through the Defense Health Agency.

540102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

5402 TDP

540201. Enrollment Eligibility

The TDP is a voluntary dental plan available to eligible family members of all Active Duty Uniformed Service personnel and to Selected Reserve (SELRES) and Individual Ready Reserve (IRR) members and/or their eligible family members. To be eligible for the TDP, the sponsor must have at least 12 months remaining on his or her Service commitment with the parent Service at the time of enrollment. Individuals eligible to enroll in the TDP include the following:

A. SELRES and IRR Service members; and

B. Family members of active duty, SELRES, and IRR Service members. This includes spouses and unmarried children (including stepchildren, adopted children, and wards) under the age of 21. Family members will be eligible up to the end of the month in which they turn 21. Family members may be eligible after 21 if:

1. They are enrolled full-time at an accredited college or university and are more than 50 percent dependent on the sponsor for their financial support. These students are eligible to the end of the month in which they turn age 23. If the student terminates his or her education prior to turning 23, then eligibility ends at the end of the month in which education terminates; or

2. They have a disabling illness or injury that occurred before their 21st birthday or between the ages of 21 and 23 if enrolled as a full-time student at the time of illness or injury, and they were more than 50 percent dependent on the sponsor for financial support.
540202. Individuals Who Are Not Eligible for TDP Coverage

Active duty Service members are not eligible for the TDP. In addition, former spouses, parents, parents-in-laws, disabled veterans, foreign military personnel, Service members in the Transitional Assistance Management Program following activation for a contingency operation, and retirees and their families are not eligible for TDP benefits.

540203. Enrollment Period

All new enrollees must remain enrolled in the TDP for at least 12 months. Enrollment may continue on a month-to-month basis after completing the 12-month minimum enrollment lock-in period. Anyone who fails to pay premiums or disenrolls for other than a valid disenrollment reason is prohibited from reenrolling in the program for 12 months.

540204. Enrollment Form

The sponsor must initiate enrollment by completing a TDP Enrollment Form. If the sponsor is not available to complete and sign the form, an individual with a Power of Attorney (POA) can initiate enrollment, provided the POA allows the individual to enter into contracts. TDP Enrollment Forms are available at the local military dental treatment facility, TRICARE Service Center, Health Benefits Advisor/installation point of contact, or on TRICARE Dental.

540205. Effective Date of Coverage

In most cases, coverage is effective the first day of the month after the month in which the TDP contractor receives the completed form and 1 month’s premium payment. TDP Enrollment Forms must be received by the 20th of the month for coverage to begin on the first day of the next month. For applications received after the 20th of the month, coverage will not become effective until the first day of the second month.

540206. Disenrollment

New enrollees must remain enrolled in the TDP for a minimum of 12 months. Anyone who fails to pay premiums during the 12-month lock-in period or disenrolls for other than valid reasons, will be locked-out of the program for 12 months. The following are valid reasons for disenrolling from the TDP prior to completion of the mandatory 12-month enrollment:

A. When a sponsor or family member loses Defense Enrollment Eligibility Reporting System (commonly referred to as DEERS) eligibility due to death, divorce, marriage of a child, end of entitlement, or when a family member reaches age 21 (or 23 if enrolled full-time at an accredited college or university);

B. When TDP-enrolled members relocate outside the continental United States service area, the Service members may elect (within 90 calendar days of the relocation) to disenroll their family members and/or themselves from the TDP;

54-4
C. When an active duty member transfers with enrolled family members to a duty station where space-available dental care for the enrolled members is readily available at the local Uniformed Service dental treatment facility, the active duty member may elect (within 90 days of the transfer) to disenroll his/her family members from the TDP; or

D. When an active duty, SELRES or IRR member is transferred to the Standby Reserve or Retired Reserve.

540207. Other Disenrollment Situations

The TDP contractor will notify the sponsor of the disenrollment and explain the enrollment/disenrollment options and any associated premium changes and time limitations for the following situations:

A. If one member in a marriage of two Service members leaves the Uniformed Services and has family members assigned to him, then the family members can be reenrolled to the other Service member without incurring a new 12-month lock-in period;

B. When an Active Component member transfers to the Reserve Component (SELRES, Guard/Reserves on active duty, or IRR), the enrolled family members are disenrolled from the TDP;

C. When a member of the Reserve Component transfers to an Active Component, the enrolled member, and/or family members are disenrolled from the TDP;

D. When the sponsor changes from one branch of service to another;

E. When a member of the SELRES or IRR (Special Mobilization Category) changes status to IRR (other than Special Mobilization Category), the enrolled member, and/or family members are disenrolled from their current plan and automatically reenrolled into the appropriate plan. The reenrolled member/family members may elect to disenroll from the TDP if desired; or

F. When a member of the SELRES or IRR is called to active duty for more than 30 consecutive days, the member is disenrolled effective on the first day of the active duty orders. Enrolled family members remain enrolled in the current TDP plan until the last day of the month in which the sponsor changes status. Family members are automatically reenrolled in the program as active duty family members with the lower premium rate under the existing lock-in period.

*540208. Premium Amounts

The TDP premium rate period runs from May 1 through April 30 of each year. Premium rates are available at TRICARE Dental Costs.
540209. Premium Billing Allotments

If the member has a payroll account, and there are sufficient funds available at the time of collection, then the Government will collect the member’s share of the premium, in advance, through a Uniformed Service finance office, or on the TRICARE Dental website under the “Monthly Premiums” section, “Ongoing Recurring Payments” paragraph. Members must verify monthly that the correct dental allotment appears on their Leave and Earnings Statement.

540210. Direct Billing Process

If there are insufficient funds or no payroll account is available at the time of collection, then the member must pay the premium costs by means of direct billing. When this occurs, premium collection will transfer, from the Uniformed Service finance office or site payroll allotment, to direct billing by the TDP contractor. Once the TDP contractor direct bills, this payment process will continue, until the member requests the TDP contractor to restart the payroll allotment. The TDP contractor will immediately direct bill for premiums due from IRR Service members and from SELRES and IRR family members.
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CHAPTER 54 – TRICARE DENTAL PROGRAM (TDP)

5401 – GENERAL

*  540101  TDP Benefit Booklet, May 2017

5402 – TDP

Title 10, United States Code, section 1076a
## VOLUME 7A, CHAPTER 55: “RESERVE INCOME REPLACEMENT PROGRAM”

### SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

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<tr>
<td>550301, 550302, 550303</td>
<td>Revised paragraphs in accordance with Department of Defense Instruction 1241.05, October 21, 2013.</td>
<td>Revision</td>
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<tr>
<td>550503</td>
<td>Extended the payment authority to December 31, 2017 per Public Law 114-328, section 611, December 23, 2016.</td>
<td>Revision</td>
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CHAPTER 55

RESERVE INCOME REPLACEMENT PROGRAM

5501 GENERAL

550101. Purpose

This chapter establishes policy pertaining to the Reserve Income Replacement Program (RIRP) for members of the Reserve Components (RC) as defined in Volume 7A Definitions.

550102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

5502 DEFINITIONS

550201. Average Monthly Civilian Income

The Secretary concerned determines the average monthly civilian income amount based on either:

A. The member’s total earned income for the 12 full months immediately preceding the member’s current mobilization, divided by 12; or

B. The earned income reported on the most recent federal income tax filing that covers a 12-month period prior to mobilization, divided by 12.

550202. Total Earned Income

Total earned income is defined in the Department of Defense Instruction (DoDI) 1241.05, October 21, 2013, RIRP, Part II Definitions, as wages, salaries, tips, professional fees, other compensation received for personal services and employee compensation that is included in gross income for the taxable year, plus any net earnings from self-employment for the taxable year. Earned income includes taxable compensation members of the RC receive. Employee pay is earned income if it is taxable. Nontaxable employee pay, such as certain dependent care benefits and adoption benefits, is not earned income. Earned income is shown in box 1 of an individual’s Internal Revenue Service (IRS) Form W-2, Wage and Tax Statement, and is reported on line 7 of IRS Form 1040, U.S. Individual Income Tax Return or, line 1 of IRS Form 1040EZ, U.S. Income Tax Return for Single and Joint Filers With No Dependents.

550203. Involuntary Active Duty

For the purposes of this chapter, involuntary active duty is defined as an order to duty under Title 10, United States Code (U.S.C.), sections 688, 12301(a), 12301(g), 12302, 12304, 12304a, 12304b, or 14 U.S.C. § 712 without the
DoD 7000.14-R    Financial Management Regulation    Volume 7A, Chapter 55

* July 2017

consent of the member, or is defined as an order to full-time NG duty under 32 U.S.C. § 502(f)(1) without the consent of the member.

550204. Monthly Active Duty Income Differential

This differential is the difference between the average monthly civilian income of the member and the member’s total monthly military compensation (TMMC), when the member’s average monthly civilian income exceeds the TMMC.

550205. Regular Military Compensation (RMC)

RMC is the sum of basic pay, basic allowance for housing, basic allowance for subsistence (BAS) and the federal income tax advantage that accrues from allowances that are not subject to federal income tax (e.g., housing allowances and BAS). See 37 U.S.C. § 101 (25). RMC does not include the tax advantage that accrues because of the Combat Zone Tax Exclusion.

550206. TMMC

The TMMC is the amount computed on a monthly basis, using the member’s RMC and the amount of any special pays, incentive pays, and allowances (not included in RMC) that are paid on a monthly basis (e.g., Foreign Language Proficiency annual bonus that may be paid in monthly installments). Bonuses paid in a lump sum or anniversary installments, such as enlistments, reenlistment, and affiliation bonuses, will not be included in the TMMC. Cost of living allowances will be included in TMMC. Per diem, to include meals and incidental expenses, will not be included in TMMC.

*5503 RIRP ELIGIBILITY

*550301. Eligibility

An RC member currently serving on involuntary active duty is eligible for RIRP payments for any entire month of involuntary active duty (referred to in this chapter as a “service month”) that is served after the member completes the requisite eligibility period and for which the member realizes a monthly active duty income differential.

*550302. Eligibility Period

An eligibility period may begin before August 1, 2006. However, RIRP payments are only payable for service months beginning on or after August 1, 2006. The eligibility periods are as follows:

A. For service months, falling between August 1, 2006 and January 28, 2008, an eligibility period is:
1. **Eighteen continuous months of service** on active duty under involuntary orders. Continuous **involuntary** active duty may be accumulated through successive orders to active duty, provided no break in service has occurred;

   Example: If continuous service on active duty began on February 1, 2005, the member would meet the 18 continuous months of service at midnight on July 31, 2006. The first payment for the August entitlement would be paid on September 1, 2006.

2. **Twenty-four months of involuntary active duty** during the previous 60 months; or

3. **Service** on involuntary active duty for a period of 180 days or more, which commenced within 6 months following the member’s separation from a previous period of involuntary active duty for a period of 180 days or more.

**B. For service months beginning on or after January 29, 2008, an eligibility period is:**

1. **Completion of 547 continuous days of service** on active duty under an involuntary order to active duty. Continuous **involuntary** active duty may be accumulated through successive orders to active duty, provided no break in service has occurred;

   Example: If continuous service on active duty began on February 1, 2008, the 547 days to establish eligibility would end at midnight on July 31, 2009. The member would meet the eligibility requirement for RIRP on August 1, 2009, and would be entitled to RIRP payment on September 1, 2009, for the month of August 2009, if the member serves on active duty for the entire month of August.

2. **Completion of 730 cumulative days of service** on involuntary active duty during the previous 1,826 days; or

3. **Service** on involuntary active duty for a period of 180 days or more, which commenced within 180 days, following the member’s separation from a previous period of active duty for a period of 180 days or more.

*550303. **RIRP Entitlement**

Payment for RIRP is based on each full month of active duty following the date on which the member meets the eligibility criteria in paragraph 550302. RIRP payments are based on full months of service only. Partial payments are not authorized. Changes in pay grade, longevity, number of dependents, and special pays will be taken into account in calculating the RIRP payment in the month following the change.
550304. Special Conditions

Effective January 29, 2008, the entitlement of an RC member to a RIRP payment will commence, or if previously commenced, will continue if the member satisfies the required number of days on active duty specified in paragraph 550302, or is, following an involuntarily mobilization, retained on active duty under 10 U.S.C. § 12301(h)(1)(A) or (B) because of an injury or illness incurred, or aggravated while assigned to duty in an area for which special pay under 37 U.S.C. § 310 is available.

5504 RESTRICTIONS

Effective January 1, 2011, a civilian employee of the Federal Government who is also a member of an RC is not entitled to a payment of RIRP for any period for which the employee is entitled to:

A. A civilian pay differential payment under 5 U.S.C. § 5538 or Volume 8, Chapter 3, paragraph 030509; or

B. A comparable civilian pay benefit under an administratively established program for civilian employees absent from a position of employment with the Federal Government in order to perform active duty in the Uniformed Services.

5505 PAYMENT

550501. Frequency

After an RC member has completed the requisite eligibility period, the member is entitled to RIRP payment on the first day of the calendar month after performing a preceding full calendar month of involuntary active duty service. See the example in subparagraph 550302.A.1.

550502. Limitation

A member who realizes a monthly active duty income differential greater than $50 is entitled to RIRP. The maximum RIRP payment will not exceed $3,000 per month.

550503. Termination of Payment

Payment will terminate when one of the conditions in Table 55-1 is met. In addition, unless Congress extends the RIRP authority, RIRP will terminate on December 31, 2017, and no payments will be made after December 31, 2017, unless the member’s entitlement to RIRP commenced prior to that date.
5506 TAXABILITY

550601. Federal and State Tax Deduction

RIRP payments are subject to federal and state income tax withholding.

550602. Federal Insurance Contribution Act (FICA)

RIRP payments are not subject to FICA withholding.
Table 55-1. Date to Terminate RIRP Payment

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<th>RULE</th>
<th>A</th>
<th>B</th>
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<td>1</td>
<td>When the member is released from a qualifying period of active duty</td>
<td>then RIRP payment is terminated effective the last full month of service. A partial month is not pro-rated.</td>
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<td>member no longer meets eligibility requirements due to changes in TMMC</td>
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<td>3</td>
<td>member’s monthly active duty income differential decreases to $50 or less due to changes in current military compensation</td>
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<td>4</td>
<td>member’s orders change his or her duty status from involuntary to voluntary</td>
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VOLUME 7A, CHAPTER 56: “READY RESERVE (RR) ACCESSION, AFFILIATION, ENLISTMENT, AND RETENTION BONUSES”

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<td>Removed section on “Critically Short Wartime Health Specialist In The SELRES” as this bonus is now included in Chapter 5, section 0504; renumbered the subsequent sections accordingly.</td>
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<td>Extended “Duration of Authority” to December 31, 2017, per Public Law 114-328, section 614(1), December 23, 2016.</td>
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<td>Defined the paragraph and subparagraphs in accordance with DoDI 1304.31.</td>
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CHAPTER 56

READY RESERVE (RR) ACCESSION, AFFILIATION, ENLISTMENT, AND RETENTION BONUSES

5601  GENERAL

560101.  Purpose

The purpose of this chapter is to provide policy guidance pertaining to the accession, affiliation, enlistment, and retention bonuses for members of the RR.

560102.  Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

5602  OFFICER ACCESSION AND AFFILIATION BONUS

*560201.  Officer Accession Bonus

* A.  Conditions of Entitlement.  Pursuant to Title 37, United States Code (U.S.C.), section 332(a)(1), and implemented by Department of Defense (DoD) Instruction (DoDI) 1304.34, July 11, 2016, the Secretary concerned may pay an accession bonus to an eligible officer who enters into an agreement with the Secretary:

1.  To accept an appointment as an officer in the Armed Forces; and

2.  To serve in the Selected Reserve (SELRES) of the RR in a designated skill for the period specified in the agreement.

B.  Skills Designation.  The Secretary will designate the officer skills to which the bonus authority is to be applied.  A skill may be designated if it is critical to increase the number of members accessed who are qualified in that skill or are to be trained in that skill, or to mitigate a current or projected significant shortage of personnel who are qualified in that skill.

*560202.  Officer Affiliation Bonus

* A.  Conditions of Entitlement.  In accordance with 37 U.S.C. § 332(a)(2) and DoDI 1304.34, the Secretary may pay an affiliation bonus to an eligible officer in any of the Armed Forces who enters into an agreement with the Secretary to serve, for the specified period in the agreement, in the SELRES of the RR.  The officer must enter into an agreement:

1.  To serve in a critical officer skill designated by the Secretary; or

2.  To meet a manpower shortage in:
a. A unit of that SELRES; or
b. A particular pay grade in that Armed Force.

B. Eligibility Criteria. An officer is eligible for an affiliation bonus if the officer either:

1. Is serving on active duty for a period of more than 30 days; or
2. Is a member of a Reserve Component (RC) not on active duty (if the member formerly served on active duty but was released from active duty under honorable conditions); and
3. Is not entitled to retired or retainer pay.

C. Critical Skills Designation. The Secretary concerned will designate the critical officer skills to which the bonus authority is to be applied. A skill may be designated as a critical officer skill if it is critical to have a sufficient number of officers who are qualified in that skill.

560203. Period of Obligated Service

An agreement entered into with the Secretary concerned will require the person entering into that agreement to serve in the SELRES for a specified period. The period specified in the agreement will be any period not less than 3 years that the Secretary determines appropriate to meet the needs of the RC in which the service is to be performed.

560204. Bonus Amounts

A. The maximum accession bonus may not exceed $60,000 for a minimum 4-year period of obligated service, nor may it exceed an annual amount of $15,000.

B. The maximum affiliation bonus may not exceed $10,000 for a minimum 3-year service obligation.

560205. Payment

A. Upon acceptance of a written agreement by the Secretary, the total amount of the bonus payable under the agreement becomes fixed. The agreement will specify whether the bonus is to be paid in one lump sum or installments.

B. A person entitled to a bonus who is called or ordered to active duty will be paid, during that period of active duty, any amount of the bonus that becomes payable to the member during that period of active duty.
560206. Relation to Other Accession Bonus

A person may not receive an affiliation bonus, accession bonus, and financial assistance for the same period of service.

*5603 ENLISTMENT BONUS

The Secretaries concerned may pay a bonus under 37 U.S.C. § 331(a)(2) to encourage a person or member to enlist in the RC or affiliate with the SELRES of an Armed Force. The bonus is authorized when the person enlists in or affiliates with the SELRES and agrees to serve for a specified period of obligated service in a designated skill, unit, or pay grade, or to meet some other condition or conditions imposed by the Secretary concerned.

560301. Eligibility

An enlistment bonus is authorized for individuals who enlist in a RC for a specific period and, if applicable, for service in a skill that is experiencing critical personnel shortages as designated by the Secretary concerned. The individual must:

A. Possess a high school diploma, a completion or attendance certificate in lieu of a high school diploma, or a General Educational Development (GED) program certificate;

B. Be an initial enlistee, a prior Service enlistee, or a reservist not on active duty who enlists in the RC of an Armed Force, as defined in subparagraphs 560301.B.1 and 2.

1. **Initial/Non-prior Service Enlistee.** An Initial or Non-prior Service Enlistee is a person who has either never served or has served, but was released from such service before completing the basic training requirements of the Service of which the person was a member and the service was characterized as either honorable or uncharacterized.

2. **Prior Service Enlistee.** A Prior Service Enlistee is a person who has prior experience but has not previously received an enlistment or retention bonus, or who currently is not entitled to a Selective Retention Bonus (SRB) under section 5607;

C. Enlist for at least 2 years in an RC of an Armed Force and serve for a specified period of obligated service in at least one of the following categories:

1. A designated skill;

2. Career field;

3. Unit; or

4. Grade;
D. Execute a written agreement with the Secretary concerned that specifies the:

1. Amount of the bonus;
2. Method of bonus payment;
3. Period of obligated service; and
4. Designated skill or specialty, career field, unit, or grade, or such other condition or conditions of service imposed by the Secretary concerned;

E. Not be in receipt of an enlistment bonus, a retention bonus, an affiliation bonus, or a transfer bonus for the same period of service;

F. Not have previously received or be eligible to receive an SRB under section 5607 or a Critical Skills Retention Bonus (CSRB);

G. Successfully complete training and become technically qualified in a designated skill if completion of such training and technical qualification forms the basis under which the bonus is paid; and

H. Meet any additional service specific eligibility criteria and quality standards established by the Secretary concerned.

NOTE: Reservists currently obligated to Military Service under the delayed entry program are not eligible for an enlistment bonus from another Military Service.

560302. Amount

The bonus amount to be paid will:

A. Be fixed upon acceptance of the agreement by the Secretary concerned;
B. Be paid in a lump sum or in periodic installments; and
C. Not exceed $20,000 for a minimum 2-year period of obligated service for an enlistment described in paragraph 560301.

560303. Repayment

A member who enters into an agreement and receives all or part of the bonus under the agreement, but who does not commence to serve in the SELRES or does not satisfactorily participate in the SELRES for the total period of service specified in the agreement, will be subject to the repayment provisions of 37 U.S.C. § 373 and the DoD FMR Volume 7A, Chapter 2.
*560304. Duration of Authority

Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2017.

5604 ENLISTED AFFILIATION BONUS

560401. Eligibility

The Secretary concerned may pay an affiliation bonus to an enlisted member who:

A. Is currently serving on active duty or has served on active duty and is discharged or released under honorable conditions;

B. Has less than 20 years of total uniformed service;

C. Provides the original DoD (DD) Form 214, Certificate of Release or Discharge from Active Duty (copy 1 or copy 4), or a reproduction with a certified true-copy stamp and the appropriate Federal Government authenticating seal imprinted thereon for each period of prior military service;

D. Executes an agreement to serve as an enlisted member in the SELRES of the RR of an Armed Force for a period of not less than 2 years as specified in subparagraph 560301.B, in a:

1. Skill;

2. Unit; or

3. Pay grade designated after being discharged or released from active duty under honorable conditions;

E. Executes a written agreement with the Secretary concerned that specifies the:

1. Amount of the bonus;

2. Method of bonus payment;

3. Period of obligated service; and

4. Designated skill or specialty, career field, unit, or grade, or such other condition or conditions of service imposed by the Secretary concerned;

F. Is not in receipt of an enlistment, retention, or transfer bonus for the same period of time as an affiliation bonus; and
G. Has not previously received an affiliation bonus in the SELRES.

560402. Amount

The bonus amount to be paid will:

A. Be fixed upon acceptance of the agreement by the Secretary concerned;
B. Be paid in a lump sum or in periodic installments; and
C. Not exceed $20,000 for a minimum 2-year period of obligated service for an affiliation described in paragraph 560401.

560403. Repayment

A member who enters into an agreement and receives all or part of the bonus under the agreement, but who does not commence to serve in the SELRES or does not satisfactorily participate in the SELRES for the total period of service specified in the agreement, will be subject to the repayment provisions of 37 U.S.C. § 373 and the DoD FMR Volume 7A, Chapter 2.

*560404. Duration of Authority

Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2017.

5605 PRIOR SERVICE ENLISTMENT BONUS

560501. Eligibility

The Secretary concerned may pay an individual with prior military service who reenlists in an RC of an Armed Force after a break in reserve duty. The individual must:

A. Enlist in an RC of an Armed Force;
B. Reenlist for a period of at least 2 years or extend the initial period of obligated service;
C. Execute a written agreement with the Secretary concerned to serve as an enlisted member in an RC that specifies the:
   1. Amount of the bonus;
   2. Method of bonus payment;
   3. Period of obligated service; and
4. Designated skill or specialty, career field, unit, or grade, or such other condition or conditions of service imposed by the Secretary concerned;

D. Agree to serve for a specified period in at least one of the following reenlistment or extension categories:

1. A designated skill;
2. Career field;
3. Unit; or
4. Grade;

E. Successfully complete training or retraining and become technically qualified in a designated military skill, when additional training is required;

F. Provide the original DD 214 (copy 1 or copy 4), or a reproduction of the DD 214 with a certified true copy stamp and the appropriate Federal Government authenticating seal imprinted thereon for any period of prior uniformed service, or other official documentation verifying member’s satisfactory participation for all periods of prior service in the Regular Component;

G. Qualify under any additional eligibility criteria prescribed by the Secretary concerned;

H. Possess a high school diploma, a completion or attendance certificate in lieu of a high school diploma, or a GED program certificate; and

I. Be an initial enlistee, a prior Service enlistee, or a reservist not on active duty who enlists in a SELRES of an Armed Force in subparagraph 560501.B.

*560502. Limitations

A member may not be paid a Prior Service Enlistment Bonus if he/she:

A. Has previously received an enlistment bonus;

* B. Has previously received or is currently entitled to an SRB per DoDI 1304.31 or a CSRB under 37 U.S.C. § 355;

C. Has more than 16 years of total uniformed service and received a less than honorable discharge at the conclusion of any of the prior periods of service;

D. Was released or is being released from active duty for the purpose of enlistment in an RC;
E. Is not projected to occupy a position for which the member previously served successfully and has completed training or retraining in the critical specialty for the position;

F. Does not execute an agreement to serve in the SELRES of the RR for a period of not less than 2 years as specified in subparagraph 560501.D; or

G. Fails to provide the original DD 214 as specified in subparagraph 560501.F.

560503. Amount

The bonus amount to be paid will:

A. Be fixed upon acceptance of the agreement by the Secretary concerned; and

B. Not exceed $40,000.

560504. Method of Payment

A. The Secretary concerned must establish the method of payment for the bonus (lump sum or periodic installments). Payment should be disbursed based on training milestones, amounts, and length of enlistment. The Secretary concerned must not pay a person or member any portion of the bonus prior to completion of basic recruit training.

B. Members with prior uniformed service who do not require formal training to be technically qualified in the skill for which the bonus is being paid will receive their first installment no earlier than 30 days after arrival at the first permanent duty station following entry on active duty.

560505. Repayment

A member who receives all or part of the bonus under the agreement, who does not complete the term of enlistment or who is not technically qualified in the skill for which the bonus was paid, will be subject to the repayment provisions of 37 U.S.C. § 373 and the DoD FMR Volume 7A, Chapter 2.

560506. Duration of Authority

Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2017.
5606 NONAVAILABILITY

*560601. RR

Members of the RR who incur a period of authorized absence (such as temporary overseas residence, missionary obligation, or overseas employment obligation) will have their incentive suspended, and will not be entitled to incentive payments. The period of authorized absence may be up to 1 year for valid personal reasons as determined by the Secretary concerned. If subsequently assigned to the Reserve status and skill that they had previously contracted for, members may be reinstated in the incentive program if they extend their term of service, or service obligation, to be able to serve the full original incentive contract period. Entitlement to subsequent payments will resume on the adjusted anniversary date of satisfactory and creditable Reserve Service, as appropriate. The date will be adjusted for periods of authorized absence. Failure to meet reinstatement criteria will result in termination of the incentive and recoupment, as appropriate.

560602. SELRES

Members of the SELRES may incur a period of authorized absence of up to 1 year for valid personal reasons as determined by the Secretary concerned. These members will be:

A. Transferred to the Individual RR or the Inactive National Guard, as appropriate, during the period of authorized absence, and will be suspended from their incentive. During the period of authorized absence, the member will not be entitled to subsequent incentive payments or any incentives available to members of the RR, not in the SELRES; and

B. If, within 1 year, members are subsequently reassigned to a SELRES skill or unit type that they had previously contracted for, then the members may be reinstated in the incentives program if they extend their term of service, or contract for service, to be able to serve the full original incentive contract period. Entitlement to subsequent payments will resume on the adjusted anniversary date of satisfactory creditable SELRES service. The date will be adjusted for that period of authorized absence. Failure to meet reinstatement criteria will result in termination of the incentive and recoupment, as appropriate.

*5607 SRB

An SRB authorized under 37 U.S.C. § 331(a)(3) and implemented in DoDI 1304.31, provides a monetary incentive that may be offered to retain adequate numbers of qualified enlisted personnel in certain reenlistment categories. The bonus may be used to obtain the reenlistment or voluntary extension of an enlistment in exchange for a member’s agreement to serve for a specified period.

560701. Eligibility

The Secretary concerned may pay an SRB to a person, including a member of the Armed Forces who reenlists in a Military Service for a specific period and, if applicable, for service in a
military skill that is experiencing critical personnel shortages as designated by the Secretary concerned. The individual must:

A. Serve in pay grade E-3 or higher;

B. Reenlist for a period of at least 3 years or voluntarily extend an enlistment for a period of at least 1 year in an active status in the SELRES in a Military Service;

C. Execute a written agreement with the Secretary concerned that specifies the:
   1. Amount of the bonus;
   2. Method of bonus payment (lump sum amount or periodic installments);
   3. Period of obligated service; and
   4. Designated skill or specialty, career field, unit, or grade, or such other condition or conditions of service imposed by the Secretary concerned;

D. Agree to serve for a specified period in at least one of the following reenlistment or extension categories:
   1. A designated military skill;
   2. Career field;
   3. Unit; or
   4. Grade;

E. Meet skill qualification prior to payment of an SRB for a member transferring into a designated skill; and

F. Qualify under any additional eligibility criteria prescribed by the Secretary concerned.

*560702. Limitations

A. A re-entry or reenlistment must occur no later than 3 months after the date of discharge or release from active duty.

B. Veterans with more than a 3-month but less than a 4-year break in active status may qualify for reentry after a break in service or prior service reentry, subject to the regulations prescribed by the Secretary concerned.
C. The original DD 214 (copy 1 or copy 4), a reproduction of the DD 214 with a certified true-copy stamp and appropriate Federal Government authenticating seal imprinted thereon, or other official documentation verifying the member’s satisfactory participation for all periods of prior service in the active component and SELRES are acceptable documentation of prior active duty service for a break in active duty service greater than 24 hours.

D. Individuals with prior enlisted service and subsequent service as officers who were discharged or released from active duty and who, within 3 months after discharge or release from active duty as an officer, reenlist in the same RC of a uniformed service in which they previously served as an enlisted member may be eligible for an SRB. The individual must meet all other requirements established in paragraph 560701.

E. Members who reenlist or voluntarily extend an enlistment to gain sufficient obligated service to participate in a program leading to commissioned or warrant officer status are not eligible for an SRB.

F. A member is not eligible for an SRB if the member was discharged or released from active duty, or service in an active status based upon a determination of misconduct, substandard duty performance, or moral or professional dereliction.

G. Generally, a member may not use any preexisting period of obligated service to satisfy an obligated service requirement under an SRB agreement, unless such service is determined by the Secretary concerned to be consistent with the requirements of 37 U.S.C. § 371.

1. A preexisting period of obligated service is necessary for the member to qualify for continuous submarine duty incentive pay and is service for which no bonus was previously authorized or payable.

2. A preexisting period of obligated service includes no more than a 2-year period of an unserved voluntary extension of enlistment for which no bonus was previously authorized or payable, and the member agrees to an additional 2-year period of obligated service in connection with an SRB.

H. An SRB may not be paid to an enlisted member who has completed more than 20 years of active duty or service in an active status, or who will complete a total of 24 years of service before the end of the period of active duty or active status for which the bonus is offered. The Deputy Assistant Secretary of Defense for Military Personnel Policy may waive this restriction based upon a request and justification submitted by the Secretary concerned.

560703. Amount

An SRB may not exceed $10,000 for each year of obligated service in an RC. The maximum amount for an SRB is $40,000.
A. The Secretary concerned must determine the amount of an SRB based on a business case model that targets retention of adequate levels of enlisted personnel in a reenlistment or extension category.

B. RC members may receive more than one SRB at a time, but the total combined SRB payments over a career must not exceed $80,000.

C. SRB amounts may be prorated for extension requests greater than 1 year and reenlistments greater than 3 years. The additional service time will be calculated on a monthly basis at a rate equal to 1/12th the annual amount. Total bonus amounts are limited to $40,000 per SRB and $80,000 over a career.

*560704. Method of Payment

An SRB may be paid either in installments or in a lump sum. If an SRB is paid in periodic installments:

* A. The installment amount will be at the discretion of the Secretary concerned and may be paid at the time of reenlistment, or at the beginning of the member’s service commitment for the voluntary extension of enlistment. All payments must be made before the member completes a total of 24 years of service.

B. The initial payment to a Service member who reenlists after a break in active duty service greater than 24 hours is to be made no earlier than 30 days after arrival at the first permanent duty station following reenlistment.

C. Where there is lost time, the subsequent installment payments will be delayed by the number of days of lost time.

D. Discharge for the purpose of immediate reenlistment does not affect a member’s entitlement to subsequent SRB installment payments.

560705. Repayment

A member who does not complete the term of enlistment within the element of the SELRES for which the bonus was paid to the member under this section will be subject to the repayment provisions of 37 U.S.C. § 373 and the DoD FMR Volume 7A, Chapter 2.

*560706. Duration of Authority

Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2017.
5608 MILITARY OCCUPATIONAL SPECIALTY (MOS) CONVERSION BONUS

*560801. Eligibility

Consistent with 37 U.S.C. § 331 the, Secretaries concerned may pay a conversion bonus to a member who agrees to convert to a designated military skill in which there is a shortage of trained and qualified personnel and to serve for a period of not less than 3 years on active duty, or in an active status in the SELRES in that military skill or specialty. In addition to other enlisted bonus program eligibility requirements specified in DoDI 1304.31, a member must:

* A. Be serving in a pay grade E-6 or below with no more than 12 years of service as computed in accordance with 37 U.S.C. § 205;

* B. Have completed all service obligations incurred for receipt of an enlistment or retention bonus, in accordance with 37 U.S.C. §§ 331 or 355 for a CSRB at the time of conversion.

560802. Amount

The bonus payment will not exceed $4,000 for a reenlistment or conversion that involves an agreement to convert to a designated military skill.

560803. Payment

The bonus may be payable in a lump sum, upon approval and completion of the conversion training.

560804. Repayment

A member who does not convert and complete the period of service in the MOS specified in the agreement will be subject to the repayment provisions of 37 U.S.C. § 373 and the DoD FMR Volume 7A, Chapter 2.

*560805. Duration of Authority

Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2017.

5609 TRANSFER BETWEEN COMPONENTS OF A MILITARY SERVICE BONUS

560901. Eligibility

The Secretary concerned may pay a bonus in accordance with 37 U.S.C. § 331(a)(4) to an enlisted member who agrees to transfer from the Regular Component to the RR or vice versa of the same service. The member must:
A. Execute a written agreement with the Secretary concerned that specifies the:

1. Amount of the bonus;
2. Method of bonus payment (lump sum amount or periodic installments);
3. Period of obligated service; and
4. Designated military skill or specialty, career field, unit, or grade, or such other condition or conditions of service imposed by the Secretary concerned;

B. Agree to serve for a specified period in at least one of the following reenlistment or extension categories:

1. A designated skill;
2. Career field;
3. Unit; or
4. Grade;

C. Not be in receipt of an enlistment bonus, retention bonus, an affiliation bonus, or a transfer bonus for the same period of service;

D. Satisfactorily complete all terms of enlistment within their current component; and

E. Qualify for reenlistment in the Regular Component or RC of the Armed Force to which the member is transferring.

560902. Amount and Method of Payment

The Secretary concerned must establish the method of payment for the bonus (lump sum or periodic installments). The bonus amount may not exceed $10,000 and is payable upon approval of the Secretary concerned.

560903. Repayment

A member who does not complete the terms of the transfer bonus or who is not technically qualified in the skill for which the bonus was paid will be subject to the repayment provisions of 37 U.S.C. § 373 and the DoD FMR Volume 7A, Chapter 2.
560904. Duration of Authority

Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2017.

5610 TRANSFER BETWEEN MILITARY SERVICES BONUS

561001. Eligibility

The Secretary concerned may pay a bonus in accordance with 37 U.S.C. § 331(a)(5) to an enlisted member who agrees to transfer and serve in another uniformed service for a specified period in a designated skill, career field, unit, or grade, or to meet some other condition or conditions imposed by the Secretary concerned. The member must:

A. Execute a written agreement with the Secretary concerned that specifies the:
   1. Amount of the bonus;
   2. Method of bonus payment;
   3. Period of obligated service; and
   4. Designated skill, career field, unit, or grade, or such other condition or conditions of service imposed by the Secretary concerned;

B. Agree to serve for a specified period in at least one of the following reenlistment or extension categories:
   1. A designated skill;
   2. Career field;
   3. Unit; or
   4. Grade;

C. Not have failed to satisfactorily complete any term of enlistment in a Military Service;

D. Qualify for reenlistment in the Regular Component of the Armed Force to which the member is transferring;

E. Prior to the transfer, have fulfilled the requirements established by the Secretary with jurisdiction over the Armed Force to which the member is transferring; and
F. Not be in receipt of an enlistment bonus, a retention bonus, an affiliation bonus, or a transfer bonus for the same period of service.

561002. Amount and Method of Payment

The Secretary of the gaining Service may pay the transfer bonus in one $10,000 lump sum amount upon approval of the transfer by the Secretary concerned. Alternatively, the bonus may be paid in annual installments, the total of which may not exceed $10,000.

561003. Repayment

A member who does not complete the terms of the transfer bonus or who is not technically qualified in the skill for which the bonus was paid will be subject to the repayment provisions of 37 U.S.C. § 373 and the DoD FMR Volume 7A, Chapter 2.

*561004. Duration of Authority

Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2017.
CHAPTER 56 – READY RESERVE (RR) ACCESSION, AFFILIATION, ENLISTMENT, AND RETENTION BONUSES

5602 – OFFICER ACCESSION AND AFFILIATION BONUS

*  DoDI 1304.34, July 11, 2016
*  560201  37 U.S.C. § 332(a)(1)
*  560202  37 U.S.C. § 332(a)(2)
*  560204  DoDI 1304.34, July 11, 2016

5603 – ENLISTMENT BONUS

*  DoDI 1304.31, March 12, 2013
  560401  37 U.S.C. § 331
*  560404  Public Law (PL) 114-328, section 614(1), December 23, 2016

5604 – ENLISTED AFFILIATION BONUS

DoDI 1304.31, March 12, 2013

  560501  37 U.S.C. § 331
*  560504  PL 114-328, section 614(1), December 23, 2016

5605 – PRIOR SERVICE ENLISTMENT BONUS

DoDI 1304.31, March 12, 2013

  560601  37 U.S.C. § 331
*  560606  PL 114-328, section 614(1), December 23, 2016

5606 – NONAVAILABILITY

*  DoDI 1304.31, March 12, 2013

5607 – SRB

DoDI 1304.31, March 12, 2013

  560801  37 U.S.C. § 331
*  560806  PL 114-328, section 614(1), December 23, 2016

5608 – MILITARY OCCUPATIONAL SPECIALTY (MOS) CONVERSION BONUS

DoDI 1304.31, March 12, 2013

  560901  37 U.S.C. § 331
*  560905  PL 114-328, section 614(1), December 23, 2016

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5609 – TRANSFER BETWEEN COMPONENTS OF A MILITARY SERVICE BONUS

DoDI 1304.31, March 12, 2013

561001 37 U.S.C. § 331

* 561004 PL 114-328, section 614(1), December 23, 2016

5610 – TRANSFER BETWEEN MILITARY SERVICES BONUS

DoDI 1304.31, March 12, 2013

561101 37 U.S.C. § 331

561104 PL 114-328, section 614(1), December 23, 2016
VOLUME 7A, CHAPTER 57: “RESERVE ENTITLEMENTS FOR ACTIVE DUTY (AD) (NOT EXTENDED)”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated September 2014 is archived.

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CHAPTER 57

RESERVE ENTITLEMENTS FOR ACTIVE DUTY (AD) (NOT EXTENDED)

5701 GENERAL

*570101. Purpose

This chapter establishes the policy guidance pertaining to reserve entitlements for AD (not extended).

*570102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

5702 PROVISIONS

570201. Entitlements

A. 

**AD With Pay.** A member of a Reserve Component (RC) serving on AD with pay is entitled to receive pay according to the member’s years of service and the grade in which the member is serving.

NOTE: The term AD, as used in this chapter, includes AD training, AD for training (ADT), full-time training duty, annual training duty for operational support and attendance while in active service at a school designated as a Service school by law or the Secretary of the Military Department concerned, temporary AD when the pay is chargeable to a Reserve appropriation, or in the case of the National Guard, full-time training, and other full-time duties. It does not mean extended AD (EAD). EAD is defined as AD performed by a RC member when strength accountability passes from the RC to the active military establishment.

B. 

**AD Without Pay.** A RC member may, with his or her consent, be ordered to AD without pay when authorized by the Secretary of the Military Department concerned. See section 5705 for entitlement to allowances.

C. 

**Combination AD and Inactive Duty.** A RC member may be paid the equivalent total of more than 360 days of pay in a year, when so directed, if this total is based on a combination of AD pay and inactive duty training (IDT) pay.

D. 

**Effective Date of Promotion for Increase in Pay and Allowances, Reserve and National Guard Officers.** See Table 57-1.

E. 

**Effective Date of Promotion for Increase in Pay and Allowances, Enlisted Members of the RC.** Chapter 1, Table 1-4, rules 8 through 14 apply to these members.
570202. Saved Pay

The provisions of Chapter 1, paragraph 010303 apply to RC members.

570203. Limitation

A RC member cannot be paid inactive duty pay on any day that he or she is entitled to AD pay.

570204. Waiver of Benefits

A RC member who is drawing a pension, disability compensation, retainer pay, or retirement pay from the United States for prior Military Service, and who performs duty for which he or she is entitled to pay, may elect to receive either:

A. The payments for prior Military Service; or

B. If a member specifically waives those payments, then the pay and allowances authorized for the duty the member is currently performing.

1. Department of Veterans Affairs (VA) Disability Compensation. A reservist who is entitled to VA disability compensation must waive the equivalent VA compensation for 1 day for each Reserve AD day or each inactive duty period. Thus, the performance of two inactive duty periods in 1 calendar day requires waiver of the equivalent VA compensation for 2 days. These waiver requirements apply for all days in a calendar month.

2. Retired or Retainer Pay. A reservist who is entitled to retired or retainer pay must waive the equivalent of retired or retainer pay for 1 day for each Reserve AD day or inactive duty performance day. Thus, the performance of two inactive duty periods in 1 calendar day requires waiver of the equivalent retired or retainer pay. These waiver requirements apply for all days in a calendar month.

570205. Allotments of Pay

Except as prescribed in paragraph 570708, a RC member, not on EAD, may not have pay allotted. Members of the RC serving on AD, ADT, or full-time training duty under competent orders that specify periods of duty of more than 180 days, or upon involuntary recall, are excluded from this restriction when prescribed in Military Service regulations and may allot their pay, even though such pay is chargeable to Reserve or National Guard appropriations. Chapter 34, section 3405 applies should a member enter a missing status, and paragraph 570604 applies should a member incur a disability.

NOTE: Due to the Defense Joint Military Pay System – RC (DJMS-RC) system limitations, members of the RC on DJMS-RC are not able to make allotments from their pay.
570206. Leave

A RC member who serves on AD with pay for periods of 30 consecutive days or more accrues leave at the rate of 2.5 calendar days for each month of active service, excluding periods of:

A. Absence from duty without leave;
B. Absence over leave; or
C. Confinement, as a result of a court-martial.

NOTE: The member is entitled to lump-sum settlement of unused accrued leave upon completion of a tour per Table 57-2. When consecutive tours are involved, a member may be reimbursed for unused accrued leave or it may be carried forward, at the member’s option, until completion of the final tour. When computing the length of a period of AD, include allowable travel time. See also Chapter 35, paragraphs 350201 and 350202, and procedural instructions of the Military Services concerned. Refer to Tables 35-1 through 35-4 for specific entitlement criteria.

570207. Allowable Travel Time For Pay Entitlement Purposes

The provisions of Chapter 1, paragraph 010305 apply to RC members.

5703 COMPUTATION OF PAY

570301. Annual Salary

The provisions of Chapter 1, paragraph 010302.C apply to RC members.

570302. Computation of Monthly Pay

A. AD for 30 Days or More. When a member is ordered to AD for 30 days or more, and a tour of duty starts on the first day or an intermediate day of a calendar month, the member is entitled to pay and allowances through the 30th day. Payment is not authorized for the 31st day of a calendar month. This includes a member who is ordered to AD for less than 30 days and is continued on AD for 30 days or more by new orders or an amendment to the original orders. When computing the number of days for which pay is due, include the entire period the member actually serves on AD, including allowable travel time. See Table 57-2, rules 1 and 2.

B. AD for Less Than 30 Days. A member ordered to AD for less than 30 days is entitled to pay and allowances at 1/30 of the monthly rate for each day actually served, including the 31st day of a calendar month. This includes a member ordered to AD for 30 days or more, but released before performing at least 30 days of AD, including allowable travel time. See Table 57-2, rule 3.
C. **AD during February.** See Table 57-2, rules 4 through 11.

570303. **Absence From Duty**

A. **AD for Less Than 30 Days.** Deduct 1/30 of the monthly rate of pay for each day of unauthorized absence.

B. **AD of 30 Days or More.** The provisions of Chapter 1, subparagraph 010302.A apply to RC members.

570304. **Basic Pay Rates**

Tables 1-7 through 1-10 contain current monthly rates of basic pay.

5704 **SPECIAL AND INCENTIVE PAYS**

570401. **Entitlement**

Members of a **RC** on **AD** are generally entitled to special and incentive pays under the same conditions as members on **EAD** and members of the Active Component. For exceptions, see paragraphs 570402 through 570407.

570402. **Career Sea Duty and Hardship Duty Pay**

For career sea duty and hardship duty pay, the ship or duty station at which a member is performing **AD** is considered the member’s permanent duty station.

570403. **Aviation Career Incentive Pay (ACIP) and Hazardous Duty Incentive Pay (HDIP) for the Performance of Aerial Flights**

A. **Entitlement.** A **RC** officer is entitled to ACIP (continuous or conditional) while performing **AD**, as defined in subparagraph 570201.A, when the requirements of Chapter 22, section 2203 and the requirements for an Aviation Service Career (not on **EAD** nor on Active Guard and Reserve (AGR) Duty), as defined in the **Volume 7A Definitions**, have been met. AGR aviators on full-time **AD** on a career basis will be entitled to ACIP (continuous or conditional) under provisions of Chapter 22 on the same basis as officers on **EAD**.

B. **Excess Flying Time.** The excess flying time provisions in Chapter 22, section 2203 for rated officers, flight surgeons, and rated or designated warrant officers entitled to ACIP, and in section 2204 for enlisted crewmembers entitled to flying pay, apply to a **RC** member only if on continuous **AD** for a period of 30 days or more.

C. **Combined Flight Requirements.** When a member performs both **AD** and inactive duty with pay in the same month, designated flying time earned in that month may be combined to satisfy any ACIP or HDIP flight requirements for that month, as defined in Chapter 58, paragraph 580302.
D. Flying Pay for Allowable Travel Time. A member on AD for 30 days or less is entitled to flying pay (if otherwise entitled) for travel time from duty station to home, even though the period extends into the following calendar month. See Chapter 22, Table 22-6, Rule 5.

E. Entitlement to ACIP While on ADT for Members Who Perform IDT Without Pay. An officer who performs IDT without pay is entitled to ACIP when performing ADT only if member is considered to be performing aviation service on a career basis. See the Volume 7A Definitions for “Aviation Service Career” neither on EAD nor on AGR Duty.

570404. Parachute Duty Pay

Parachute jumps performed during periods of ADT or during IDT periods, if performed per Chapter 24, section 2403, may be used to qualify the member for parachute pay for either type of training. Parachute jumps performed while on EAD do not qualify a reservist for parachute pay in an IDT status.

570405. Weapons of Mass Destruction Civil Support Team Pay

When determined necessary to address recruitment and retention concerns, the Secretary of the Military Department concerned may pay up to $150 per month in special pay to RC members assigned to Weapons of Mass Destruction Civil Support Teams. In order to be eligible for Weapons of Mass Destruction Civil Support Team pay, a member must be:

A. Entitled to basic pay for full-time duty in the National Guard;

B. Fully qualified for Weapons of Mass Destruction Civil Support Team operations; and

C. Serving on an approved AD tour in excess of 139 days in the Department of Defense (DoD) designated and certified Weapons of Mass Destruction Civil Support Team position.

570406. Foreign Language Proficiency Bonus

An officer or enlisted member on ADT is entitled to Foreign Language Proficiency Bonus if otherwise entitled under Chapter 19.

570407. Assignment Incentive Pay (AIP)

A RC member may be authorized to receive AIP. See Chapter 15 for current programs.
5705  ALLOWANCES

570501.  Basic Allowance for Subsistence (BAS)

A.  Entitlement – AD with Pay.  A RC member ordered to AD with pay is entitled to BAS as prescribed in Chapter 25.

B.  Entitlement – AD without Pay.  A RC member ordered to AD without pay is entitled to subsistence in kind or commutation thereof. When a member is ordered to AD without pay and allowances, no payment is authorized.

1.  If commutation of subsistence in kind is authorized, then the commutation will be paid at the rate of BAS specified in Chapter 25 that is applicable to the situation.

2.  If a military technician (dual status) is performing AD outside the United States without pay while on leave from technician employment as authorized under section 6323 of Title 5, United States Code (U.S.C.), then the Secretary of the Military Department concerned may authorize a per diem allowance in lieu of the commutation for subsistence.

570502.  Basic Allowance for Housing (BAH)

The provisions of the Joint Travel Regulation (JTR), Chapter 10 apply to members of the RC.

570503.  Family Separation Allowance (FSA)

A.  The provisions of Chapter 27 apply to a member of a RC on AD with pay for periods of more than 30 days.

B.  A RC member may be entitled to FSA or Family Separation Housing, depending on the length of tour specified in orders and whether or not dependent travel is authorized at government expense under JTR Chapter 10 (for example, tour length of over 20 weeks).

570504.  Station Allowances Outside the United States

The provisions of the JTR Chapter 9 apply to members of the RC.

570505.  Clothing Monetary Allowances – Enlisted Members

A.  AD for Periods of 6 Months or Less.  An enlisted member of a RC ordered to AD for 6 months or less is not entitled to a clothing monetary allowance, except as specified in 570505.C and 570505.D.
B. **AD for Periods of More Than 6 Months.** See Chapter 29 for specific references to enlisted members of the **RC** ordered to **AD** for periods of more than 6 months.

C. **Initial Cash Allowance for Enlisted Member.** An enlisted **RC** member is entitled to an initial cash allowance for the purchase of items specifically designated by the **Secretary of the Military Department** concerned to be purchased by the member rather than to be furnished in kind. See Chapter 29, paragraph 290201.

D. **Maternity Clothing.** Pregnant enlisted women of a **RC** are entitled to a supplemental maternity clothing allowance in accordance with the provisions of:

1. **Army:** *Army Regulation 700-84*;
2. **Navy:** Chapter 29, Table 29-5;
3. **Air Force:** *Air Force Instruction 36-3014*, and Chapter 29, Table 29-6; and
4. **Marine Corps:** *Marine Corps Order P10120.28G*.

570506. **Officers’ Uniform and Equipment Allowances**

See specific references to Reserve officers in Chapter 30.

5706 **MISCELLANEOUS PAYMENTS**

570601. **Advance Pay**

A. A **RC** member in receipt of orders for Permanent Change of Station movement (140 days or more) is entitled to advance pay per Chapter 32, paragraph 320201. Army and Air Force enlistees, with no prior service, may be paid an advance pay under the conditions set forth in Table 32-1, rule 4.

B. A member of a **RC**, the Fleet Reserve, or military retiree who is mobilized or recalled to **AD** for any period is entitled to advance pay and allowances per Chapter 32, paragraph 320202.

570602. **Payments on Behalf of Mentally Incompetent Members**

A. **AD (Not for Training).** The provisions of Chapter 33 apply to these members.

B. **ADT.** Except as provided in subparagraphs 570602.B.1 and 2, a member of a **RC** who becomes mentally incompetent while performing **ADT** has no entitlement to pay and allowances beyond the expiration or termination (whichever is earlier) of the orders that called the member to **ADT**.
1. A member may qualify for disability pay and allowances under the provisions of paragraph 570604.

2. A member may be entitled to miscellaneous payments resulting from separation (that is, travel allowance and accrued leave).

570603. Pay Entitlement of Members Missing, Missing in Action, Interned, and Payments to Dependents

The provisions of Chapter 34 apply to members of the RC.

570604. Disability Entitlements for the Reserve Forces

A. Entitlement. Aggravated disability entitlements are listed in Table 57-3. Pay and allowances under these provisions generally may not be paid for a period of more than 6 months. However, the Secretary of the Military Department concerned may extend the period of entitlement beyond 6 months in the interest of fairness and equity.

B. Miscellaneous Provisions

1. Duty Without Pay. Duty without pay is considered for all purposes as if it were a duty with pay. The rules in Table 57-3 apply equally to duty with and duty without pay. The rate of pay and allowances applicable is the rate the member would have been entitled to if in a pay status at the time the disability occurred.

2. Incentive Pay for Hazardous Duty. A member who is entitled to any of the incentive pays identified in Chapters 22 through 24 on the date of disability continues to be entitled through the ending date of the orders and for the disability period beyond, provided the orders to perform the hazardous duty remain in effect, all performance requirements were met, and any other conditions in Chapters 22 through 24 are satisfied.

3. Special Pays. A member who is entitled to any special pays on the date of disability continues to be entitled through the ending date of the orders and for the disability period beyond, provided the special conditions, if any, in Chapters 5 through 21 are satisfied.

4. Disability Not in Line of Duty (LOD)

a. In the case of ordered to AD, not in LOD determinations cause pay and allowances to cease on the date of expiration of the ordered AD plus allowable travel time, if any, or on the date the member is relieved from AD by competent authority.

b. In the case of inactive duty performance, not in LOD determinations cause pay to cease on the day disability occurs.
C. **Termination of Pay and Allowances.** Subject to the provisions in Table 57-3, a member’s entitlement to pay and allowances while disabled terminates upon:

1. Retirement;

2. Separation for physical disability;

3. Determination by Military Service medical personnel that the member has recovered sufficiently to perform normal military duties, or when actually restored to normal military duties, whichever occurs first. The member must submit to timely Service medical examination(s) necessary for the preparation of required medical certificate(s) in order to extend entitlement to pay and allowances beyond the ordered duty or training period. This provision does not apply to Table 57-3, rules 3, 6, and 10 since the member’s entitlements therein are based upon lost civilian income. Civilian earned income does not include retirement income; or

4. Discharge from the RC.

570605. **Payments on Behalf of Deceased Members**

A. **Death Gratuity.** The eligible beneficiaries of a member of a RC are entitled to payment of death gratuity under the provisions of Chapter 36.

B. **Settling Deceased Members Accounts.** The provisions of Chapter 36, section 3603 apply to members of the RC.

C. **Allowance for Housing to Surviving Dependents.** The provisions of the JTR Chapter 10 apply to the surviving dependents of RC members, who were on AD at the time of death.

570606. **Disability Severance Pay**

A. A member called or ordered to AD (other than ADT) for more than 30 days and separated for a physical disability, which was the proximate result of the performance of such duty, is entitled to severance pay if otherwise qualified under appropriate personnel regulations.

B. A member on AD for 30 days or less, or a member on AD training for any period (including ADT) and separated for physical disability resulting from injury, is entitled to severance pay when injury was the proximate result of performance of such duty, if otherwise qualified under appropriate personnel regulations.

C. Computation of severance pay will be as prescribed in Chapter 35.
570607. Incapacitation Pay

A. A RC member is entitled to medical and dental treatment and pay and allowances whenever such member is physically disabled as the result of an injury, illness, or disease incurred or aggravated in the LOD not as a result of gross negligence or misconduct of the member, while:

1. Performing AD; or

2. Performing IDT (other than work or study in connection with a correspondence course of an Armed Force or attendance in an inactive status at an educational institution under the sponsorship of an Armed Force or the Public Health Service); or

3. Traveling directly to or from such duty or training; or

4. Remaining overnight immediately before the commencement of IDT, or while remaining overnight between successive periods of IDT, at or in the vicinity of the site of the IDT; or

5. Serving on funeral honors duty; or

6. Traveling to or from the place at which the funeral honors duty was to be performed; or

7. Remaining overnight at or in the vicinity of the place at which funeral honors duty was to be performed immediately before serving on such duty, if the place is outside reasonable commuting distance from the member's residence.

NOTE: In the case of a member who receives earned income from nonmilitary employment or self-employment performed in any month in which the member is otherwise entitled to pay and allowances under subparagraph 570607.A, the total pay and allowances will be reduced by the amount of such income. Income from an income protection plan, vacation pay, or sick leave that the member elects to receive will be considered earned income for the purpose of the preceding sentence.

B. A RC member who is physically able to perform his/her military duties is entitled, upon request, to a portion of the monthly pay and allowances for each month for which the member demonstrates a loss of earned income from nonmilitary employment or self-employment, as a result of injury, illness, or disease incurred or aggravated as described in subparagraph 570607.A.

NOTE: The monthly entitlement may not exceed the member's demonstrated loss of earned income from nonmilitary or self-employment. In calculating such loss of income, income from an income protection plan, vacation pay, or sick leave that the member elects to receive will be considered earned income from nonmilitary or self-employment.
C. The total amount of pay and allowances paid under subparagraphs 570607.A and 570607.B for any period may not exceed the amount of pay and allowances provided by law or regulation for a member of a Regular Component of a uniformed service of corresponding grade and length of service for that period.

D. Pay and allowances may not be paid under subparagraphs 570607.A or 570607.B for a period of more than 6 months. The Secretary of the Military Department concerned may extend such period in the interest of fairness and equity.

E. A member is not entitled to benefits under subparagraphs 570607.A and 570607.B if the injury, illness, disease, or aggravation of an injury, illness, or disease is the result of the gross negligence or misconduct of the member.

5707 DEDUCTIONS AND COLLECTIONS

570701. Income Tax Withholding

A. Federal Income Tax Withholding (FITW). The FITW provisions of Chapter 44 apply to members of the RC.

B. State Income Tax Withholding. A reservist’s taxable income for FITW purposes is also subject to state tax withholding providing the state has entered into a withholding agreement with the Secretary of the Treasury as published within the Treasury Financial Manual (TFM). See also Chapter 44, Figure 44-1 for states that have entered into such an agreement.

C. Legal Residence. Each member must designate a legal residence and report any change of legal residence. The provisions of Chapter 44, subparagraph 440106.B apply to members of the RC.

D. Local Tax Withholding. Only localities having agreements with the Department of the Treasury, as published in the TFM, are eligible for withholding as follows:

1. When the reservist resides and performs duty in the same city or county covered by the agreement, withholding is mandatory.

2. When the reservist performs duty in a city or county other than where he or she resides, but within the same state of legal residence, withholding is mandatory for all jurisdictions with agreements. This includes the reservist’s city and county of residence, as well as the city and county where duty is performed.

3. When a reservist performs duty in a city or county located in a state where the reservist does not maintain a residency, and assuming all localities have agreements, withholding is voluntary for the city or county of duty and the city or county of residence.
570702. Federal Insurance Contributions Act

The provisions of Chapter 45 apply to members of the RC.

570703. Deductions for Armed Forces Retirement Home (AFRH)

A RC member’s pay is not subject to deductions for AFRH.

570704. Servicemembers’ Group Life Insurance

A. Duty in Excess of 30 Days Specified. The provisions of Chapter 47 apply to members of the RC, who are under a call or order to duty that does not specify a period of 30 days or less.

B. Duty of 30 Days or Less Specified. The provisions of Chapter 58, section 5808 apply to members of the RC, who are under a call or order to duty that specifies a period of 30 days or less.

570705. Court-Martial Sentences

The provisions of Chapter 48 apply to members of the RC.

570706. Non-judicial Punishment

The provisions of Chapter 49 apply to members of the RC.

570707. Stoppages and Collections Other Than Court-Martial Forfeitures

The provisions of Volume 16, Chapter 3, section 0303 apply to members of the RC.

570708. Allotments for National Guard Members

Members of the National Guard who are not on EAD are authorized to make one allotment from pay for the payment of premiums under a group life insurance program sponsored by the state military department in which such member holds a National Guard membership or by the state associations of the National Guard. Details covering the administration of the allotment program for National Guard members are contained in the pay procedural instructions of the Military Services concerned.

NOTE: Due to the DJMS-RC system limitations, members of the RC on DJMS-RC are not able to make allotments from their pay.
*570709. TRICARE Dental Program (TDP)

Reserve members on AD with dependents, who meet the eligibility requirements under Chapter 54, paragraph 540201 may enroll their dependents in the TDP. Enrollment forms are available at the local military dental treatment facility or TRICARE Service Center, with the Health Benefits Advisor or installation point of contact, or on TRICARE Dental. Members must intend to be on AD for the minimum period of enrollment set in Chapter 54, paragraph 540203.

*570710. Uniformed Services Savings Deposit Program (USSDP)

Members serving on AD who meet the eligibility criteria as set forth in Chapter 51, section 5102 are eligible to participate in the USSDP.
Table 57-1. Increase in Pay on Promotion – Reserve and National Guard Officers

<table>
<thead>
<tr>
<th>RULE</th>
<th>When a Reserve officer is</th>
<th>in the</th>
<th>then the effective date of increase in pay and allowances is the</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>promoted to a higher Reserve grade</td>
<td>Army or Air Force Reserve or National Guard</td>
<td>effective date of the promotion stated in the orders (note 1).</td>
</tr>
<tr>
<td>2</td>
<td>promoted to a grade above lieutenant (junior grade)</td>
<td>Naval Reserve</td>
<td>date on which member became eligible for promotion to the higher grade (see note 2).</td>
</tr>
<tr>
<td>3</td>
<td>promoted to a grade above first lieutenant</td>
<td>Marine Corps Reserve</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>promoted to the grade of lieutenant (junior grade)</td>
<td>Naval Reserve</td>
<td>date given as date of rank.</td>
</tr>
<tr>
<td>5</td>
<td>promoted to the grade of first lieutenant</td>
<td>Marine Corps Reserve</td>
<td></td>
</tr>
</tbody>
</table>

NOTES:
1. For officers serving on AD (other than for training) which is not on the AD list, see Chapter 1, Table 1-4.
2. If an officer has not established the moral and professional qualifications prescribed by the Secretary of the Navy within 1 year after the date on which the President approved the selection board's recommendation for promotion, the officer is entitled to the pay and allowances of the grade to which promoted only from the date appointed to that grade.
Table 57-2. Entitlement to Pay and Allowances for Various Periods of AD

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>If a member serves on AD under competent orders for</td>
<td>during the period</td>
<td>then the member is entitled to pay and allowances for</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>AD for</td>
</tr>
<tr>
<td>1</td>
<td>31 days</td>
<td>May 1-31</td>
<td>30 days (note 1)</td>
</tr>
<tr>
<td>2</td>
<td>40 days</td>
<td>Jan 2-Feb 10</td>
<td>39 days (note 1)</td>
</tr>
<tr>
<td>3</td>
<td>29 days</td>
<td>Jan 4-Feb 1</td>
<td>29 days</td>
</tr>
<tr>
<td>4</td>
<td>28 days</td>
<td>Feb 1-28 (not leap year)</td>
<td>28 days</td>
</tr>
<tr>
<td>5</td>
<td>28 days</td>
<td>Feb 1-28 (leap year)</td>
<td>28 days</td>
</tr>
<tr>
<td>6</td>
<td>29 days</td>
<td>Feb 1-29 (leap year)</td>
<td>29 days</td>
</tr>
<tr>
<td>7</td>
<td>33 days</td>
<td>Feb 6-Mar 10 (not leap year)</td>
<td>35 days (note 2)</td>
</tr>
<tr>
<td>8</td>
<td>29 days</td>
<td>Feb 2-Mar 2 (not leap year)</td>
<td>29 days</td>
</tr>
<tr>
<td>9</td>
<td>30 days</td>
<td>Feb 2-Mar 2 (leap year)</td>
<td>31 days (note 3)</td>
</tr>
<tr>
<td>10</td>
<td>31 days</td>
<td>Feb 1-Mar 2 (leap year)</td>
<td>32 days (note 3)</td>
</tr>
<tr>
<td>11</td>
<td>29 days</td>
<td>Feb 1-Mar 1 (not leap year)</td>
<td>29 days</td>
</tr>
<tr>
<td>12</td>
<td>30 days</td>
<td>Jan 2-Jan 31</td>
<td>29 days (note 1)</td>
</tr>
</tbody>
</table>

NOTES:
1. Member is not entitled to pay and allowances for the 31st day of the calendar month.
2. Member is entitled to pay and allowances for the constructive days of February 29 and 30.
3. Member is entitled to pay and allowances for the constructive day of February 30.
Table 57-3. Disability Entitlements for the Reserve Forces

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>If a member is physically disabled in LOD while and the member is not fit for military duty</td>
<td></td>
<td></td>
<td>then the member is entitled to</td>
<td>and</td>
</tr>
<tr>
<td></td>
<td>Yes</td>
<td>No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>serving on AD, or while traveling directly to or from such AD (notes 1 and 2)</td>
<td>X</td>
<td>AD pay and allowances for the period of the orders, plus authorized travel time. If the disability continues beyond this period, or if there is a subsequent recurrence of this disability, entitlement exists to pay and allowances, less the full amount of all civilian earned income received for the disability period, for not more than a total of 6 months. (notes 3, 4, 5, 6, and 7)</td>
<td>medical and dental care appropriate for the disability until it cannot be materially improved by further hospitalization or treatment. The member is entitled to travel and transportation, or a monetary allowance, for travel incident to medical and dental care. Member is also entitled to subsistence in kind during hospitalization when not entitled to BAS. (note 8).</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>X</td>
<td>AD pay and allowances for the period of orders, plus authorized travel time. Thereafter, the member is entitled, upon request, to a portion of pay and allowances in an amount equal to lost civilian earned income or full pay and allowances, whichever is less, for not more than a total of 6 months. (notes 3, 5, 6, 9, and 10)</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>X</td>
<td>AD pay and allowances for the period of the orders, plus authorized travel time</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>performing IDT or while, on the day of training, traveling directly to or from such training (notes 1 and 11)</td>
<td>X</td>
<td>IDT compensation for the day (both periods if two had been scheduled). If the disability continues beyond this period, or if there is a subsequent recurrence of this disability, entitlement exists to pay and allowances, less the full amount of all civilian earned income received for the disability period, for not more than a total of 6 months. (notes 3, 4, 5, 6, and 7)</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
<td>X</td>
<td>IDT compensation for the day (both periods if two had been scheduled). Thereafter, the member is entitled, upon request, to a portion of pay and allowances in an amount equal to lost civilian earned income or full pay and allowances, whichever is less, for not more than a total of 6 months. (notes 3, 5, 6, 9, and 10)</td>
<td></td>
</tr>
</tbody>
</table>
Table 57-3. Disability Entitlements for the Reserve Forces (Continued)

<table>
<thead>
<tr>
<th>Rule</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>If a member is physically disabled in LOD while and the member is not fit for military duty</td>
<td>if military duty and can show lost civilian income</td>
<td>then the member is entitled to and</td>
<td>medical and dental care appropriate for the disability until it cannot be materially improved by further hospitalization or treatment. The member is entitled to travel and transportation, or a monetary allowance, for travel incident to medical and dental care. Member is also entitled to subsistence in kind during hospitalization when not entitled to BAS. (note 8)</td>
</tr>
<tr>
<td>6</td>
<td>performing IDT or while, on the day of training, traveling directly to or from such training (notes 1 and 11)</td>
<td>X</td>
<td>IDT compensation for the day (both periods if two had been scheduled).</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>traveling directly to or from IDT on a day(s) other than the training day (notes 1 and 11)</td>
<td>X</td>
<td>beginning on the day of disability, pay and allowances less the full amount of all civilian earned income received for the disability period, for not more than a total of 6 months. (notes 3, 4, 5, 6, and 7)</td>
<td>medical and dental care appropriate for the disability until it cannot be materially improved by further hospitalization or treatment. The member is entitled to travel and transportation, or a monetary allowance, for travel incident to medical and dental care. Member is also entitled to subsistence in kind during hospitalization when not entitled to BAS. (note 8)</td>
</tr>
<tr>
<td>8</td>
<td></td>
<td>X</td>
<td>beginning on the day of disability, and upon request, a portion of pay and allowances in an amount equal to lost civilian earned income or full pay and allowances, whichever is less, for not more than a total of 6 months. (notes 3, 5, 6, 9, and 10)</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td></td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes:
1. LOD: Loss of Duty
2. IDT: Individual Duty Time
3. BAS: Basic Allowance for Subsistence
Table 57-3. Disability Entitlements for the Reserve Forces (Continued)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>If a member is physically disabled in</td>
<td>and the member is not fit for military</td>
<td>then the member is entitled to</td>
<td>and</td>
</tr>
<tr>
<td></td>
<td>LOD while</td>
<td>duty and can show lost civilian income</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>remaining overnight immediately before the start of IDT, or while remaining overnight between successive periods of IDT, if the site is outside reasonable commuting distance from his or her residence</td>
<td>X</td>
<td>beginning on the day of disability, pay and allowances less the full amount of all civilian earned income received for the disability period, for not more than a total of 6 months. (notes 3, 4, 5, 6, and 7)</td>
<td>medical and dental care appropriate for the disability until it cannot be materially improved by further hospitalization or treatment. The member is entitled to travel and transportation, or a monetary allowance, for travel incident to medical and dental care. Member is also entitled to subsistence in kind during hospitalization when not entitled to BAS. (note 8)</td>
</tr>
<tr>
<td>11</td>
<td>remaining overnight immediately before the start of IDT, or while remaining overnight between successive periods of IDT, if the site is outside reasonable commuting distance from his or her residence</td>
<td>X</td>
<td>beginning on the day of disability, and upon request, a portion of pay and allowances in an amount equal to lost civilian earned income or full pay and allowances, whichever is less, for not more than a total of 6 months. (notes 3, 5, 6, 9, and 10)</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td></td>
<td>X</td>
<td>beginning on the day of disability, and upon request, a portion of pay and allowances in an amount equal to lost civilian earned income or full pay and allowances, whichever is less, for not more than a total of 6 months. (notes 3, 5, 6, 9, and 10)</td>
<td></td>
</tr>
</tbody>
</table>
Table 57-3. Disability Entitlements for the Reserve Forces (Continued)

NOTES:
1. A member is considered to be traveling to the duty or training site upon departing residence with the intention of going directly to such duty or training site. A member is considered to be traveling from the duty or training site upon direct return to residence after completion of the duty or training.
2. A member who is called to AD to undergo a physical examination, not incident to a call to AD for more than 30 days, becomes entitled to provisions of rules 1, 2, or 3, as applicable, on the day of incurrence of disability.
3. Failure of the member to provide current and sufficient information as established by administrative regulations of the Military Service concerned may result in discontinuation of pay and allowances.
4. A member is entitled to compensation (but not retirement point credit) at the rate of 1/30 of monthly basic pay for each scheduled IDT period he or she is unable to attend because of the disability; however, there is no entitlement if, while traveling to or from the training or duty site, the member was disabled because of his or her gross negligence or misconduct. This entitlement will be factored into the pay and allowances payable so that total payments to the member for the disability period do not exceed the pay and allowances of a member of the Regular Component of a uniformed service of corresponding grade and length of service for that period.
5. The Secretary of the Military Department concerned may extend the period of entitlement beyond 6 months in the interest of fairness and equity.
6. There is no entitlement to pay and allowances beyond the training or duty period if the disability resulted from the member’s gross negligence or misconduct.
7. Earned income is the total amount a member received from civilian employment or self-employment. It includes receipts from an income protection plan, vacation pay, or sick leave the member elects to receive.
8. There is no entitlement to medical and dental care if the member is disabled because of gross negligence or misconduct and the disability occurred while traveling to or from the training or duty site.
9. Lost civilian earned income is the difference between the member’s normal wages or salary or other earnings (including self-employment earnings) that would have been payable for the disability period had the member been fully engaged in civilian employment, less any payments the member received. Civilian earned income does not include retirement income. The member must report all income from an income protection plan, vacation pay, or sick leave that is received during the disability period. If the sum of all these equals or exceeds the member’s usual and customary earned income, then no pay and allowances payments will be made. Any payments to the member will first be paid as the basic pay element and then, if necessary, as allowances (BAH and BAS).
10. Any military duty, which the member performs, will be factored into the pay and allowances payable in note 2 so that the total payments to the member do not exceed the pay and allowances of a member of the RC of a uniformed service of corresponding grade and length of service for that period.
11. Does not include work or study in connection with a correspondence course of an Armed Force or attendance in an inactive status at an educational institution under the sponsorship of an Armed Force or the Public Health Service.
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570201.A 10 U.S.C. § 12315
37 U.S.C. § 204

44 Comptroller General Decision (Comp Gen) 613

570201.C Comp Gen B-207339, February 8, 1983

570202 37 U.S.C. § 206

570203 37 U.S.C. § 907

570204 10 U.S.C. § 12316
Comp Gen B-207370, March 22, 1983
Comp Gen B-179882, December 4, 1974
Comp Gen B-207913, April 15, 1983

570205 Comp Gen B-176604, August 28, 1972

570206 10 U.S.C. § 701
37 U.S.C. § 501

570207 Executive Order (EO) 10153, August 17, 1950, as amended by EO 10649, December 28, 1955

5703 – COMPUTATION OF PAY

570302.A 5 U.S.C. § 5505
13 Comp Gen 75
20 Comp Gen 165
45 Comp Gen 952

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570303 13 Comp Gen 889
20 Comp Gen 867
23 Comp Gen 793
12 Comp Gen 452
5 U.S.C. § 5505

5704 – SPECIAL AND INCENTIVE PAY

570401 37 U.S.C. § 301-310
570405 37 U.S.C. § 305b
Deputy Secretary of Defense Memo, March 19, 2005

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5705 – ALLOWANCES

570501  37 U.S.C. § 1002
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570505  37 U.S.C. § 418
570506  37 U.S.C. § 415-417

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             37 U.S.C. § 1002
570604.B.4  37 U.S.C. § 204(b)
             9 Comp Gen 236
             Comp Gen B-146551, December 13, 1961
570604.C.1  47 Comp Gen 531
570604.C.3  36 Comp Gen 692
             70 Comp Gen 350
570606  10 U.S.C. § 1203, 1206, 3687, 6148, 8687
570607  37 U.S.C. § 204(g)(h)(i)

5707 – DEDUCTIONS AND COLLECTIONS

570701  5 U.S.C. § 5517
570708  37 U.S.C. § 707

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10 U.S.C., Chapter 1405
Rules 4, 5  37 U.S.C. § 905(b)
10 U.S.C. § 14308
Note 2  10 U.S.C. § 624

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Rules 3, 4, 5, 8, 9, 11  37 U.S.C. § 1004
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</tr>
<tr>
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<tr>
<td></td>
<td>10 U.S.C. § 1074 and 1074a</td>
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<tr>
<td>10, 11, 12</td>
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<td>Column D</td>
<td>37 U.S.C. § 402</td>
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<tr>
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<td>58 Comp Gen 232</td>
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<tr>
<td>Note 2</td>
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<td></td>
<td>Comp Gen B-181762, July 18, 1975</td>
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<tr>
<td>Note 3</td>
<td>Comp Gen B-195470, November 14, 1979</td>
</tr>
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<td>Notes 4, 5, 9, 10</td>
<td>37 U.S.C. § 204(h) and (i)</td>
</tr>
<tr>
<td>Note 6</td>
<td>37 U.S.C. § 204(i)</td>
</tr>
<tr>
<td>Note 7</td>
<td>37 U.S.C. § 204(g)</td>
</tr>
<tr>
<td>Note 8</td>
<td>10 U.S.C. § 1074a</td>
</tr>
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</table>
VOLUME 7A, CHAPTER 58: “PAY AND ALLOWANCES FOR INACTIVE DUTY TRAINING (IDT)”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated April 2016 is archived.

<table>
<thead>
<tr>
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<th>EXPLANATION OF CHANGE/REVISION</th>
<th>PURPOSE</th>
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<tr>
<td>All</td>
<td>Updated hyperlinks and formatting to comply with administrative instructions.</td>
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<tr>
<td>580205.B</td>
<td>Updated the Muster Duty Allowance (MDA) rate for calendar year 2017.</td>
<td>Revision</td>
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<tr>
<td>580208.D</td>
<td>Extended Designated Unit Pay to December 31, 2017.</td>
<td>Revision</td>
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<tr>
<td>580804.B</td>
<td>Added subparagraph for “Member in a Non-Pay Status.”</td>
<td>Addition</td>
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<tr>
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<td>Updated Table with 2017 MDA rate.</td>
<td>Revision</td>
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<td>Bibliography</td>
<td>Updated statutes and references.</td>
<td>Revision</td>
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CHAPTER 58

PAY AND ALLOWANCES FOR INACTIVE DUTY TRAINING (IDT)

5801  GENERAL

580101. Purpose

This chapter establishes policy pertaining to the pay and allowances for IDT for members of the National Guard and Reserve Component. For the purpose of this chapter, the term “Reserve Component” includes both National Guard and Reserve members unless stated otherwise.

580102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

5802  PROVISIONS

580201. Entitlement

A. IDT with Pay. A member of a Reserve Component is entitled to compensation at the rate of one-thirtieth of the basic pay prescribed for grade and years of service for the performance of each authorized period of:

1.  Regular IDT (drill or Unit Training Assembly (UTA));
2.  Equivalent training, instruction, or duty. For the:
   a.  Army. For details and exceptions, see Army Regulation 140-1 and National Guard Regulation 350-1.
   d.  Marine Corps. See Marine Corps Order 1001R.1K.
3.  Appropriate duty;
4.  Additional flying training period (AFTP);
5.  Additional IDT; and
6.  Duty or training that resulted in the successful completion of a course of instruction undertaken by the member, using electronic-based distributed learning.
methodologies, to accomplish training requirements related to unit readiness or mobilization, as directed for the member by the Secretary of the Military Department concerned.

NOTE: To qualify for pay for a period of IDT, each member must engage in such duty or training for the period (not less than 2 hours) as prescribed by the Secretary of the Military Department concerned. Compensation will not accrue for periods of inactive duty performed in excess of the number authorized by the appropriate regulations of the Military Service concerned. A member cannot qualify for pay for more than two periods of IDT during a single calendar day.

B. IDT Without Pay. The Secretary of the Military Department concerned may authorize members of a Reserve Component, with their consent, to IDT without pay.

C. Combination Active Duty (AD) and Inactive Duty. Members of a Reserve Component may be paid the equivalent total of pay for more than 360 days in a year, when so directed based on the actual entitlement if the total is based on a combination of AD pay and IDT compensation.

580202. Limitation

A member cannot accrue compensation for IDT performed on a day on which he or she is also entitled to basic pay for AD or Active Duty for Training (ADT), or on a day on which entitled to Muster Duty Allowance (MDA).

580203. Waiver of Benefits

The provisions of Chapter 57, paragraph 570204 apply to members of a Reserve Component who perform IDT in a pay status.

580204. Allotment of Pay

Except as prescribed in Chapter 57, paragraph 570205, there is no authorization for members of a Reserve Component to allot IDT compensation.

*580205. MDA for Reservists

A. Entitlement. The Secretary of Defense may order a member of the Ready Reserve who is not a member of the National Guard or Selected Reserve (SELRES), without the member’s consent, to muster duty one-time each year. A member ordered to muster duty will be required to perform a minimum of 2 hours muster duty, as determined by the Secretary of the Military Department concerned, on the day of muster.

* B. Amount Payable. The General Services Administration Office of Government-wide Policy, Office of Travel, and Relocation Policy calculates the Average Domestic Per Diem Rate to establish the MDA rate. The MDA is 125 percent of the average per diem rate in effect on September 30 of the calendar year preceding the calendar year in which the muster duty is performed. The 2017 rate is $230. See Table 58-1 for previous yearly rates.
C. **Payment.** A Ready Reservist may be paid the MDA before, on, or after the date on which he or she performs muster duty, but not more than 30 days after that date. The Ready Reservist is not entitled to other payment of any kind, including IDT compensation under paragraph 580201, for the performance of muster duty.

D. **Retirement Point Credit.** Muster duty will not be credited in determining entitlement to, nor computing, retired pay.

E. **Collections.** From the MDA, collect:

1. Federal Income Tax Withholdings (FITW) at the authorized rate for one-time payments;

2. State Income Tax Withholdings (SITW) at the authorized rate for one-time payments; and

3. The premium for Servicemembers’ Group Life Insurance (SGLI) program. See Chapter 47, section 4705 for the premium rates and Table 47-1 for coverage effective dates.

**NOTE:** MDA is not subject to collection of the Federal Insurance Contributions Act (FICA) taxes.

580206. **Electronic Screening Allowance (ESA) stipend for Reservists**

A. **Entitlement.** The Secretary of the Military Department concerned may authorize payment of an ESA stipend to a member of the Individual Ready Reserve (IRR) for participating in the screening performed by electronic means. Electronic screening may be performed in lieu of muster duty performed. A maximum of one ESA is paid during a calendar year. The ESA stipend authorized may not be disbursed in kind. Payment of a stipend to a member of the IRR for participation in screening will be made on or after the date of participation in such screening, but not later than 30 days after such date.

B. **Maximum Amount Payable.** The aggregate amount of the ESA stipend paid to an IRR member, in any calendar year, may not exceed $50, regardless of pay grade.

C. **Restriction.** ESA stipend is the only monetary compensation authorized to be paid to a member for the performance of electronic screening and will constitute full payment to the member, regardless of the grade or rank in which the member is serving.

D. **Collections.** From the ESA stipend, collect:

1. FITW at the authorized rate for one-time payments;

2. SITW at the authorized rate for one-time payments; and
3. The premium for SGLI program. See Chapter 47, section 4705 for the premium rates and Table 47-1 for coverage effective dates.

NOTE: ESA stipend is not subject to collection of FICA taxes.

580207. Funeral Honors Duty Allowance (FHDA)

A. Entitlement. The Secretary of the Military Department concerned may authorize payment of FHDA to members of the Ready Reserves and the Retired Reserves. A member is entitled to FHDA for a minimum of 2 hours of funeral honors duty (FHD). A maximum of 1 FHDA may be earned and paid in 1 calendar day.

B. Amount Payable. FHDA is payable at $50 for each FHD period regardless of pay grade, or one-thirtieth of the member’s basic pay rate for each FHD period.

C. Restriction. Except for expenses reimbursed for travel and transportation incident to FHD, the FHDA is the only monetary compensation authorized to be paid to a member for the performance of FHD and will constitute full payment to the member.

D. Collections. From the FHDA, collect:

1. FITW at the rate claimed on the member’s Internal Revenue Service (IRS) Form W-4, “Employee’s Withholding Allowance Certificate.” When a W-4 is not submitted, collect at the rate authorized for one-time payments;

2. SITW at the rate claimed on the member’s IRS Form W-4. When a W-4 is not submitted, collect at the rate authorized for one-time payments; and

3. The premium for SGLI coverage, if elected by Retired Reserve members when performing FHD. See Chapter 47, section 4705 for the premium rates and Table 47-1 for coverage effective dates.

NOTE: FHDA is not subject to collection of FICA taxes.

*580208. Designated Unit Pay

A. A member assigned to a unit designated as a high priority unit of the SELRES by the Secretary of the Military Department concerned is, while performing inactive duty training for compensation, entitled to a maximum of $50 Designated Unit Pay for the performance of each authorized period of:

1. Regular IDT (drill or UTA); or

2. Equivalent training, instruction, or duty, provided each authorized period is not less than 4 hours duration. Authorized periods may be performed on a Sunday or a legal holiday.
B. A member of a designated unit is entitled to Designated Unit Pay for authorized periods of drill or duty performed with a non-designated unit, but members of a non-designated unit may not receive Designated Unit Pay for authorized periods of drill or duty performed with a designated unit.

C. From the Designated Unit Pay, collect:

1. FITW at the rate claimed on the member’s IRS Form W-4. When a W-4 is not submitted, collect at the rate authorized for one-time payments; and

2. SITW at the rate claimed on the member’s IRS Form W-4. When a W-4 is not submitted, collect at the rate authorized for one-time payments.

NOTE: Designated Unit Pay is not subject to collection of the FICA taxes.

D. No payment of Designated Unit Pay may be made for any period before the date the Secretary of the Military Department concerned designates a unit as a high priority unit, nor may any payment be made for any period of drill or instruction performed after December 31, 2017.

5803 INCENTIVE PAY (IP)

580301. Entitlement

Members of a Reserve Component who are in a pay status are entitled to IP for hazardous duty performed during periods of IDT if serving under competent orders and otherwise meeting the requirements of this section. Members entitled to IP for hazardous duty are entitled to an increase in compensation equal to one-thirtieth the applicable monthly rate for each authorized period of IDT of not less than 2 hours.

580302. Aviation Career Incentive Pay (ACIP), Continuous or Conditional, or Hazardous Duty Incentive Pay (HDIP) for Flying Duty

A. Entitlement

1. Members of a Reserve Component who perform IDT in a pay status are entitled to ACIP or IP for flying under the conditions of Chapter 22, sections 2202 or 2203. The provisions of Chapter 22, subparagraphs 220203.A.1 or 220303.A.1, regarding the use of hours flown during the preceding 5 months not already used to qualify for flight pay, are equally applicable to members otherwise eligible who are performing IDT. Exception: Minimum flight requirements are one-half of those prescribed for a member on AD - that is, 2 hours per month when the calendar month is the unit period. If a fraction of a calendar month is the unit period, then flying time required for such period will be as shown in Chapter 22, Table 22-3 under “Inactive Duty.”
2. A member, who has performed less than the total number of regularly scheduled drills or UTA during a month or a fractional part of a month, must meet the minimum flight requirements for the month, or fraction thereof, in order to be entitled to any flying pay for the drills or UTA actually performed. When scheduled IDT was not attended and performed in a subsequent month, flying pay for such period(s) is payable, provided the member met minimum flight requirements for each period involved.

B. Combined Flight Requirements. When a member performs both active and inactive duty with pay in the same month, designated flying time earned in that month may be combined to satisfy any ACIP or HDIP flight requirements for that month.

1. Active and inactive duty flying time may be combined for application to flight requirements only in the month in which the flying is performed. The combined flying time that is in excess of the requirements of the month in which it was performed, or that otherwise cannot be used in the month earned, will be redistributed into active and inactive flying time categories. Combined flying time may be applied only to other monthly flight requirements (see Chapter 22) for the appropriate status category into which redistributed (i.e., AD flying time for AD requirements and inactive duty flying time for inactive duty requirements). Combined flying time will be applied and any excess or unused time will be divided and placed into appropriate categories as set forth in subparagraph 580302.B.1.a-d.

NOTE: Unless the member is performing continuous AD in excess of 30 days, or unless the AD period extends unbroken over parts of 2 months, the excess/unused active flying duty hours may not be banked for potential application to other requirements.

a. When the hours flown while on AD are in excess of the AD flight requirement of the month, and the hours flown during the inactive duty period are also in excess of the inactive duty flight requirement of the month, all excess hours will be retained in their respective categories for application to the requirements for other months, if otherwise allowable.

Example 1: A member performed 15 days of AD and was in an IDT status 15 days in the same calendar month. The member performed 5.0 hours of flying duty while on AD and 1.5 hours while on inactive duty. The 5.0 hours earned while on AD are in excess to the 2 hours required, and the 1.5 hours earned while on inactive duty are in excess to the 1.0 hour required. The 3.0 hours that are in excess of the AD requirement will be “banked” as AD time if the criteria of the note in subparagraph 580302.A.1 are met. The 0.5 hour in excess of the inactive duty requirement will be banked as inactive duty time.

b. When the hours flown while on AD are in excess of the AD flight requirement of the month, and the hours flown during the inactive duty period are insufficient for the inactive duty flight requirement of the month, the excess AD hours will be applied to the inactive duty requirement. Any remaining excess or unused AD hours will be retained for application to the requirements for other months of AD, if otherwise allowable. If the excess AD hours applied to the inactive duty requirement are not sufficient to meet the inactive duty
requirement for that month, then any banked inactive hours will also be applied. If the inactive duty requirement is still not satisfied, then all hours revert to their respective categories to be used in meeting the requirements for other months, as allowable.

Example 2: A member performed 15 days of AD and was in an IDT status for 15 days in the same calendar month. The member performed 5.0 hours of flying duty while on AD and 0.5 hour while on inactive duty. The AD flying time is in excess of the AD requirement of 2.0 hours, while the inactive flying time is insufficient for the inactive duty requirement of 1.0 hour. Apply 0.5 of the excess AD hours to the inactive requirement. The remaining 2.5 excess AD hours may be banked as AD time, if the criteria of the note in subparagraph 580302.A.1 are met.

c. When the hours flown while on AD are insufficient for the AD flight requirement of the month, and the hours flown during the inactive duty period are in excess of the inactive duty flight requirement of the month, the excess inactive duty hours will be applied to the AD requirement. Any remaining excess or unused inactive duty hours will be retained for application to inactive duty requirements in a subsequent month. If the excess inactive duty hours applied to the AD requirement are not sufficient for a month’s AD requirement, then any banked AD hours will be applied. If the AD requirement is still not satisfied, then all hours revert to their respective categories for use in meeting requirements for other months, as allowable.

Example 3: A member performed 15 days of AD and was in an IDT status 15 days in the same calendar month. The member performed 0.5 hour of flying duty while on AD and 1.5 hours while on inactive duty. The member has 0.0 hour of AD flying time and 3.0 hours of inactive flying time banked. The AD flying time is insufficient for the AD requirement of 2.0 hours and the inactive flying time is in excess of the inactive duty requirement of 1.0 hour. Apply the 0.5 excess inactive duty hours to the AD requirement. Combined, the AD and inactive duty flying time is short of the requirement by 1.0 hour. In this case, there are no banked AD hours, and the AD requirement remains unfulfilled. Therefore, the 0.5 unused AD hour may be banked as AD time if the criteria of the note in subparagraph 580302.A.1 are met and the 0.5 hour of unused inactive duty time will be banked as inactive duty time.

d. When the hours flown while on AD are insufficient for the AD flight requirement of the month, and the hours flown during the inactive duty period are also insufficient for the inactive duty flight requirement of the month, the hours will be applied in the following sequence. First, the inactive duty hours flown will be applied to the AD requirement. If the combined active and inactive duty hours flown is not sufficient for the AD requirement, then any banked AD hours will also be applied. If the AD requirement is still not satisfied, then the AD hours flown will instead be applied to the inactive duty requirement. If the combined active and inactive duty hours flown is not sufficient for the inactive duty requirement, then any banked inactive duty hours will also be applied. If the inactive duty requirement is still not satisfied, then all hours revert to their respective categories for use in meeting requirements for other months, as allowable.
Example 4: A member performed 15 days of AD and was in an IDT status 15 days in the same calendar month. The member performed 0.3 hour of flying duty while on AD and 0.4 hours while on inactive duty. The member has 0.1 hour of AD flying time (because of a period of AD that began near the middle of the previous month and was continuous into the present month) and 0.2 hours of inactive duty flying time banked. The AD flying time is insufficient for the AD requirement of 2.0 hours and the inactive flying time is insufficient for the inactive duty requirement of 1.0 hour.

First, apply the 0.4 hour of the inactive duty flying time to the AD requirement. Combined, the AD and inactive duty flying time is short of the requirement by 1.3 hours. In this case, there is 0.1 of banked AD hours, but that also is insufficient and the AD requirement remains unfulfilled.

Next, apply the 0.3 hour of the AD flying time to the inactive duty requirement. Again, the coverage is not sufficient, being 0.3 hours short of the inactive duty requirement. In this case, there is 0.2 hour of banked inactive duty hours, but that also is insufficient and the inactive duty requirement remains unfulfilled.

Finally, since neither the active nor the inactive requirements could be fulfilled, the unused time will be banked as allowed. The unused 0.3 hour of active flying time may be banked as AD time if the criterion of the note in subparagraph 580302.A.1 is met and the unused 0.4 hour of inactive flying time will be banked as inactive duty time.

2. AD of Less Than One Calendar Month Covering Parts of Two Calendar Months. When AD of less than 1 month covers parts of 2 consecutive calendar months, flights performed on IDT may be combined to satisfy requirements for the whole period of AD if the inactive duty flight requirements for both months have been met.

Example 1: A member performed 3.4 hours of flying while on an IDT status from April 1-23. The member did not fly during AD for the training period of April 24 to May 7, or while in an IDT status May 8-31. A total of 1.1 excess flying hours was accumulated before April 1. Flying time of 3.4 hours is first applied to the IDT flight requirements for April (1.6 hours) and then to AD flight requirements for April (1.0 hour). The 0.8 excess flying hours during April added to the 1.1 excess flying hours accumulated before April results in 1.9 excess flying hours available to apply against May flight requirements. Flight time in May totals 2.6 hours (24 days of inactive duty requires 1.6 hours; 7 days of AD requires 1.0 hour). See Chapter 22, Table 22-3. Accumulated excess hours first are applied to the IDT flight requirements. Do not credit pay for the period of May 1-7 since only 0.3 unused hour available is less than the 1.0 hour requirement.
Example 2: A member performed the following flights while on active and IDT during parts of 2 calendar months. No excess flying hours were available on March 1.

<table>
<thead>
<tr>
<th>Periods</th>
<th>Time Flown</th>
<th>Flight Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Inactive) March 1</td>
<td>1.8 hours</td>
<td>1 hour</td>
</tr>
<tr>
<td>(Active) March 16-31</td>
<td>1.2 hours</td>
<td>2.2 hours</td>
</tr>
<tr>
<td>(Active) April 1-9</td>
<td>1.0 hour</td>
<td>1.2 hours</td>
</tr>
<tr>
<td>(Inactive) April 10-30</td>
<td>1.6 hours</td>
<td>1.4 hours</td>
</tr>
</tbody>
</table>

NOTE: The continuous period of ADT (March 16 to April 9) is a unit period of 25 days, which requires 3.4 hours flying time. For that reason, the 31st day of March imposes required flying time. Since this member is unable to meet the flight requirements for the AD flight period, which covers, parts of 2 calendar months, it is necessary to determine if the member can meet the requirements for a single month. Entitlement for the month of March requires a composite of only 3 hours of flying time, and the month of April requires 2.6 hours. Thus, a member qualifies for flying pay for each inactive duty period and for the ADT periods.

C. AFTP. A member, who performs an AFTP in a pay status, if otherwise qualified, is entitled to IP for flying if he or she meets the flight for the month in which the AFTP is performed. Flying time accumulated during an AFTP may be used to satisfy requirements for IDT and the provisions of subparagraphs 580302.A.1 and A.2 may also be used for requirements for periods of AD or ADT.

D. Operational Flying. Flying duty required by competent orders and performed by members of a Reserve Component, irrespective of unit of assignment, is considered to be operational flying.

580303. ACIP

An officer of a Reserve Component who performs IDT in a pay status is entitled to continuous ACIP so long as the requirements are met for an aviation service career (not on Extended AD (EAD)) as defined in the Definitions and the provisions of Chapter 22, section 2203.

580304. Submarine Duty Pay

A member of a Reserve Component, who participates in scheduled drills aboard a submarine during underway operations, while under competent orders and in a pay status, is entitled to IP for Submarine Duty.

580305. HDIP for Parachute Duty

A member of a Reserve Component who performs IDT in a pay status is entitled to IP for Parachute Duty under the provisions of Chapter 24, section 2403.
A. Parachute jumps performed during periods of IDT or ADT qualifies a member for IP for either duty.

B. Parachute jumps performed while on EAD do not qualify a member for IP for IDT (see Chapter 57, paragraph 570404).

580306. HDIP for Flight Deck Duty, Demolition Duty, and Experimental Stress Duty

A member of a Reserve Component who performs IDT in a pay status is entitled to IP under provisions of Chapter 24.

580307. Air Force Remotely Piloted Aircraft Aviation IP and Career Enlisted Aviation IP

A member of the Air Force Reserve Component who performs IDT in a pay status is entitled to IP under provisions of Chapter 22.

5804 SPECIAL PAY

580401. Entitlement

Members of a Reserve Component are not entitled to special pay for periods of inactive duty except as noted in the following paragraphs.

580402. Foreign Language Proficiency Bonus (FLPB)

The Secretary of the Military Department concerned may pay FLPB to a member of a Reserve Component who is proficient in at least two of the three language modalities of reading, listening and speaking with respect to foreign languages identified on the Strategic Language List. A member of a Reserve Component, who meets the requirements of Chapter 19, section 1902; and any additional requirements of the Military Service concerned, (see applicable Service FLPB Instructions) is entitled to FLPB for each regular period of instruction or period of appropriate duty at which the member is engaged for at least 2 hours. This includes instruction received or duty performed on a Sunday or holiday and each period of performance of such equivalent training, instruction duty, or appropriate duties as the Secretary of the Military Department concerned may prescribe. The total of FLPB for reservists must equal the annual FLPB paid to an AD member with the same certified language proficiency.

580403. Diving Duty Pay

The Secretary of the Military Department concerned may pay a member of a Reserve Component who is entitled to basic pay, a special pay in the amounts set forth in Chapter 11, Tables 11-2 through 11-9 for which the member:

A. Is assigned by orders to the duty of diving;
B. Is required to maintain proficiency as a diver by frequent and regular dives; and

C. Is either:

1. Actually performing diving duty while serving in an assignment for which diving is a primary duty; or

2. Meeting the requirements to maintain proficiency as described in Chapter 11, subparagraph 110201.B while serving in an assignment that includes Diving Duty other than as a primary duty.

NOTE: A member of a Reserve Component who meets the requirements of Chapter 11 and any additional requirements of the Military Service concerned is entitled to Diving Duty pay for each regular period of instruction or period of appropriate duty at which the member is engaged for at least 2 hours. This includes instruction received or duty performed on a Sunday or holiday and each period of performance of such equivalent training, instruction duty, or appropriate duties as the Secretary of the Military Department concerned may prescribe. The compensation for each such period will be equal to one-thirtieth of the monthly special pay authorized under Chapter 11, section 1104.

580404. Special Duty Assignment Pay (SDAP)

A. An enlisted member of a Reserve Component who is entitled to basic pay may qualify for SDAP when a member performs duties designated by the Secretary of the Military Department concerned as extremely difficult or involving an unusual degree of responsibility. A member entitled to SDAP may receive such pay in addition to any other pay or allowances to which entitled. SDAP status is awarded according to the applicable regulations of the Military Service concerned.

B. An enlisted member of a Reserve Component who meets the requirements of Chapter 8 and any additional requirements of the Military Service concerned is entitled to SDAP for each regular period of instruction or period of appropriate duty at which the member is engaged for at least 2 hours. This includes instruction received or duty performed on a Sunday or holiday and each period of performance of such equivalent training, instruction duty, or appropriate duties as the Secretary of the Military Department concerned may prescribe. The compensation for each such period will be equal to one-thirtieth of the monthly special pay authorized under Chapter 8, paragraph 080301.

580405. Officer Responsibility Pay

The Secretary of the Military Department concerned may designate positions of unusual responsibility that are of a critical nature to an Armed Force under his or her jurisdiction and authorize special pay to officers performing the duties of such a position. An officer of a Reserve Component, who meets the requirements of Chapter 3, section 0303, and any additional requirements of the Military Service concerned, is entitled to responsibility pay for each day of the
performance of duties in a designated position. This applies to days on which regular periods of instruction or periods of appropriate duty are performed, including periods of instruction received or duty performed on a Sunday or holiday and duties as the Secretary of the Military Department concerned may prescribe. The compensation for each such day will be equal to one-thirtieth of the monthly special pay authorized under Chapter 3, paragraph 030302.

NOTE: This is a departure from the usual compensation practice of paying one-thirtieth of a special pay for each inactive duty drill period.

580406. Hostile Fire Pay (HFP) or Imminent Danger Pay (IDP)

A member of a Reserve Component is entitled to HFP or IDP for any month when the member, while entitled to basic pay for AD or compensation for inactive duty, also meets the requirements of Chapter 10. This includes instruction received or duty performed on a Sunday or holiday and duties as the Secretary of the Military Department concerned may prescribe. A member is not authorized to receive concurrent payments for hostile fire and imminent danger duty.

A. HFP. HFP is paid at the rate of $225 per month when, as certified by the appropriate commander, a member is:

1. Subjected to hostile fire or explosion of a hostile mine; or

2. On duty in an area in close proximity to a hostile fire incident and the member is in danger of being exposed to the same dangers actually experienced by other service members subjected to hostile fire or explosion of hostile mines; or

3. Killed, injured, or wounded by hostile fire, explosion of a hostile mine, or any other hostile action.

B. IDP. IDP is paid on a daily pro-rated basis not to exceed $225 per month when a member is on official duty in a designated IDP area (Chapter 10, Figure 10-1).

C. Payment. Effective December 31, 2011, IDP is payable on a prorated daily basis not to exceed the monthly rate of $225. It is payable in addition to all other pays or allowances, except when receiving HFP as stated in Chapter 10, paragraph 100201. The proration does not apply to the 31st of a month for Active and Reserve Component members who are on AD for 30 days or more. HFP will not be prorated. Members will receive the maximum monthly rate of special pay for a month in which the hostile fire or hostile fire mine explosion event occurred. Payment will be made for the full month if a member is exposed to hostile fire or a hostile mine explosion on the 31st day of a month and the member had not already received credit for the full monthly allowance. The following examples for payment on the 31st are provided:

Example 1: A member on AD for more than 30 days in an IDP area for the period March 31 through April 29 will receive IDP only for the period April 1–29.
Example 2: A member on AD for more than 30 days in an IDP area for the period March 31 through April 29, and is exposed to hostile fire or a hostile mine explosion on March 31, will be entitled to HFP for the entire month of March and IDP for the period April 1–29.

Example 3: A member on AD for less than 30 days in an IDP area for the period March 29 through April 20 will be entitled to IDP for the period March 29 through 31st and April 1 through 20th for a total of 23 days.

Example 4: A member on AD for less than 30 days in an IDP area for the period March 29 through April 20, and is exposed to hostile fire or a hostile mine explosion on March 31, will be entitled to the full monthly amount of HFP of $225 for the month of March, and daily IDP for the period April 1 to 20.

580407. Assignment Incentive Pay (AIP)

The Secretary of the Military Department concerned may pay AIP to a member of a uniformed service who performs service, while entitled to basic pay, in an assignment designated by the Secretary of the Military Department concerned under the provisions of Chapter 15.

5805 ALLOWANCES

580501. Clothing Monetary Allowances, Enlisted Members

Except as provided for in subparagraphs 580501.A through C, an enlisted member of a Reserve Component is not entitled to any cash clothing allowances when on IDT.

A. Special Initial Clothing Monetary Allowance (Navy). Effective October 1, 2009, Chief Petty Officers of the Naval Reserve who are assigned to SELRES and Voluntary Training Units (VTU) are entitled to a special initial clothing monetary allowance upon first advancement to Chief. See Chapter 29, paragraph 290304.

B. Quarterly Maintenance Clothing Allowance (Navy). Effective October 1, 2009, Chief Petty Officers of the Naval Reserve who are assigned to SELRES and VTU and who maintain satisfactory reserve participation per current Bureau of Naval Personnel policy in the quarter concerned, are entitled to a quarterly Reserve Maintenance Clothing Allowance (RMA) in the amount of $30.60 per quarter. A Chief Petty Officer who is advanced to that grade or who becomes a member of a pay unit in a pay or non-pay status on other than the first day of a quarter is not entitled to a quarterly allowance until the first day of the next quarter. The allowance will not be paid for a fractional part of a quarter. New Chiefs are not entitled to the RMA until the first day of the following fiscal year after advancement.

C. Initial Cash Allowance for Enlisted Members. An enlisted member of a Reserve Component is entitled to an initial cash allowance for the purchase of items specifically designated by the Military Department concerned to be purchased by the member rather than to be furnished in kind. See Chapter 29, paragraph 290201.
580502. Officers’ Initial Uniform Allowance

An officer of a Reserve Component is entitled to an initial uniform allowance upon completing 14 periods of IDT as an officer in the Ready Reserve, provided each period is of at least 2 hours duration. See Chapter 30, section 3002.

580503. Basic Allowance for Subsistence (BAS)

Enlisted members of a Reserve Component may receive subsistence in kind or a cash commutation for meals when not entitled to basic pay if the member’s period of instruction or duty totals at least 8 hours in 1 day. This entitlement is at the discretion of the Secretary of the Military Department concerned who will issue written instructions specifying eligibility criteria. When a cash commutation is authorized, it will be paid at one-thirtieth of the applicable monthly BAS rate from Chapter 25 for each such day authorized, further prorated by meal. Breakfast will be prorated at 20 percent of the daily BAS rate; lunch and dinner will each be prorated at 40 percent of the daily BAS rate.

5806 MISCELLANEOUS PAYMENTS

580601. Pay and Allowances While Disabled

See Chapter 57, paragraph 570607 for entitlements when a member of a Reserve Component is disabled while performing IDT.

580602. Payment on Behalf of Deceased Members

A. Death Gratuities. The eligible beneficiaries of a member of a Reserve Component are entitled to payment of death gratuity, regardless of whether death occurred in the line of duty or was the result of the member’s misconduct, if the member dies:

1. While on IDT;
2. While traveling directly to or from IDT; or
3. Within 120 days after discharge or release from IDT, if the Department of Veterans Affairs determines that the death resulted from an injury or disease incurred or aggravated while performing, or traveling directly to or from such training.

B. Eligible Beneficiaries. The provisions of Chapter 36, Table 36-1 apply to members of a Reserve Component.

C. Determining Eligible Beneficiaries. The provisions of Chapter 36, paragraph 360204 apply to members of a Reserve Component.

D. Determination Affecting Entitlement. The provisions of Chapter 36, paragraph 360205 apply to members of a Reserve Component.
E. **Amounts Payable.** The provisions of Chapter 36, paragraph 360206 apply to members of a Reserve Component.

F. **Expediting Payments.** The provisions of Chapter 36, paragraph 360207 apply to members of a Reserve Component.

G. **Erroneous Payment.** The provisions of Chapter 36, paragraph 360209 apply to members of a Reserve Component.

H. **Settling Deceased Member’s Accounts.** The provisions of Chapter 36, section 3603, and Chapter 2 apply to members of a Reserve Component.

580603. **Disability Severance Pay**

A. A member who performs IDT, and is separated for physical disability due to injury, which was the proximate result of the performance of such duty, is entitled to severance pay, if otherwise qualified under appropriate personnel regulations.

B. Computation of severance pay will be as prescribed in Chapter 35.

580604. **Reservists’ Special Separation Pay (RSSP)**

A. **Eligibility.** The Secretary of the Military Department concerned may pay RSSP to a reservist who has served more than 20 years of service but who has not reached his/her 60th birthday and meets the following conditions:

   1. The member has applied for such pay and requests transfer to the Retired Reserve; and

   2. The member will have completed at least 20 years of service, and be qualified to receive non-regular retired pay (except for having reached the age of 60), not later than December 31, 2001.

B. **Limitations**

   1. Members who are authorized to receive early (completed at least 15 but less than 20 years of service) non-regular retired pay at age 60, are not authorized to receive RSSP.

   2. Members are not eligible to receive RSSP if they are entitled to immediate payment of retired or retainer pay based solely on military service.
C. Computation of Annual Payment

1. Using an official statement of service, determine the member’s total years of creditable service as of the date of transfer to the Retired Reserve. (Do not pay RSSP if the member has less than 20 years of service.) Round down total years to the nearest whole year.

2. Using the total years as determined in 580604.C.1, determine the multiplier from the following table:

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Multiplier</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>5.0%</td>
</tr>
<tr>
<td>21</td>
<td>5.5%</td>
</tr>
<tr>
<td>22</td>
<td>6.0%</td>
</tr>
<tr>
<td>23</td>
<td>6.5%</td>
</tr>
<tr>
<td>24</td>
<td>7.0%</td>
</tr>
<tr>
<td>25</td>
<td>7.5%</td>
</tr>
<tr>
<td>26</td>
<td>8.0%</td>
</tr>
<tr>
<td>27</td>
<td>8.5%</td>
</tr>
<tr>
<td>28</td>
<td>9.0%</td>
</tr>
<tr>
<td>29</td>
<td>9.5%</td>
</tr>
<tr>
<td>30 or more</td>
<td>10.0%</td>
</tr>
</tbody>
</table>

Example 1: A member who was born June 5, 1961, and who has 23 years, 10 months of creditable service, and who has 28 years total service for pay purposes (includes service not creditable), transfers to the Retired Reserve on June 19, 2017, in the grade of E-8, and the Secretary of the Military Department concerned approves payment of RSSP. Years of creditable service for RSSP purposes is 23 years (the 10 months are rounded down), with a multiplier of 6.5 percent basic pay for an E-8 with 28 years for pay purposes is $2,808.60. The member’s RSSP is $2,190.71 ($2,808.60 X 12 X .065). Pay an initial installment of $2,190.71 on June 19, 2017, with additional installments on June 19, 2018, June 19, 2019, and June 19, 2020. Since the member’s 60th birthday will occur before the next installment date of June 19, 2021, no further payment will be made.

Example 2: On June 30, 2017, a member (who was born on December 5, 1958) transfers to the Retired Reserve with entitlement to two years of RSSP at the rate of $6,000 per year, as determined by the Secretary of the Military Department concerned. The initial payment is in the full amount. The second installment, however, is due on June 30, 2018, which is after the member’s 59th birthday but before his 60th birthday. Prorate for each full month between the due date and the member’s 60th birthday. In this case, the second installment is 5/12ths of $6,000, or $2,500.

3. Compute annual RSSP installment by multiplying 12 times the monthly basic pay to which the member would be entitled if the member were serving on AD on the date the member transfers to the Retired Reserve times the multiplier.
4. Pay the member a maximum of five installments, or the number of installments as determined by the Secretary of the Military Department concerned. Pay the first installment on the member’s date of transfer to the Retired Reserve. Any additional installments are due on successive anniversary dates. Do not make any payments after a member reaches age 60. For transfers, that occur after October 5, 2013, prorate any installments, including the initial payment, which is due the member after the member’s 59th birthday but before the member’s 60th birthday. Prorate for each full month between the due date and the member’s 60th birthday. See Example 2.

5. Collect FITW and SITW at the appropriate one-time rate from the initial payment. Withhold taxes from any other RSSP installment payments at the rate appropriate for salaries paid on an annual basis, currently set forth for federal withholding purposes in the IRS Publication 15. Give appropriate consideration to any withholding exemptions claimed by the member on an IRS Form W-4 when withholding tax payments.

6. Receipt of these annual payments does not decrease or otherwise affect the retired pay to which the member is entitled at age 60.

7. In the event of the member’s death, do not make any remaining annual payments.

580605. Reservists’ Involuntary Separation Pay (RISP)

A. Payment. Upon approval by the Secretary of the Military Department concerned, and subject to the restrictions in this paragraph, pay RISP to a member of the SELRES who has at least 6 years but less than 15 years of service as of the date of discharge from a Reserve Component or involuntary transfer from the SELRES.

B. Computation

1. Using an official statement of service, determine years of service, computing to three decimal places and rounding to two decimal places. Do not include in the service any days or points for which the member previously received separation, severance, or readjustment pay.

2. Multiply the number of years of service times 15 percent times 62 times the member’s daily rate of basic pay if serving on AD as of the date of separation or transfer from the SELRES. The product is the RISP.

Example: A member who is an E-5 over 8 years total service for pay purposes (daily rate of pay $47.55) and a total of 1,760 retirement points credit is approved for discharge on August 27, 2016, by the Secretary of the Military Department concerned. Compute RISP as follows: Divide total Retirement Points Credit 1,760 by 360 = 4.89 years (computing to 3 decimal places rounding to 2 decimal places) x 15 percent x 62 x $47.55 (daily rate of pay) = $2,162.43 RISP.
3. Withhold federal and state income taxes. RISP payments are not subject to FICA or Medicare taxes.

4. A recipient of RISP who later receives basic pay, IDT compensation, or retired or retainer pay will have such pay, compensation, or retired pay reduced by 75 percent until the total reductions equal the total RISP received.

5. A member who has received RISP, who later receives disability compensation from the Department of Veterans Affairs, will have deducted from such disability compensation the total amount of RISP. However, there will be no such reduction if the disability compensation is for a disability incurred or aggravated after the period for which the RISP was paid.

6. Members are not authorized to receive RISP when they are authorized to receive early (completed at least 15 but less than 20 years of service) non-regular retired pay at age 60.

5807 DEDUCTIONS AND COLLECTIONS

580701. Income Tax Withholding

See Chapter 44, paragraph 440201 for provisions for members of a Reserve Component who are performing IDT.

580702. FICA

See Chapter 45.

580703. Courts-Martial Sentences

The provisions of Chapter 48 apply to members of a Reserve Component who are performing IDT.

580704. Non-judicial Punishment

A. The provisions of Chapter 49, except paragraph 490302, apply to members of a Reserve Component who are performing IDT.

B. The maximum forfeiture to which a member of a Reserve Component is subject, while in an inactive duty status, is limited to one-half of the IDT compensation to which entitled during the period of the sentence. This applies also to a member who is on ADT when the non-judicial punishment is imposed, and reverts to an inactive duty status during the period of the sentence.
580705. Stoppages and Collections Other Than Courts-Martial Forfeitures

The provisions of Volume 16 apply to members of a Reserve Component who are performing IDT.

580706. Waiver of Claims for Erroneous Payment of Pay and Allowances

See Volume 16, Chapter 4, section 0404.

580707. Legal Process for the Enforcement of Child Support and Alimony Obligations

See Chapter 41, section 4103.

5808 SGLI PROGRAM FOR RESERVE COMPONENTS

580801. Basic Coverage

SGLI automatically insures eligible members against death for $400,000, unless the member elects a reduced coverage or declines coverage. SGLI is payable upon the member’s death while insured.

580802. Periods of Coverage

See Chapter 47, Table 47-1.

580803. Changes in Coverage

See Chapter 47, Table 47-1. A member who is covered for an amount less than the maximum coverage may later apply for increased coverage in writing, up to $250,000 with proof of good health.

*580804. Full-Time Coverage

Members of a Reserve Component are eligible for full-time SGLI coverage while assigned to a unit or position in which they are required to perform AD or ADT, and each year will be required to perform at least 12 periods of IDT that is creditable for retirement purposes. Services’ SGLI procedures must provide for timely determination of the effective start dates for eligible members and stop dates whenever a member does not meet the eligibility criteria. When a member ceases to meet the conditions of eligibility for full-time SGLI coverage, the Service must notify the member of the pending termination of benefits. Also, see Chapter 47, paragraph 470201.

A. Member in a Pay Status. SGLI premiums will be collected from the member’s AD pay or drill pay whenever possible. This should apply to members who drill regularly, even if they are not scheduled to drill every month. Even though a member may not drill on a particular month and may not receive any pay, premium due is still included in the
monthly transfer of funds to the Department of Veterans Affairs and must be collected from the member as quickly as possible. This can be done by deduction either from pay or direct payment from the member. The Defense Finance and Accounting Service (DFAS) will establish a debt on the member’s pay account and collect the total premium due when pay is due. When a member ceases to meet the conditions of eligibility for SGLI coverage, the member’s parent Service must inform DFAS in a timely manner to allow any final premium liability to be deducted from final pay and to preclude further overpayments.

* B. Member in a Non-Pay Status. When a member is insured under an insurance policy purchased by the Uniformed Service, the Secretary concerned will contribute from the appropriation for active duty pay the share of the cost attributable to insuring the member under this policy during any month in which:

1. The member is in a non-pay status; and

2. The member is assigned to the Ready Reserve of a Uniformed Service which requires the member, each year, to perform at least 12 periods of IDT that is creditable for retirement purposes.

Note: Any amounts contributed on behalf of the member shall be collected by DoD via direct remittance, if the member has been identified by the Service concerned as a Direct Remitter. Collection may include establishing a debt against the member’s pay account and monies collected shall be credited to the appropriation from which the contribution was made.

* C. Direct Remitters. Each Service must have clearly established programs to identify members who are required to make a direct remittance of premiums. Services must notify members at least 30 days in advance of the date the direct remittance is due. The notice will include the amount of the payment, the date it is due, and the Service’s address to which the payment should be sent. The member must make remittance within 30 days from the date of the notice.

1. Failure to Make Remittance Within 60 Days. When a member fails to make the direct remittance within 60 days from the due date, the Secretary of the Military Department concerned must notify the member of termination of SGLI coverage unless the member justifies the delinquency to the satisfaction of the Secretary of the Military Department concerned.

2. Termination of SGLI Coverage. When the Secretary of the Military Department concerned determines that the member failed to make direct remittance within 60 days of the due date, the Secretary will send a “Notice of SGLI Termination” to the member’s official address. The notice must clearly state that effective 60 days from the date of such notice, the member’s SGLI will be terminated. If a member fails to justify the delinquency within 60 days, then the Secretary of the Military Department concerned will send the “Final Notice of SGLI Termination” by certified mail to the member’s official address. The Secretary of the Military Department concerned must notify DFAS of the member’s effective date of termination. Once
SGLI coverage is terminated, it will remain terminated with reinstatement only as approved by the Secretary of Veterans Affairs.

3. **Continuation of Coverage.** SGLI coverage may be continued if, and only if, the member remits all required premiums within 60 days from the “Notice of SGLI Termination” and justifies the reason for the late payment (subject to approval by the Secretary of the Military Department concerned). A copy of all requests for continuation of SGLI coverage and the Service’s final determination will be forwarded within 30 days to:

   Director of Compensation  
   Attn:  Termination of SGLI Coverage  
   ODASD(FMP)(MPP)(Comp)  
   Washington, DC  20301-4000

580805. **Part-Time Coverage**

   Part-time coverage is available to certain eligible members of a Reserve Component who do not qualify for full-time coverage while performing AD or ADT under calls or orders of specified periods of 30 days or less. Members may elect coverage of $400,000 or less in $50,000 increments, or decline coverage. See Chapter 47, section 4705 for premium rates.

   A. **Election Changes.** Amounts deducted for coverage before the effective date of a waiver of coverage or before an election of a lesser amount of coverage are not refunded. When a member elects increased coverage during a year in which a duty period has already been performed, collect the difference (between the higher annual premium and the premium previously collected) during the first period of duty in which the member is in a pay status that same year, if applicable. A proof of good health is required for any increase of coverage. A member may use the electronic SGLV 8286 to make election changes.

   B. **Continuation of Coverage.** Any election made continues in effect during continuous obligation to perform duty in the same Uniformed Service, including any AD for a period of more than 30 days. For mobilization, see Chapter 47, Table 47-1, rule 8.

580806. **Appellate Leave**

   See Chapter 47, section 4704.

580807. **Forfeiture of Coverage**

   See Chapter 47, paragraph 470203.

580808. **Refunds**

   See Chapter 47, section 4706.
580809. Settlement of SGLI Claims

See Chapter 47, section 4708.

580810. Retired Reserve

Reservists with full-time coverage will, upon retirement, have the option of converting their SGLI coverage to Veterans Group Life Insurance (VGLI). On the day that a member is assigned to (or who upon application would be eligible for assignment to) the Retired Reserve, such member’s SGLI coverage will remain in effect for 120 days after separation or retirement. Within this 120-day period, the member may apply for conversion to VGLI, and medical proof of insurability is not required.

580811. Family Coverage Under SGLI

See Chapter 47, section 4709.
**Table 58-1. MDA**

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February 8, 1983

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580804.B.2 Office of Assistant Secretary of Defense Force Management
Policy Memo, September 1, 1998

Table 58-1 37 U.S.C. § 433
VOLUME 7A, CHAPTER 59: “PAYMENT TO MEMBERS OF THE SENIOR RESERVE OFFICERS’ TRAINING CORPS (SROTC)”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated March 2016 is archived.

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<td>Extended the “Duration of Authority” for the SROTC Skill Proficiency Bonus to December 31, 2017.</td>
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CHAPTER 59

PAYMENT TO MEMBERS OF THE SENIOR RESERVE OFFICERS’ TRAINING CORPS (SROTC)

5901 GENERAL

590101. Purpose

This chapter establishes policy pertaining to the pay and allowances for members of the SROTC.

590102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

5902 ENTITLEMENTS

590201. Pay While Attending Training

Under Title 37, United States Code (U.S.C.), section 203(c), pay for cadets and midshipmen at the U.S. Military, Naval, and Air Force Academies is authorized at a prescribed rate. The rate for a cadet or midshipman, who is a member of the regular component of an armed force, will be at the rate of basic pay applicable to the member. These rates apply for:

A. A cadet or midshipman in the SROTC, while attending training or practice cruises, if the training or cruise is of at least four weeks duration and must be completed before the cadet or midshipman is commissioned; or

B. An applicant for membership in the SROTC program, while attending field training or practice cruises to satisfy the requirements for admission to advanced training.

NOTE: A member or applicant for membership in the SROTC program is not entitled to longevity increases or basic pay while performing authorized travel to or from training site.

590202. Advance Pay

See Chapter 32, paragraph 320210.

590203. SROTC Graduates Ordered to Active Duty

A. Officers Ordered to Extended Active Duty. The provisions of Chapters 1 through 55 apply to these officers.

B. Officers Performing Initial Periods of Active Duty Training Under Title 50, War And National Defense. The provisions of Chapter 57 apply to these officers.
590204. Commutation In Lieu Of Uniforms

A. Army. See Army Regulation (AR) 710-2, Chapter 2, Section V, paragraph 2-27 (2).


NOTE: The Air Force ROTC Cadet Payment Programs (Holm Center Instructions 65-101), is available via the Air Force Portal.

590205. Textbook Allowances, Scholarship Cadets, and Midshipmen

A. Army. The Commander, U.S. Army Cadet Command prescribes the rates.

B. Navy. See Naval ROTC (NROTC), NSTC Manual 1533.2A Series.


NOTE: The Air Force ROTC Cadet Payment Programs (Holm Center Instructions 65-101), is available via the Air Force Portal.

590206. Restrictions

A. Travel Allowances. A member or applicant for membership in the SROTC program is not entitled to travel allowances while performing field training or at-sea training, except as authorized in section 5908.

B. Special and Incentive Pay. A member or applicant for membership in the SROTC program is not entitled to special or incentive pay, except as provided in section 5904.

C. Navy Reserve Drill Pay. Drill payments to Navy SROTC members are authorized only for students selected for advanced training in their freshman and sophomore years, and who specifically request continuation in a drill status.

5903 SUBSISTENCE ALLOWANCE

590301. Scholarship Cadets or Midshipmen

Except as prescribed in paragraph 590307, a member of the SROTC program, selected for advanced training, is entitled to a monthly subsistence allowance as provided in Table 59-1. Entitlement begins on the day the cadet or midshipman starts advanced training and ends upon the completion of their instruction. In no event, however, will any member receive such pay for more than 30 months.
590302. SROTC Members Appointed In Reserves

Except as prescribed in paragraph 590307, a member of SROTC, enrolled in the first two years of a four-year program, is entitled to a monthly subsistence allowance as provided in Table 59-1 when appointed for a maximum of 20 months. A member, enrolled in the advanced course, is entitled to subsistence as prescribed in paragraph 590301.

590303. Non-scholarship SROTC Members Not In Advanced Training

A member of the SROTC, who has entered into an agreement under 10 U.S.C. § 2103a, is entitled to a monthly subsistence allowance at the rate provided in Table 59-1. That allowance may be paid to the member by reason of such agreement for a maximum of 20 months.

590304. Non-scholarship Cadets or Midshipmen

Non-scholarship cadets and midshipmen are not entitled to subsistence allowance, except as noted in paragraph 590407.

590305. Subsistence Allowance for Marine Corps Platoon Leaders Class

Except while serving on active duty, members of the Marine Corps Platoon Leaders Class program are entitled to subsistence allowance at the rates provided in Table 59-1. Only members in the sophomore, junior, and senior class (Levels II, III, and IV) are entitled to a subsistence allowance. Members of the freshman class are not entitled to a subsistence allowance. Detailed instructions, governing the payment of the subsistence allowance, are in the Marine Corps Total Force System Personnel Reporting Instructions Manual.

590306. Accelerated Completion of Military Instruction

A cadet or midshipman participating in advanced training, at an institution that has withdrawn from the program, may complete the third and fourth year (or the fourth and fifth year of a five-year program) of military training in the third year (or the fourth year of a five-year program) and be paid subsistence allowance during the fourth academic year (AY) (or the fifth year of a five-year program), as though enrolled for training in the fourth year (or the fifth year of a five-year program).

590307. Limitations

A. Deduction for Field Training and At-Sea Training. A cadet or midshipman is not entitled to subsistence allowance while performing field training or at-sea training. During the period of field training or at-sea training, the cadet or midshipman is entitled to basic pay as specified in paragraph 590201.
B. Vacation Periods

1. A cadet or midshipman, enrolled in the first 2 years of the program is not entitled to subsistence allowance for any period(s) between academic school years, such as for summer vacations between academic school years. Holiday breaks do not interrupt the entitlement.

2. A cadet or midshipman, enrolled in the advanced course, is entitled to subsistence allowance uninterrupted by any periods between academic school years, subject only to the overall 20 months (30 months in an approved five-year program) of entitlement limitation and subject to deduction for any periods of field training or at-sea training.

C. Government Meals Furnished Without Charge. SROTC members will have deducted from their subsistence allowance, on a per-meal basis, the charge for government meals furnished without charge. The total deduction for any day will not exceed 1/30th of the subsistence allowance. This recoupment provision does not apply, when meals are furnished, while participating in training events conducted during the AY.

590308. Payment Procedures

Detailed instructions governing the payment of subsistence allowance to the respective SROTC members are contained in:

A. Army. See AR 145-1;

B. Navy. See NROTC, NSTC Manual 1533.2A Series; and


NOTE: The Air Force ROTC Cadet Payment Programs (Holm Center Instructions 65-101), is accessible via the Air Force Portal.

5904 SROTC SKILL PROFICIENCY BONUS (SPB)

590401. Eligibility

The Secretary of the Military Department concerned may pay an SROTC SPB under this section and the Department of Defense Instruction (DoDI) 1340.27, Military Foreign Language SPB, to a cadet or midshipman of SROTC who:

A. Is enrolled as a cadet or midshipman of SROTC, as determined in accordance with regulations prescribed by the Secretary of Defense;

B. Participates in a language immersion program approved for the purposes of SROTC, or in study abroad, or is enrolled in an academic course that involves instruction in a foreign language of strategic interest. A foreign language of strategic interest includes a
listed on the Department of Defense (DoD) Strategic Language List, or other foreign language of strategic interest, which may be designated by the Secretary of the Military Department concerned as critical for purposes of foreign language SPB to the DoD, as designated by the Secretary of Defense for purposes of this section;

C. Enters into a written agreement under paragraph 590403;

D. Pursues a course of study to acquire a critical foreign language as defined by the Secretary of the Military Department concerned; and

E. Satisfactorily completes the course. To satisfactorily complete the course, a contracted cadet or midshipmen must attain a letter grade of “B” or higher to warrant the SPB payment.

NOTE: An SROTC member may be paid an SROTC SPB if the student is enrolled in SROTC, even though the student may not have completed the first year of a four-year SROTC course or has become an obligated member under the SROTC program.

590402. Limitations

A. SROTC SPB will not be paid retroactively for courses completed at another institution in the event a newly contracted cadet or midshipman transfers from that institution to a ROTC affiliated college, university, or ROTC consortium.

B. SROTC SPB will not be paid to cadets or midshipmen who take the College Level Examination Program test, distance learning, or on-line courses to receive college credit for foreign language or cultural studies classes.

590403. Written Agreement

The Secretary of the Military Department concerned will require a contracted cadet or midshipmen to enter into a written agreement. The written agreement will specify:

A. The required SROTC SPB critical skill course of study;

B. The amount of the SROTC SPB;

C. The academic period(s) in which the SROTC SPB will be paid;

D. The required SROTC SPB course of study; and

E. That the cadet or midshipman will be paid the SPB after satisfactory completion of the SROTC SPB course.
590404. Amounts

A. An SROTC SPB will not exceed $3,000 for each 12-month period that follows a qualifying academic period in which a cadet or midshipmen satisfactorily completes a course of study to develop an SROTC SPB critical skill.

B. Any SROTC SPB payments for summer language immersion or study abroad programs, combined with any previous SPB payments for that AY, must not exceed the 12-month (full AY) SROTC SPB entitlement (summer immersion payment plus previous SPB payments) limit of $3,000.

NOTE: The Secretary of the Military Department concerned may change the start and end dates of this 12-month period, to accommodate different schedules, for their ROTC affiliated colleges, universities, and ROTC consortiums, provided that the newly defined 12-month period reflects a minimum of 365 consecutive days.

590405. Method of Payment

The SROTC SPB, for a qualifying course(s) or immersion training, will only be paid in a lump sum payment, following the satisfactory completion of that course or immersion training.

590406. Certification of Proficiency and Waiver

The DoD may waive the annual proficiency certification requirement for an SPB. In order for the DoD to waive this requirement, the contracted cadet or midshipman must satisfactorily complete the course of study, during the qualifying academic period or year, preceding the payment of the SPB.

590407. Monthly Subsistence Allowance

During the period covered by the SROTC SPB, the student is entitled to a monthly subsistence allowance as detailed in section 5903, even though the student has not entered into an agreement under 10 U.S.C. § 2103a. If paid, the monthly subsistence allowance will be as authorized in Table 59-1. An SROTC cadet may only receive a single monthly subsistence allowance.

590408. Repayment

A member, who is paid a proficiency bonus under this section but does not satisfactorily complete participation in the language program or study as described in paragraph 590401 (or does not complete the requirements of the SROTC, as applicable), may be subject to the repayment provisions of Chapter 2. SROTC SPB must not be calculated in the cost of advanced education, should the Secretary of the Military Department concerned choose to exercise his/her written agreement option to seek reimbursement of the cost of a former student’s advanced education.
5905 DEDUCTIONS

590501. General

The basic pay of a member or applicant for membership in the SROTC program is subject to Federal Income Tax Withholding and Federal Insurance Contributions Act taxes. See the Department of the Treasury Internal Revenue Service Publication \textit{15-A} and Chapter 45, Table 45-1, for tax withholding rates.

590502. Servicemembers’ Group Life Insurance (SGLI)

SGLI is authorized for SROTC members. Cadets and midshipmen are provided SGLI coverage while proceeding directly to or returning from the place where duty is performed. The following duty conditions apply:

A. Chapter 47 applies to members, cadets, or midshipmen of SROTC performing full-time duty while attending field training or practice cruises under calls or orders for 30 days or more.

B. Chapter 58, section 5808 applies to members, cadets, or midshipmen of SROTC performing full-time duty while attending field training or practice cruises under calls or orders for 30 days or more.

590503. Allotments

A member or applicant for membership in the SROTC program is not authorized to register allotments.

5906 DISABILITY BENEFITS

590601. Entitlements for Cadets and Midshipmen Disabled While En Route To or From Field or At-Sea Training

A cadet or midshipman, who is disabled en route to or from field or at-sea training, and is otherwise entitled to a subsistence allowance described in section 5903, is entitled to a subsistence allowance for the day of incurrence of the disability and continuing thereafter, subject to the provisions of section 5903.
590602. Entitlement for Cadets and Midshipmen Disabled While Attending Field or At-Sea Training

A cadet or midshipman, who is disabled while attending field or at-sea training, is entitled to the monthly cadet rate of pay prescribed in Chapter 1, Table 1-7 through the last day of the ordered training period. If the disability continues beyond the ordered tour, the cadet or midshipman, if otherwise entitled, is entitled to a subsistence allowance described in section 5903.

5907 PAYMENTS ON BEHALF OF DECEASED MEMBERS

Beneficiaries, of any member or applicant for membership in the SROTC program who dies under the conditions specified in paragraph 590602, are entitled to Death Gratuity under the provisions of Chapter 36, section 3602, and unpaid pay and allowances under section 3603.

5908 TRAVEL AND TRANSPORTATION ALLOWANCES

The travel and transportation allowances payable to SROTC cadets and midshipmen are prescribed in the Joint Travel Regulation, *Chapter 7, Part K, 7375*. 
Table 59-1. SROTC Monthly Subsistence Allowance

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<th>EFFECTIVE DATE</th>
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<th>JUNIOR Level 3</th>
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**NOTE**: These are alternative rates, effective October 1, 2005. The alternative rates are payable if approved by the Secretary of Defense.
CHAPTER 59 – PAYMENT TO MEMBERS OF THE SENIOR RESERVE OFFICERS’ TRAINING CORPS (SROTC)

5902 – ENTITLEMENTS

590201  37 U.S.C. § 203(c)
10 U.S.C.,Subtitle A, Part III, Chapter 103
* 590201.A & B  37 U.S.C. § 209(d)
* 590204  DoDI 1215.08, January 19, 2017, paragraph 3.9

5903 – SUBSISTENCE ALLOWANCE

* 590301  37 U.S.C. § 209(a)

5904 – SROTC SPB

590401  37 U.S.C. § 353(b)
DoDI 1340.27, May 21, 2013
* 590409  Public Law 114-328, section 614(9), December 23, 2016

5906 – DISABILITY BENEFITS

590601  10 U.S.C. § 2109
590602  5 U.S.C. § 8140

5907 – PAYMENTS ON BEHALF OF DECEASED MEMBERS

10 U.S.C. § 1475-1480

5908 – TRAVEL AND TRANSPORTATION ALLOWANCES

37 U.S.C. § 422

Table 59-1  Assistant Secretary of Defense Memo, July 24, 2001
Office of the Under Secretary of Defense (Personnel & Readiness) Memo, August 22, 2005
VOLUME 7A, CHAPTER 60: “HEALTH PROFESSIONS SCHOLARSHIP PROGRAM FOR ACTIVE SERVICE”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated November 2016 is archived.

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<td>600403</td>
<td>Increased the stipend amount to $2,276.10 effective July 1, 2017 in accordance with the Assistant Secretary of Defense Health Affairs Memo dated May 8, 2017.</td>
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<tr>
<td>600410.F</td>
<td>Removed contradictory information and renumbered subsequent subparagraph accordingly.</td>
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CHAPTER 60

HEALTH PROFESSIONS SCHOLARSHIP PROGRAM FOR ACTIVE SERVICE

6001 GENERAL

600101. Purpose

The purpose of this chapter establishes policy pertaining to the Health Professions Scholarship Program for Active Service. The Secretary of the Military Department concerned may provide for the payment of all educational expenses incurred by a member of the Armed Forces Health Professions Scholarship Program (AFHPSP), including tuition, fees, books, and laboratory expenses. Such payments, however, will be limited to those educational expenses normally incurred by students at the institution and in the health profession concerned who are not members of AFHPSP.

600102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

6002 AFHPSP

600201. Purpose

The purpose of the AFHPSP is to obtain adequate numbers of commissioned officers on active duty who are qualified in the various health professions, including health professionals with specific skills to assist in providing mental health care to members of the Armed Forces.

600202. Responsibility

The Secretary of the Military Department concerned, under regulations prescribed by the Secretary of Defense, may establish and maintain a Health Professions Scholarship and Financial Assistance Program (FAP) for their department. The Secretary of the Military Department concerned will allocate a portion of the total number of scholarships available in their department to members of AFHPSP described in subparagraph 600201.B for assisting such members to pursue a degree at the master and doctoral level, with obligatory periods of military training, in any of the following disciplines:

A. Social work;
B. Clinical psychology;
C. Psychiatry; or
D. Other disciplines that contribute to mental health care programs in that Military Department.
600203. Eligibility

To be eligible for participation in the AFHPSP, a person must be a citizen of the United States and must:

A. Be accepted for admission to, or enrolled in, an institution in a course of study or selected to receive specialized training, or, if offered, agree to accept residency training in a health profession skill which has been designated by the Secretary of the Military Department concerned as a critically needed wartime skill;

B. Sign an agreement to:

1. Complete the educational phase of AFHPSP;

2. Accept an appropriate reappointment or designation within his or her military service, if tendered, based upon his or her health profession, following satisfactory completion of AFHPSP;

3. Participate in the intern program of his or her service, if selected for such participation;

4. Participate in the residency program of his or her service, if selected, or be released from active duty for the period required to undergo civilian residency, if selected for such training; or

5. Participate in military training while in AFHPSP, under regulations prescribed by the Secretary of Defense; and

C. Meet the requirements for appointment as a commissioned officer.

600204. Active Duty Obligation

A member of AFHPSP incurs an active duty obligation based upon the following conditions:

A. The period of obligation, as prescribed under regulations by the Secretary of Defense, may not be less than 1 year for each year of participation in AFHPSP.

B. A period spent as a military intern or in residency training will not be creditable in satisfying the active duty obligation.

C. A member of AFHPSP, who is dropped from AFHPSP for deficiency in conduct or studies or for other reasons, may be required to perform active duty in an appropriate military capacity in accordance with the active duty obligation imposed in this program.
D. The Secretary of the Military Department concerned may relieve a member of AFHPSP, who is dropped from AFHPSP, from an active duty obligation, but such relief will not relieve the member from any military obligation imposed by any other law.

E. A member of AFHPSP, who is relieved of the member’s active duty obligation before the completion of that active duty obligation, may be given, with or without the consent of the member, any of the following alternative obligations, as determined by the Secretary of the Military Department concerned:

1. A service obligation in another Armed Force for a period of time not less than the member’s remaining active duty service obligation;

2. A service obligation in a component of the Selected Reserve for a period not less than twice as long as the member’s remaining active duty service obligation; or

3. Repayment of a percentage of the total cost incurred pursuant to the repayment provisions of Chapter 2.

F. If a member is relieved of an active duty obligation by reason of separation because of a physical disability, then the Secretary of Military Department concerned may give the member a service obligation as a civilian employee. The member may be employed as a health care professional, in a facility of the uniformed services, for a period equal to the member’s remaining active duty service obligation.

6003 ACCESSION BONUS (AB)

600301. Eligibility

To be eligible for AFHPSP, an individual must meet the requirements of paragraph 600203.

600302. Amount

The Secretary of Defense may offer a member, who enters into an agreement under subparagraph 600203.B, an AB not to exceed $20,000.

600303. Relationship to Other Payments

An AB paid to a member is in addition to any other amounts payable under the AFHPSP.

600304. Repayment

A member who receives an AB under this section, but fails to comply with the agreement under subparagraph 600203.B, or fails to commence or complete the active duty obligation discussed in paragraph 600204, will be subject to the repayment provisions of Chapter 2.
6004 PAYENTITLEMENTS

600401. Active Duty

A. Members participating in AFHPSP will be commissioned officers in the Reserve Component of the Armed Forces and will be ordered to active duty for a period of 45 days during each year of participation.

B. Members pursuing a course of study will serve on active duty in pay grade O–1 with full pay and allowances of that grade.

C. Members pursuing specialized training will serve on active duty in a pay grade commensurate with their educational level as determined by appointment, with full pay (including Reserve Medical Officers Special Pay) under Chapter 5, section 0509, and allowances of that grade for a period of 14 days, during each year of participation in AFHPSP.

D. Members will be detailed as students at accredited civilian institutions, located in the United States or Puerto Rico, for the purpose of acquiring knowledge or training in a designated health profession. This active duty period may be served at the location where the member is receiving specialized training, if it would otherwise interrupt the member’s residency or fellowship training to serve elsewhere on active duty.

600402. Prior Active Service

Effective January 28, 2008, a member, who has been selected as a medical student and who has prior military service at a pay grade with years of service credited for pay, will be paid basic pay at such prior pay grade and years of service, if this rate of basic pay exceeds the rate of basic pay to which he would be entitled as a medical student. The amount of the basic pay will be increased on January 1 of each year by an average increase in basic pay for the year. The member will continue to receive the higher basic pay of his or her prior pay grade until the basic pay for the member's actual grade and years of service credited for pay exceeds the basic pay he or she is receiving, regardless of whether this occurs before or after the conclusion of his or her participation as a medical student.

*600403. Stipend

Except during periods of active duty (see paragraph 600401), members enrolled in this program are entitled to a monthly stipend of $2,276.10 per month, effective July 1, 2017. These rates are payable during periods of absence.

A. Payment. Payment starts on the date of execution of the oath of office, the date of execution of AFHPSP contract, or the date of commencement of the academic curriculum, whichever is latest. Payment normally continues until the date of graduation or completion of specialized training. The stipend is payable during the course of study and during vacation periods when members are not on active duty. The stipend is prorated for portions of a month at the beginning and end of the course of study, and the beginning and end of any active duty period.
B. **Termination.** If a member of AFHPSP is suspended or disenrolled from the designated course of training, stipend payments terminate on that date. Some students complete their professional degree requirements several months before the formal graduation ceremony and conferral of the professional degree. In those cases, where the actual award of a professional degree is a prerequisite to re-commissioning into a professional corps or utilization in the profession, and a lapse of time occurs for administrative reasons, the payment of the stipend should be terminated. The date for termination of the stipend should be the completion of the academic training, if this date precedes the date of graduation by more than 45 days.

C. **Recoupment.** Educational costs of AFHPSP and stipends are subject to recoupment when members of AFHPSP are dropped for deficiency in conduct or studies, or when members, for other reasons, fail to fulfill their contractual agreement as a result of action not initiated by the government.

600404. **Advance Pay**

Members may be paid an advance pay when reporting for the 45-day active duty tour. (See Chapter 32, paragraph 320208.)

600405. **Travel Time**

During the active duty period, including allowable travel time under Chapter 1, Table 1-6, members serve in pay grade O–1 and are normally entitled to full pay and allowances (see Chapter 57) for that grade.

600406. **Officer’s Initial Uniform Allowance**

A member of the AFHPSP is entitled to an initial uniform allowance upon reporting for the first period of active duty. (See Chapter 30, section 3002.)

600407. **Servicemembers’ Group Life Insurance (SGLI)**

Members, while under this program, are entitled to SGLI coverage for the 45-day active duty tour. For deductions during active duty periods, see Chapter 47, section 4705.

600408. **Tax Withholding**

A. Active duty pay paid under this program is subject to Federal Income Tax Withholding (FITW), State Income Tax Withholding (SITW) (if applicable), and Federal Insurance Contribution Act (FICA) withholding in the same manner as prescribed in Chapters 44 and 45.

B. Monthly stipends paid to students entering AFHPSP are subject to FITW and SITW.

C. Monthly stipends are not subject to FICA.
D. Amounts paid directly to schools on behalf of students for tuition, books, fees, laboratory expenses, and any reimbursements for such items paid to students participating at any time in AFHPSP are not subject to withholding for FITW, SITW, or FICA.

600409. Settlement of Deceased Member’s Accounts

See Chapter 36, section 3603 for authority for payment of any unpaid pay and allowances (includes the amount of unpaid stipend).

600410. Creditable Service

A. Except as provided in subparagraph 600410.B, service performed while a member of AFHPSP will not be counted:

1. In determining eligibility for retirement, other than by reason of physical disability incurred while on active duty as a member of AFHPSP; or

2. In computing years of service creditable.

B. The Secretary of the Military Department concerned may authorize service performed by a member of AFHPSP, in pursuit of a course of study under this section, to be counted as creditable service, if the member:

1. Completes the course of study;

2. Completes the active duty obligation; and

3. Possesses a specialty designated by the Secretary of the Military Department concerned as critically needed in wartime.

C. Service credited under subparagraph 600410.B counts only for the award of retirement points for the computation of years of service and retired pay.

D. The number of points credited to a member under subparagraph 600410.B.1 for a year of participation in the course of study is 50. The points will be credited to the member at the end of each year after the completion of the course of study, when the member serves in the Selected Reserve and is credited with at least 50 points.

E. Service may not be counted under subparagraph 600410.B for more than 4 years of participation in the course of study as a member of AFHPSP.

F. A member is not entitled to any retroactive award of, or increase in, pay or allowances by reason of an award of service credit under subparagraph 600410.B.
6005 FAP

600501. Grant

Effective July 1, 2008, a member participating in the AFHPSP specialized training will be paid an annual grant in an amount not to exceed $45,000, in addition to the stipend under paragraph 600403.

A. A grant is paid annually based on the rate in effect on the date of entitlement.

B. A grant is prorated only for partial years of participation, to include the final payment. Subsequent installments are to be issued on the anniversary date of the initial payment.

C. The amount of the grant is reviewed and increased as appropriate in the same manner as provided for the stipend.

D. Payment starts on the date of execution of the oath of office, the date of execution of the FAP contract, or the date of commencement of the academic curriculum, whichever is latest.

E. Payment will continue until the date of graduation or completion of specialized training, unless the program participant is suspended or disenrolled from the designated course of study or specialized training or fails to comply with terms of the program agreement, Service policy, or regulation.

F. The authority to make the grant and stipend payments is not affected by any payments made to the member by the civilian training institution.

600502. Recoupment

A member of the FAP who fails to complete specialty training because of a deficiency in conduct or studies, or who, for other reasons, fails to fulfill the contractual agreement as a result of action not initiated by the government, may be required to reimburse the government for all or a portion of payments received during participation in FAP. Recoupment is subject to the repayment provisions of Chapter 2.
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CHAPTER 60 – HEALTH PROFESSIONS SCHOLARSHIP PROGRAM FOR ACTIVE SERVICE

6002 – AFHPSP

600201 Title 10, United States Code (U.S.C.), section 2121(a)(1)
600202 10 U.S.C. § 2121(a)(2)
600203 10 U.S.C. § 2122
600204 10 U.S.C. § 2123

6003 – ACCESSION BONUS (AB)

600301 Assistant Secretary of Defense Health Affairs (ASD (HA))
  Memo, April 25, 2011
600302 10 U.S.C. § 2128(a)
600303 10 U.S.C. § 2128(b)
600304 10 U.S.C. § 2128(c)

6004 – PAY ENTITLEMENTS

600401 10 U.S.C. § 2121(c)(1)
600401.C 10 U.S.C. § 12207
600402 10 U.S.C. § 2121(c)(2)
600403 10 U.S.C. § 2121(d)

* ASD (HA) Memo, May 8, 2017

600404 37 U.S.C. § 1006(i)
600406 37 U.S.C. § 415
  10 U.S.C. § 2121(c)
600408 26 U.S.C. § 117
600409 10 U.S.C. § 2771
600410 10 U.S.C. § 2126
600410.A.2 37 U.S.C. § 205
600410.B.1.b 10 U.S.C. § 2123(a)
600410.B.2 10 U.S.C. §§ 12732 and 12733
600410.B.3 10 U.S.C. § 12732(a)(2)
600410.B.5 10 U.S.C. §§ 12732(a) and 12733

6005 – FAP

600501 Department of Defense Instruction 6000.13
  December 30, 2015, Incorporating Change 1, May 3, 2016

* ASD (HA) Memo, May 8, 2017
VOLUME 7A, CHAPTER 61: “BONUS PROGRAM FOR THE INDIVIDUAL READY RESERVE (IRR) AND INACTIVE NATIONAL GUARD (ING)”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

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CHAPTER 61

BONUS PROGRAM FOR THE INDIVIDUAL READY RESERVE (IRR)
AND INACTIVE NATIONAL GUARD (ING)

6101 GENERAL

610101. Purpose

The Secretary concerned may pay a bonus to an eligible member who enlists, reenlists, or voluntarily extends an enlistment in a Reserve Component (RC) of an Armed Force for assignment to an element (other than the Selected Reserve (SELRES)) of the IRR or an element of the ING.

610102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

*6102 DURATION OF AUTHORITY

A bonus may not be paid to any person for a reenlistment, enlistment, or voluntary extension of an enlistment after December 31, 2017.

6103 ELIGIBILITY

610301. Criteria

A person is eligible for a bonus if the person:

A. Is or has been a member of the Armed Forces;

B. Is qualified in a skill or specialty designated by Secretary of the Military Department concerned as a critically short wartime skill or critically short wartime specialty;

C. Has not failed to complete satisfactorily any original term of enlistment in the Armed Forces;

D. Enlists, reenlists, or extends an enlistment for 3 or 6 years beyond any other period of military service the person is obligated to serve; and

E. Has not completed more than 14 years of total military service.
610302. Transfers to Another Military Service

An individual who completes his/her obligation to one Military Service may be accepted by another Military Service for enlistment, provided the individual possesses a skill approved by the gaining Military Service for the payment of the bonus.

610303. Army

Army members who transfer from the ING to the IRR may continue to receive the bonus, provided such members continue to serve satisfactorily.

610304. Called or Ordered to Active Duty

A person entitled to a bonus, who is called or ordered to active duty, will be paid during that period of active duty any amount of the bonus that becomes payable to the member.

610305. Critically Short Wartime Skill

The Secretary concerned may designate a skill or specialty as a critically short wartime skill or critically short wartime specialty if:

A. The skill or specialty is critical to meet wartime requirements of the Armed Force; and

B. There is a critical shortage of personnel in that Armed Force who are qualified in that skill or specialty.

610306. Waiver

The Secretary concerned may waive the eligibility requirement in subparagraph 610301.B in the case of a reenlistment or voluntary extension of enlistment, by a member of the Armed Forces, while serving on active duty in Afghanistan in support of Operation Freedom’s Sentinel, or Iraq and Kuwait in support of Operation Inherent Resolve.

6104 AMOUNTS PAYABLE

610401. Amount

An amount not to exceed $3,000 may be paid to a person who voluntarily enlists or reenlists for a period of 6 years, or $1,500 to a person who voluntarily enlists or reenlists for a period of 3 years.

A. A $500 bonus will be paid at the time of the enlistment, reenlistment, or extension for a period of 6 years, with the remainder paid in equal annual increments.
B. A bonus paid for a 3-year enlistment, reenlistment, or extension contract will be in equal annual increments.

610402. Additional Amount

An additional amount of up to $1,500 may be paid for a subsequent reenlistment or extension, provided the individual has met the eligibility criteria of section 6103.

6105 OBLIGATION

A member must be contractually obligated to serve satisfactorily, as prescribed by the regulations of the Military Service concerned, in the IRR or ING for the full term of enlistment, reenlistment, or extension. As a condition of receipt of the bonus, recipients must agree to participate in an annual muster of the RC or on active duty for training, as may be required by the Secretary concerned.

610501. Extensions

The use of extensions, in lieu of reenlistments, is authorized and encouraged to:

A. Reduce the administrative burden of the reenlistment process; and

B. Eliminate the need for the oath of enlistment or reenlistment.

610502. Service

Participants must obligate themselves to continue to serve in the same Military Occupation Specialty (MOS) unless excused for the convenience of the Government.

610503. Transfers

A bonus recipient who later transfers to the SELRES is not required to refund the IRR or ING bonus. Bonus recipients who transfer to the SELRES are not eligible for a SELRES reenlistment bonus during the period for which an IRR or ING bonus was paid.

6106 TERMINATION OF BONUS ENTITLEMENT

Entitlement to the IRR and ING bonus will be terminated under the following conditions in paragraphs 610601 through 610605.

610601. Participation

The member fails to participate satisfactorily in the IRR or ING in accordance with the regulations of the Military Service concerned.
610602. Civilian Position

The member accepts a civilian position where membership in the RC is a condition of employment (persons on temporary assignment excluded).

610603. Separation

The member is separated from the IRR or ING as an enlisted member for any reason (including enlistment or voluntary recall into the active forces).

610604. Officer Commissioning Program

The member becomes a simultaneous member of an authorized officer program drawing a stipend.

610605. Non-Qualified MOS

The member moves to a non-bonus-qualified MOS unless at the express direction of the Military Service concerned (through no fault of the member).

6107 RECOUPMENT OF PAYMENTS

610701. Obligation

Any refund made by a member will not affect the period of obligation of such member to serve as a Ready Reservist or ING. Recoupment of unearned portions of the IRR and ING bonus is required when the member:

A. Fails to satisfactorily complete the designated term of enlistment, reenlistment, or extension of enlistment for which the bonus was paid unless the failure was due to reasons beyond the control of the member (for example, death, injury, illness, or other impairment not the result of member’s misconduct);

B. Accepts a civilian position where membership in the RC is a condition of employment, if less than one-half of the contract term for which a bonus is payable has been served (persons on temporary assignment excluded);

C. Separates from the IRR or ING as an enlisted member (including enlistment or voluntary recall into the active component) other than by death or to accept an appointment as an officer in the IRR or ING;

D. Accepts an immediate appointment as an officer in the IRR or ING, if less than 1 year of the term has been served; or

E. Moves to a non-bonus-eligible MOS, unless at the express direction of the Military Service concerned (through no fault of the member).
610702. Computation

Recoupment will be the amount of bonus received multiplied by the quotient produced by dividing the number of whole months remaining unserved by the number of months in the term of the bonus. The product is the amount recouped.

Example: An individual reenlists in the IRR for 3 years and receives the maximum bonus of $1,500. Five months later, the individual is disqualified from entitlement to the bonus:

<table>
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<th>Amount of bonus received</th>
<th>$1,500</th>
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<td>Multiplied by: Number of whole months remaining divided by term of bonus: 31/36 = .8611 x .8611</td>
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<tr>
<td>Amount to be recouped</td>
<td>$1,291.65</td>
</tr>
</tbody>
</table>

610703. Repayment

A person, who does not complete the period of enlistment or extension of enlistment for which the bonus was paid, will be subject to the repayment provisions of Chapter 2.
*BIBLIOGRAPHY

CHAPTER 61 – BONUS PROGRAM FOR THE INDIVIDUAL READY RESERVE (IRR) AND INACTIVE NATIONAL GUARD (ING)

6102 – DURATION OF AUTHORITY

Title 37, United States Code (U.S.C.), section 308h(e)
* Public Law 114-328, section 611(5), December 23, 2016

6103 – ELIGIBILITY

610301.A, B, & C  37 U.S.C § 308h(a)(2)
610301.D & E  Department of Defense Instruction (DoDI) 1205.21, September 20, 1999
610306  37 U.S.C. § 308h(a)(4)
Secretary of Defense (SecDef) Memo, February 17, 2010
SecDef Memo, July 21, 2010
SecDef Memo, October 16, 2015

6104 – AMOUNTS PAYABLE

37 U.S.C. § 308h(b)

6105 – OBLIGATION

DoDI 1205.21, September 20, 1999

6106 – TERMINATION OF BONUS ENTITLEMENT

DoDI 1205.21, September 20, 1999

6107 – RECOUPLMENT OF PAYMENTS

DoDI 1205.21, September 20, 1999
37 U.S.C. § 308h(c)
Under Secretary of Defense Personnel and Readiness (USD (P&R)) Memo, May 21, 2008
USD (P&R) Memo, February 6, 2009
VOLUME 7A, CHAPTER 62: “HEALTH PROFESSIONS STIPEND PROGRAM FOR SELECTED RESERVE SERVICE”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

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<td>620201</td>
<td>Increased the stipend amount to $2,276.10, effective July 1, 2017, in accordance with the Assistant Secretary of Defense Health Affairs Memo dated May 8, 2017.</td>
<td>Revision</td>
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CHAPTER 62

HEALTH PROFESSIONS STIPEND PROGRAM FOR SELECTED RESERVE SERVICE

6201 GENERAL

620101. Purpose

The chapter establishes policy guidance pertaining to the Health Professions Stipend Program for Selected Reserve service.

620102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

6202 PAY COMPUTATION

*620201. Stipend

When a participant has agreed to serve in the Selected Reserve, the amount of a stipend effective July 1, 2017 shall be $2,276.10 per month, or one-half of that rate if the participant has agreed to serve in the Individual Ready Reserve.

A. Payment. The stipend is payable during specialized advanced training, during vacation periods, and during periods when officers are participating in annual training with the Selected Reserve. The stipend is prorated for portions of a month at the beginning and end of the course of specialized advanced training.

B. Termination. When an officer’s eligibility for the stipend program is terminated, the officer no longer is entitled to receive a stipend. The effective date of termination is set by program administrators and communicated to the paying activity. Termination is based on criteria set by the Department of Defense (DoD).

C. Recoupment. A member of the program who, under regulations prescribed by the Secretary of Defense, is dropped from the program for deficiency in training, or for other reasons, shall be required:

1. To perform 1 year of active duty for each year (or part thereof) for which such person was provided financial assistance under this section; or

2. To comply with the repayment provisions of Title 37 United States Code (U.S.C.), section 303a(e) and Chapter 2.

NOTE: The Secretary of the Military Department concerned may relieve a member who is dropped from the program from any requirement that may be imposed under subparagraph
620201.C, but such relief shall not relieve the member from any military obligation imposed by any other law.

D. Prohibition of Duplicate Benefits. Financial assistance may be provided under this section to a member receiving financial assistance under 10 U.S.C. § 2107.

620202. Servicemembers’ Group Life Insurance

For coverage, see Chapter 47, section 4702. For deductions during active duty periods, see Chapter 47, section 4705.

620203. Tax Withholding

A. Active duty pay paid under this program is subject to Federal Income Tax Withholding (FITW) and Federal Insurance Contribution Act (FICA) withholding in the same manner as prescribed in Chapters 44 and 45.

B. Monthly stipends paid to students entering the program are subject to FITW.

C. Monthly stipends are not subject to FICA withholding.

620204. Settlement of Deceased Members’ Accounts

See Chapter 36, section 3603 for authority for payment of any unpaid pay and allowances (includes the amount of unpaid stipend).

6203 REQUIRED ACTIVE DUTY TRAINING

620301. Selected Reserve

A person who is required under the agreements described in sections 6204 through 6208 to serve in the Selected Reserve shall serve not less than 12 days of active duty for training each year during the period of service required by the agreement.

620302. Nonavailability

Members of the Ready Reserve, who incur a period of authorized nonavailability, shall be suspended without recoupment from their incentive. If subsequently assigned to the Reserve status and skill originally contracted for, then members may be reinstated in the incentive program if they extend their term of service or contract for service to be able to serve the full original incentive contract period. Entitlement to subsequent payments shall resume on the adjusted anniversary date of satisfactory and creditable Reserve service, as appropriate. These members are assigned temporarily to the Standby Reserve or to the Inactive National Guard, as appropriate, during the period of authorized nonavailability and are required to extend their Selected Reserve service agreement for a period that equals the period of authorized nonavailability.
A. Members of the Selected Reserve may incur a period of authorized nonavailability for up to 1 year for valid personal reasons as determined by the Secretary of the Military Department concerned.

B. During the period of nonavailability, a member is suspended without concurrent recoupment. A member shall not be entitled to subsequent payments or any other available incentives.

C. An officer is entitled to stipend payments when the anniversary date of satisfactory and creditable Ready Reserve service is adjusted for the period of authorized nonavailability.

6204 MEDICAL AND DENTAL SCHOOL STUDENTS

620401. Eligibility

The Secretary of the Military Department concerned may enter into an agreement with a person who:

A. Is eligible to be appointed as an officer in a Reserve Component (RC);

B. Is enrolled or has been accepted for enrollment in an institution in a course of study that results in a degree in medicine or dentistry;

C. Signs an agreement that, unless earlier separated, the person will:
   1. Complete the educational phase of the program;
   2. Accept a re-appointment or re-designation within the person’s RC, if tendered, based upon the person’s health profession, following satisfactory completion of the educational and intern programs; and
   3. Participate in a residency program; and

D. Agrees to apply for (if eligible) and accept (if offered), residency training in a health profession skill, which has been designated by the Secretary of Defense as a critically needed wartime skill.

620402. Agreement

A. The Secretary of the Military Department concerned shall agree to pay the participant a stipend, in the amount contained in paragraph 620201, for the period or the remainder of the period that the student is satisfactorily progressing toward a degree in medicine or dentistry while enrolled in an accredited medical or dental school.
B. The participant shall not be eligible to receive such stipend before appointment, designation, or assignment as an officer for service in the Ready Reserve.

C. The participant shall be subject to such active duty requirements as may be specified in the agreement and to active duty in time of war or national emergency as provided by law for members of the Ready Reserve.

D. The participant shall agree to serve in the Selected Reserve, upon successful completion of the program, for the period of 1 year for each 6 months, or part thereof, for which the participant is provided a stipend pursuant to the agreement.

NOTE: In the case of a participant who enters into a subsequent agreement under section 6205 and successfully completes residency training in a specialty designated by the Secretary of Defense as a specialty critically needed by the Military Department in wartime, the requirement to serve in the Selected Reserve may be reduced to 1 year for each year, or part thereof, for which the stipend was provided while enrolled in medical or dental school.

6205 PHYSICIANS AND DENTISTS IN CRITICAL WARTIME SPECIALTIES

620501. Eligibility

Under the stipend program, the Secretary of the Military Department concerned may enter into an agreement with a person who:

A. Is a graduate of a medical school or dental school; and

B. Is eligible for appointment, designation, or assignment as a medical officer or dental officer in the RC of the Armed Force concerned or has been appointed as a medical or dental officer in the RC of the Armed Force concerned; or

C. Is enrolled or has been accepted for enrollment in a residency program for physicians or dentists in a medical or dental specialty designated by the Secretary of the Military Department concerned as a specialty critically needed by that Military Department in wartime.

620502. Agreement

A. The Secretary of the Military Department concerned shall agree to pay the participant a stipend, in the amount contained in paragraph 620201, for the period or the remainder of the period of the residency program in which the participant enrolls or is enrolled.

B. The participant shall not be eligible to receive such stipend before appointment, designation, or assignment as a medical officer or dental officer for service in the Ready Reserve.
C. The participant shall be subject to such active duty requirements as may be specified in the agreement and to active duty in time of war or national emergency as provided by law for members of the Ready Reserve.

D. The participant shall agree to serve, upon successful completion of the program, 1 year in the Selected Reserve for each 6 months, or part thereof, for which the stipend is provided.

6206 REGISTERED NURSES IN CRITICAL SPECIALTIES

620601. Eligibility

Under the stipend program, the Secretary of the Military Department concerned may enter into an agreement with a person who:

A. Is a registered nurse;

B. Is eligible for appointment as a Reserve Officer for service in an RC as a nurse; and

C. Is enrolled or has been accepted for enrollment in an accredited program in nursing in a specialty designated by the Secretary of the Military Department concerned as a specialty critically needed by that Military Department in wartime.

620602. Agreement

A. The Secretary of the Military Department concerned shall agree to pay the participant a stipend, in the amount contained in paragraph 620201, for the period or the remainder of the period of the nursing program in which the participant enrolls or is enrolled.

B. The participant shall not be eligible to receive such stipend before being appointed as a Reserve Officer for service in the Ready Reserve as a nurse.

C. The participant shall be subject to such active duty requirements as may be specified in the agreement and to active duty in time of war or national emergency as provided by law for members of the Ready Reserve.

D. The participant shall agree to serve, upon successful completion of the program, 1 year in the Selected Reserve for each 6 months, or part thereof, for which the stipend is provided.
6207  BACCALAUREATE STUDENTS IN NURSING OR OTHER HEALTH PROFESSIONS

620701. Eligibility

Under the stipend program, the Secretary of the Military Department concerned may enter into an agreement with a person who:

A. Will, upon completion of the program, be eligible to be appointed, designated, or assigned as a Reserve officer for duty as a nurse or other health professional; and

B. Is enrolled, or has been accepted for enrollment, in the third or fourth year of:

1. An accredited baccalaureate nursing program; or

2. Any other accredited baccalaureate program leading to a degree in a health profession designated by the Secretary of the Military Department concerned as a profession critically needed by that Military Department in wartime.

620702. Agreement

A. The Secretary of the Military Department concerned shall agree to pay the participant a monthly stipend in the amount contained in paragraph 620201 for the period or the remainder of the period of the baccalaureate program in which the participant enrolls or is enrolled.

B. The participant shall not be eligible to receive such stipend before enlistment in the Ready Reserve.

C. The participant shall be subject to such active duty requirements as may be specified in the agreement and to active duty in time of war or national emergency as provided by law for members of the Ready Reserve.

D. The participant shall agree to serve, upon graduation from the baccalaureate program, 1 year in the Selected Reserve for each year, or part thereof, for which the stipend is paid.

6208  MENTAL HEALTH PROFESSIONALS IN CRITICAL WARTIME SPECIALTIES

620801. Eligibility

Under the stipend program, the Secretary of the Military Department concerned may enter into an agreement with a person who:

A. Is eligible to be appointed as an officer in an RC;

B. Is enrolled or has been accepted for enrollment in an institution in a course of study that results in a degree in clinical psychology or social work;
C. Signs an agreement that, unless earlier separated, the person will:

   1. Complete the educational phase of the program;

   2. Accept a re-appointment or re-designation within the person’s RC, if tendered, based upon the person’s health profession, following satisfactory completion of the educational and intern programs; and

   3. Participate in a residency program if required for clinical licensure in a mental health profession skill; and

D. If required by regulations prescribed by the Secretary of Defense, agrees to apply for, if eligible, and accept, if offered, residency training in a mental health profession skill that has been designated by the Secretary of the Military Department concerned as a critically needed wartime skill.

620802. Agreement

A. The Secretary of the Military Department concerned shall agree to pay the participant a stipend, in the amount contained in paragraph 620201, for the period or the remainder of the period that the student is satisfactorily progressing toward a degree in clinical psychology or social work while enrolled in a school accredited in the designated mental health discipline.

B. The participant shall not be eligible to receive such stipend before appointment, designation, or assignment as an officer for service in the Selected Reserve.

C. The participant shall be subject to such active duty requirements as may be specified in the agreement and to active duty in time of war or national emergency as provided by law for members of the Selected Reserve.

D. The participant shall agree to serve, upon successful completion of the program, 1 year in the Selected Reserve for each 6 months, or part thereof, for which the stipend is provided.
CHAPTER 62: HEALTH PROFESSIONS STIPEND PROGRAM FOR SELECTED RESERVE SERVICE

6202 – PAY COMPUTATION

10 U.S.C. § 16201(g)
10 U.S.C. § 16203
10 U.S.C. § 2121(d)

* Assistant Secretary of Defense Health Affairs Memo, May 8, 2017

620203 26 U.S.C. § 117
620204 10 U.S.C. § 2771
37 U.S.C. § 501(d)

6203 – REQUIRED ACTIVE DUTY TRAINING

620301 10 U.S.C. § 16202
620302 DoD Instruction 1205.21, September 20, 1999

6204 – MEDICAL AND DENTAL SCHOOL STUDENTS

10 U.S.C. § 16201(b)

6205 – PHYSICIANS AND DENTISTS IN CRITICAL WARTIME SPECIALTIES

10 U.S.C. § 16201(c)

6206 – REGISTERED NURSES IN CRITICAL SPECIALTIES

10 U.S.C. § 16201(d)

6207 – BACCALAUREATE STUDENTS IN NURSING OR OTHER HEALTH PROFESSIONS

10 U.S.C. § 16201(e)

6208 – MENTAL HEALTH PROFESSIONALS IN CRITICAL WARTIME SPECIALTIES

10 U.S.C. § 16201(f)
VOLUME 7A, CHAPTER 63: “ACCESSION AND CONTINUATION BONUSES FOR NURSE OFFICER CANDIDATES”

SUMMARY OF MAJOR CHANGES

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<td>630401</td>
<td>Updated the agreement cutoff date to December 31, 2017.</td>
<td>Revision</td>
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<tr>
<td>630402</td>
<td>Updated the monthly stipend amount not to exceed $2,276.10 effective July 1, 2017.</td>
<td>Addition</td>
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CHAPTER 63

ACCESSION AND CONTINUATION BONUSES FOR NURSE OFFICER CANDIDATES

6301 GENERAL

630101. Purpose

The Secretary of the Military Department concerned is authorized to provide financial assistance to full-time students enrolled in an accredited baccalaureate degree program in nursing to assist in the completion of degree requirements and acceptance of an appointment as a nurse officer. For the purpose of this chapter, “continuation bonus” and “monthly stipend” are synonymous.

630102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

6302 ELIGIBLE STUDENTS

The Accession and Continuation Bonuses are authorized for nursing students who execute an agreement under each of the following conditions:

630201. Senior Reserve Officers Training Corps (SROTC)

The student is enrolled full-time in an accredited nursing baccalaureate degree program at a civilian educational institution that either does not have an SROTC program established by the Secretary of the Military Department concerned who is selecting the student or has an SROTC for which the student is ineligible.

630202. Baccalaureate Degree Program

The student has completed the second year of an accredited baccalaureate degree program in nursing and has more than 6 months of academic work remaining before graduation.

630203. Officer Appointment

The student meets the qualifications for appointment as an officer of a Reserve Component (RC) of the Army, Navy, or Air Force as set forth in Title 10, United States Code (U.S.C.), section 12201 and the regulations of the Military Department concerned.

6303 AGREEMENT

The student described in section 6302 will execute a written agreement in which the student agrees to the following four provisions:
630301. Degree Completion

The student will complete the nursing degree program described in paragraphs 630201 and 630202.

630302. Reserve Enlistment

The student will, upon acceptance of the agreement by the Secretary of the Military Department concerned, enlist in an RC of the Armed Forces.

630303. Officer Appointment

The student will accept an appointment as an officer in the Nurse Corps of the Army or the Navy or as an officer designated as a nurse officer in the Air Force, upon graduation from the nursing degree program.

630304. Active Duty Obligation

The member will serve on active duty as an officer described in paragraph 630303 as follows:

A. For a period of 4 years in the case of a person whose agreement was accepted by the Secretary of the Military Department concerned during that person’s fourth year of the nursing degree program; or

B. For a period of 5 years in the case of a person whose agreement was accepted by the Secretary of the Military Department concerned during that person’s third year of the nursing degree program.

6304 AMOUNTS PAYABLE

*630401. Accession Bonus (AB)

The Secretary of the Military Department concerned may, upon acceptance of a written agreement, pay an AB to an eligible person in an amount not to exceed $20,000. The AB will be paid in periodic installments, as determined by the Secretary of the Military Department concerned at the time the agreement is accepted, except that the first installment may not exceed $10,000. Unless authorized by the Congress, no agreement may be entered into after December 31, 2017.

*630402. Monthly Stipend

In addition to the AB, a person selected into the program shall be entitled to a monthly stipend in an amount not to exceed $2,276.10 (effective July 1, 2017, for the Fiscal Year 2017-2018 school year). The stipend is payable for each month the individual is enrolled as a full-time student in an accredited baccalaureate degree program in nursing at a civilian educational institution approved by the Secretary of the Military Department concerned who selected the
individual. The continuation bonus may be paid for not more than 24 months.

NOTE: Accession and continuation bonuses are subject to Federal income tax withholding but not subject to Federal Insurance Contributions Act.

6305 REPAYMENT

A person will be subject to the repayment provisions of Chapter 2, section 0203, under any of the following conditions:

630501. Withdraws From Program

The student does not complete a nursing degree program in which the student is enrolled in accordance with section 6303.

630502. Commissioning

Having completed a nursing degree program, the student does not become an officer in the Nurse Corps of the Army or the Navy or an officer designated as a nurse officer of the Air Force.

630503. Fails to Complete Service Obligation

The member does not complete the period of obligated active service required under the agreement.
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**CHAPTER 63 – ACCESSION AND CONTINUATION BONUSES FOR NURSE OFFICER CANDIDATES**

6302 – ELIGIBLE STUDENTS

| 630203 | 10 U.S.C. § 2130a |
| 630203 | 10 U.S.C. § 12201 |

6303 – AGREEMENT

| 630303 | 10 U.S.C. § 2130a(c) |

6304 – AMOUNTS PAYABLE

| 630401 | 10 U.S.C. § 2130a(a)(1) |
| 630401 | Public Law 114-328, section 612(a)(1), December 23, 2016 |
| 630402 | 10 U.S.C. § 2130a(a)(2) |
| 630402 | 10 U.S.C. § 2121(d) |
| 630402 | Assistant Secretary of Defense Health Affairs Memo, May 8, 2017 |

6305 – REPAYMENT

| 630505 | 10 U.S.C. § 2130a(d) |
| 630505 | 37 U.S.C. § 303a(e) |
VOLUME 7A, CHAPTER 65: “HIGH-DEPLOYMENT ALLOWANCE”

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CHAPTER 65

HIGH-DEPLOYMENT ALLOWANCE

6501 GENERAL

*650101. Purpose

A high-deployment allowance may be paid to members who perform lengthy or numerous deployments or frequent mobilizations. However, in a memorandum dated October 8, 2001, the Deputy Secretary of Defense indefinitely suspended the accumulation of deployment days for purposes of determining eligibility for high-deployment allowance due to national security issues.

*650102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

6502 ENTITLEMENT CRITERIA

650201. General

The Secretary of the Military Department concerned may pay a high-deployment allowance to a member for each month during which the member is:

A. Deployed and at any time during that month:

1. Has been deployed for 191 or more consecutive days, or

2. Has been deployed 401 or more days out of the preceding 730 days.

B. A Reserve member who is on active duty:

1. Under a call or order to active duty for a period of more than 30 days that is the second (or later) such call or order to active duty for that member in support of the same contingency operation, or

2. For a period of more than 30 days under a provision of law referred to in Title 10, United States Code (U.S.C.), section 101(a)(13)(B), if such period begins within one year after the date on which the member was released from previous service on active duty for a period of more than 30 days under a call or order issued under such provision of law.
650202. Payment

A. A member may be paid a monthly rate as determined by the Secretary of the Military Department concerned, not to exceed $1,000 per month.

B. Generally, the high-deployment allowance is taxable income. If the high-deployment allowance is earned while the member is serving within a combat zone, then the allowance is eligible for the Combat Zone Tax Exclusion (CZTE). For more information on CZTE, refer to Chapter 44.

650203. Deployment

There are five categories of deployments that must be tracked and counted towards the established management and pay thresholds. See Figure 65-1 for categories of Personnel Tempo (PERSTEMPO) events.

A. Operations. Operations is a military action or the carrying out of a strategic, tactical, service, training, or administrative military mission; providing support to domestic civil, humanitarian, or counter-drug military mission; and the process of carrying on combat, including movement, supply, attack, defense, and maneuvers needed to gain the objectives of any battle or campaign. Operations are generally named by the Joint Staff.

B. Exercise. An exercise is a named military maneuver or simulated wartime operation involving planning, preparation, and execution. It is carried out for the purpose of training or evaluation. It may be a combined, joint, or single-Service exercise, depending on participating organizations.

C. Unit Training. Unit training consists of all or part of a unit accomplishing a training objective at a location other than the permanent duty location. Unit training includes exercises that have not received an official designation.

D. Home Station Training/Local Operating Area of a Ship or Vessel. Home station training/local operating area of a ship or vessel training is conducted within the limits of an installation/base/local operating area of a ship or vessel. The area must have been predetermined and documented by appropriate authorities.

E. Mission Support Temporary Duty (TDY). Mission support TDY consists of duties that include meetings, conferences, staff visits, staff augmentation, and medical appointments.

650204. Nondeployment

For the purpose of this chapter, a member is not deployed or in a deployment when the member is:

A. A student or trainee at a school (including any government school);
B. Performing administrative, guard, or detail duties in garrison at the member’s permanent duty station; or

C. Unavailable because of:

1. Hospitalization of the member at the member’s permanent duty station or homeport or in the immediate vicinity of the member’s permanent residence; or

2. Disciplinary action taken against the member.

650205. Exceptions to Deployment Time

A. Suspension. Pursuant to 10 U.S.C. § 991(d), the Secretary of the Military Department concerned may suspend the management of the PERSTEMPO program when such a suspension is in the “national security interests.”

B. Day Away. A day away begins on one day and ends on another day. A day away does not require a full 24 hours to be considered a PERSTEMPO day, and the day of return will not count as a day away. For example, if a member departs on Monday afternoon and returns on Tuesday morning, only Monday counts as a PERSTEMPO day.

C. Leave While Deployed. Leave in conjunction with a deployment will not count as deployed time away from home. Exceptions to this may be granted at the discretion of the Secretary of the Military Department concerned for those circumstances under which personnel are required to take chargeable leave in order to be exempted from duty requirements or watch standing requirements. In general, leave that would extend the actual or projected deployed time away from home will not be counted as deployed time.

D. Hospitalization When Deployed. When a member is deployed and requires hospitalization away from the permanent duty station, the member is still considered deployed. If a member is deployed and requires hospitalization at the permanent duty station, then the member is no longer considered deployed. If a line of duty investigation determines injuries are due to member’s misconduct, then deployment days do not accrue in the hospital.
### Figure 65-1. PERSTEMPO Events

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**Note:**

Reporting of these data elements has been suspended due to current limitations of Service personnel data systems.
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CHAPTER 65 – HIGH-DEPLOYMENT ALLOWANCE

6501 – GENERAL

Deputy Secretary of Defense Memo, October 8, 2001

6502 – ENTITLEMENT CRITERIA

10 U.S.C. § 991
37 U.S.C. § 436
VOLUME 7A, CHAPTER 66: “CAREER STATUS BONUS (CSB)/CONTINUATION PAY (CP)”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated February 2015 is archived.

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<td>Formatted chapter to comply with current administrative instructions.</td>
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CHAPTER 66

*CAREER STATUS BONUS (CSB)/CONTINUATION PAY (CP)*

6601 GENERAL

*660101. Purpose*

The purpose of this chapter is to provide policy pertaining to Career Status Bonus (CSB) as well as the Continuation Pay (CP) bonus, payable only to members who are in the Blended Retirement System (BRS).

*660102. Authoritative Guidance*

The bibliography at the end of this chapter lists the authoritative references.

*6602 CSB ENTITLEMENT*

*660201. General*

The Military Retirement Reform Act of 1986, (henceforth referred to as REDUX), covered Uniformed Service members who first became a member beginning on or after August 1, 1986 and before January 1, 2018. These members could elect, upon completion of 15 years of Active Duty (AD) in the Uniformed Services, to either retire under the High-3 retirement system or receive a $30,000 CSB and remain under the REDUX retired pay system. For details on the REDUX retirement plan, see Title 10, United States Code (U.S.C.), section 1409.

*Note: After December 31, 2017, CSB could not be elected. See section 6605 for discontinuance of the CSB.*

*660202. Eligibility*

To be eligible for the opportunity to elect the CSB/REDUX, when the member completes 15 years of AD service, the member must simultaneously meet all the criteria for eligibility. A member who does not meet all criteria, but subsequently does, may not be given the opportunity to make a CSB/REDUX election, unless otherwise stated or approved by the Secretary of the Military Department concerned. A Uniformed Service member is eligible to make a CSB/REDUX Retirement election only when that member:

A. Is serving on AD, and

B. First became a Uniformed Service member on or after August 1, 1986 (has a Date of Initial Entry to Military/Uniformed Service (DIEMS)/Date Initial Entry Uniformed Service (DIEUS) of August 1, 1986 or later), and

C. Has completed 15 years of AD in the Uniformed Service, and
D. Is otherwise eligible, as determined by the Secretary of the Military Department concerned, to serve continuously on AD until the completion of 20 years of AD service.

660203. CSB/REDUX Eligibility Notification

The Secretary of the Military Department concerned was required to notify all members with a DIEMS/DIEUS between August 1, 1986 and December 31, 2002, whether they were eligible to make a CSB/REDUX election. Notification letters were to be sent on or shortly before the date individuals completed 14 years and 6 months of AD. If a member was not eligible for the CSB/REDUX election, then the notification was to explain why, and inform the member whether, there was an opportunity to make an election in the future under exceptions established in guidance promulgated by the Secretary of the Military Department concerned if the member’s impediment to eligibility was subsequently eliminated. The Secretary of the Military Department concerned promptly notified members who subsequently became eligible to make a CSB election. Effective July 1, 2017, letters notifying members serving on AD of their eligibility to make a CSB election were discontinued. See section 6605.

660204. CSB/REDUX Election

To make a CSB/REDUX election, a member was required to submit a Department of Defense (DD) Form 2839, Career Status Bonus (CSB) Election Form or Service equivalent form, and any other Service required forms as directed in the eligibility notification no later than the date the member attained 15 years of active military service or 6 months after the eligibility notification was sent, whichever was later. After December 31, 2017, CSB could not be elected.

6603 CSB PAYMENT

660301. Payments

Eligible members may elect to receive the CSB under one of the following options:

A. One payment of $30,000;
B. Two annual installments of $15,000 each;
C. Three annual installments of $10,000 each;
D. Four annual installments of $7,500 each; or
E. Five annual installments of $6,000 each.
660302. Timing of Payment

A. Initial Payment. The initial CSB payment must be paid not earlier than the date the member attains 15 years of active service and not later than the end of the first month that begins on or after the date that is 60 days after the date the election is effective.

Example: A member who will attain 15 years of AD service on October 10, 2002, should be sent the CSB/REDUX notification no later than April 10, 2002. The member may complete the necessary forms and return them as directed by the Service concerned, but the election is not effective until October 10, 2002. The Secretary concerned will pay the member the initial payment no earlier than October 10, 2002, and no later than January 31, 2003. The latter date is determined as follows: the date that is 60 days after the effective date of the election is December 9, 2002 so the first month that begins on or after that date is January 2003 – the member must be paid no later than the end of January 2003.

B. Second and Subsequent Payments. Subsequent annual installments will be paid on or about January 15th of each year following the calendar year of the initial payment. All CSB payments qualify for deposit to the Uniformed Services Thrift Savings Plan (TSP). For more information regarding TSP, see Chapter 51.

660303. Tax Consideration

The CSB, if taxable, is income as of the date on which the payment is made to the member. The CSB/REDUX is considered tax exempt if the effective date of the election falls within the month in which the member is entitled to combat zone tax exclusion. See Chapter 44, paragraph 440203, for more information.

6604 CSB RECOUPMENT

660401. Recoupment Computation

A CSB recipient who fails to serve continuously on AD until the completion of 20 years of AD must repay a comparable portion of the CSB received. This amount is calculated by multiplying $30,000 by a factor that is determined by dividing the uncompleted period of AD by the total period of continuous AD required as a result of the CSB/REDUX election. In making the calculation, months and days must be expressed as decimal fractions of a year (to the nearest .00000001). Each month is 1/12th of a year, and each day is 1/360th of a year, rounded to the eighth decimal place. (See Figure 66-1 for computation decimals.) See Examples 1 and 2. Use this same formula to compute the installment repayment amount, except use the completed (vice the uncompleted) time served to determine the bonus amount earned, and deduct the figure from the installment totals to determine the overpayment (See Example 3).

Example 1: A member’s CSB/REDUX election is effective upon attaining 15 years of active service on October 10, 2001. The member is obligated to serve through October 10, 2006 (5 full years). If the member’s last day of AD is
December 31, 2002, then the member will have failed to complete 3 years, 9 months and 10 days of required service. The member's repayment is computed as follows:

The period of agreed additional service is: 5 full years.

The service not completed is: 3 years, 9 months, and 10 days, or 3 + .75 + .02777778 = 3.77777778 years.

The required repayment is:

\[
\frac{3.77777778}{5} \times 30,000 = 0.75555556 \times 30,000 = 22,666.67.
\]

**Example 2:** A member not initially notified of eligibility for a CSB, was later notified and made a CSB/REDUX election that was effective upon attainment of 16 years, 6 months, and 23 days of service. The member thus agreed to complete an additional 3 years, 5 months, and 7 days of service, but later separated, failing to complete 2 years, 3 months, and 11 days of that time. This member's repayment is computed as follows:

The period of agreed additional service is:
3 + .41666667 + .01944444 = 3.43611111 years.

And the service not completed is:
2 + .25 + .03055556 = 2.28055556 years.

The required repayment is:

\[
\frac{2.28055556}{3.43611111} \times 30,000 = 0.66370251 \times 30,000 = 19,911.08.
\]

**Example 3:** A member’s CSB/REDUX election is effective after attaining 15 years of active service on October 10, 2002 and the member received the first installment of $15,000. The member is obligated to serve through October 9, 2007 (5 full years). The member’s last day on AD is December 31, 2003, after completing only 1 year, 2 months and 20 days of required service. The member’s repayment is computed as follows:

The period of agreed additional service is: 5 full years.

The service completed is:
1 year, 2 months, and 20 days, or 1 + .16666667 + .05555556 = 1.22222223 years.

The amount earned is: \((1.22222223/5) \times 30,000 = .24444444 \times 30,000 = 7,333.33\).

The required repayment is: $15,000 less $7,333.33 = $7,666.67.
660402. Waiver of CSB Recoupment

The Secretary of the Military Department concerned may waive, in whole or in part, the required CSB refund if the Secretary determines that recovery would be against equity and good conscience or contrary to the best interests of the United States.

A. The Secretary of the Military Department concerned will waive the required refund if the member:

1. Dies;

2. Is separated or retired as a result of a physical disability under 10 U.S.C., Chapter 61; or

3. Is separated under a Service offer for early retirement such as Temporary Early Retirement Authority (commonly referred to as TERA) or other separation program.

B. The Secretary of the Military Department concerned will not waive repayment if the member's separation is due to misconduct or if a waiver of repayment would be inconsistent with other prescribed law, regulation, or policy.

*6605 DISCONTINUATION OF CSB

660501. General


660502. Limitations

An agreement to elect a reduced retirement multiplier in exchange for a CSB made on or prior to December 31, 2017, will remain in effect. Any payments pursuant to a CSB agreement entered into on or before December 31, 2017, may continue to be made on or after January 1, 2018. December 31, 2002 is the last date a member could have the qualifying DIE MS date and achieve 15 years of active military service required for CSB eligibility and be able to enter into an agreement for CSB.

*6606 CP

660601. General

Public Law 114-92, as amended by P.L.114-328 (section 633), established CP as a bonus payable on or after January 1, 2018. CP is a one-time, mid-career bonus payment for members of the Uniformed Services covered by the BRS, in exchange for an agreement to perform additional
obligated service. CP is only payable to members in the BRS. A CP payment is in addition to any other career field-specific incentives or retention bonuses.

Note: The Deputy Secretary of Defense (DepSecDef) memo, January 27, 2017; the DoD Financial Management Regulation 7000.14-R, Volume 7B; and Service regulations provide comprehensive policy and guidance regarding retirement under the BRS.

660602. Eligibility

A. The following Active Component members are eligible to receive CP. Any Active Component (AC) member who:

1. Is covered under the BRS;
2. Has completed not less than 8 and not more than 12 years of service (YOS), as computed from the member’s Pay Entry Base Date (PEBD); and
3. Is eligible to enter into an agreement to serve not less than an additional 3 years in the AC.

B. The following Reserve Component (RC) members are eligible to receive CP. Any RC member who:

1. Is covered under the BRS;
2. Has completed not less than 8 and not more than 12 YOS as computed from the member’s PEBD;
3. Is a member of the Selected Reserve (SELRES), or otherwise a member of the Ready Reserve in a status in which the member is eligible to receive basic pay or inactive duty pay;
4. Is eligible in accordance with criteria published by the Secretary of the Department concerned; and
5. Is eligible to enter into an agreement to serve not less than an additional 3 years in the SELRES.

660603. CP Amount

The Secretary concerned determines the CP amount, the timing of when CP is offered, and the duration of the associated additional obligated service. The amount of CP payable depends on whether a member is AC or RC.

A. For an AC member, CP will be not less than 2.5 times and not more than 13 times the monthly basic pay of an AC member based on the member’s current paygrade and YOS.
B. For an RC member, CP will be an amount not less than 0.5 times and not more than 6 times the monthly basic pay of a member of the same grade and YOS on AD. An RC member performing active Guard and Reserve service, as defined in 10 U.S.C. § 101(d)(6), will be paid CP at the rate of an AC member subject to agreement to continue serving not less than an additional 3 years in active service as defined in 10 U.S.C. § 101(d)(3).

660604. Obligated Service

A. A Service member who accepts CP and enters into an agreement will serve not less than 3 years of additional service, the length of mandatory service to be determined by the Secretary concerned in the component they were serving in at the time of agreement, commencing upon acceptance by the Secretary concerned of the agreement to continue serving.

B. The obligated service will run concurrently with any other service obligations, unless other service obligations incurred specifically preclude concurrent obligations.

C. RC members will perform obligated service in the SELRES, subject to the conditions and requirements prescribed by the Secretary concerned.

D. RC members performing active Guard and Reserve service, as defined in 10 U.S.C. § 101(d)(6), who receive CP at the rate of an AD member, will perform obligated service on AD unless otherwise prescribed by the Secretary concerned.

660605. Payment

A member who qualifies for CP may elect to receive the payment in a single lump sum or elect a series of equal installment payments, not to exceed four annual payments over 4 consecutive years.

660606. Timing

A. Full TSP Members. In accordance with 37 U.S.C. § 356, the Secretary concerned will pay CP to full TSP members (as defined in 5 U.S.C. § 8440e(a)) who meet the eligibility requirements in paragraph 660602 and who have completed not less than 8 and not more than 12 YOS.

B. CP Multiple. The CP multiple used in calculating is the actual paygrade and YOS of a member on the day CP is authorized. See subparagraphs 660603.A and B for the AC and RC multiples for calculating CP.

C. YOS Rate. For CP payments, the following rates apply:

1. A member with at least 8 YOS but less than 10 YOS will be paid at the rate of over 8 YOS;
2. A member with at least 10 YOS but less than 12 YOS will be paid at the rate of over 10 YOS;

3. A member with exactly 12 YOS but no more than 12 YOS will be paid at the rate of over 12 YOS.

660607. Non-availability

Service members who incur a period of extended absence, subject to the approval of the Secretary concerned, which precludes meeting the terms of obligated service shall have installment payments suspended during this period. If subsequently re-assigned to the member’s previous status, or a new status at the discretion of the Secretary concerned, CP installment payments may resume and the term of service extended accordingly to ensure fulfillment of the original agreement period. The date of completion of the obligated service shall be adjusted for periods of authorized absence. Failure to meet reinstatement criteria will result in termination of the CP and repayment, as appropriate.

660608. Repayment

A. A Service member who received CP but who fails to complete the period of obligated service described in paragraph 660604, or fails to maintain the skills for which an amount greater than the minimum amount specified in paragraph 660603 was paid, is subject to full or partial repayment in accordance with 37 U.S.C. § 373, and the repayment provisions in Chapter 2.

B. A Service member who received CP but is later discovered to be ineligible to enroll or whose enrollment is determined to be erroneous will have their enrollment voided. Such members will be placed under the correct retirement system upon discovery of the error. The Secretary concerned will initiate action to obtain repayment of CP, in accordance with 37 U.S.C. § 373 and Chapter 2.

C. The Secretary concerned may grant an exception to the repayment requirement and requirement to terminate the payment of unpaid amounts of CP if the Secretary concerned determines that the imposition of the repayment and termination requirements with regard to a member of the uniformed services would be contrary to a personnel policy or management objective, would be against equity and good conscience, or would be contrary to the best interests of the United States.

Note: The Secretary of the Military Department concerned will not grant the exception for repayment if the member's separation is due to misconduct or if a waiver of repayment would be inconsistent with other prescribed law, regulation, or policy.
Figure 66-1. Recoupment Computational Factors of Fractional Years

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See next page for 6 months or more.
DoD 7000.14-R
2B

Financial Management Regulation

Volume 7A, Chapter 66
* February 2018

Figure 66-1. Recoupment Computational Factors of Fractional Years (Continued)
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Fractional
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Fractional
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*CHAPTER 66 - CAREER STATUS BONUS (CSB)/CONTINUATION PAY (CP)

6601 - GENERAL

37 U.S.C. § 354
Assistant Secretary of Defense (ASD)
Memo, February 2, 2001

*  P.L. 114-92, section 635, November 25, 2015
*  DepSecDef Memo, January 27, 2017

6602 – CSB ENTITLEMENT

37 U.S.C. § 354

*  P.L. 106-65, section 641, October 5, 1999
ASD Memo, February 2, 2001
P.L. 107-107, section 620, December 28, 2001

6604 – CSB RECOUPEMENT

37 U.S.C. § 354(\(f\))

*  37 U.S.C. § 373
ASD Memo, February 2, 2001

*  660403

*  37 U.S.C. § 354
*  P.L. 114-92, section 631, November 25, 2015
*  DepSecDef Memo, January 27, 2017

6605 – DISCONTINUANCE OF CSB

*  P.L. 114-92, section 631, November 25, 2015
*  37 U.S.C. § 354
*  DepSecDef Memo, January 27, 2017

6606 – CP

*  37 U.S.C. § 356
*  P.L. 114-92, sections 631-635, November 25, 2015
*  P.L. 114-328, section 633, December 28, 2016
*  DepSecDef Memo, January 27, 2017
VOLUME 7A, APPENDIX A: “REIMBURSEMENT OF ADOPTION EXPENSES”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated July 2017 is archived.

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<td>A00502</td>
<td>Inserted guidance on “Secretaries of the Military Departments Responsibilities” and renumbered subsequent paragraphs accordingly.</td>
<td>Addition</td>
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<td>A00602.B</td>
<td>Inserted items for “Unqualified Expenses.”</td>
<td>Addition</td>
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<td>Revision</td>
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APPENDIX A

REIMBURSEMENT OF ADOPTION EXPENSES

A001 GENERAL

A00101. Purpose

The purpose of this appendix is to prescribe the Department of Defense (DoD) policy for the reimbursement of adoption expenses to qualified members, as authorized by law.

A00102. Authoritative Guidance

The bibliography at the end of this appendix lists the authoritative references.

A002 APPLICABILITY AND SCOPE

This appendix applies to the Defense Finance and Accounting Service (DFAS) Cleveland (CL) site, each Military Service personnel activity, and Service members serving on continuous active duty for at least 180 days. This appendix also applies to full-time Active Guard/Reserve members on active duty orders for at least 180 days.

A003 POLICY

The members specified in section A004, whose adoption of a child under 18 years of age has been finalized, may be reimbursed a maximum of $2,000 per child for qualified expenses related to the adoption. In the event of multiple adoptions, the maximum reimbursable amount is $5,000 per calendar year. A benefit may not be paid for any expense paid to or for a member of the Armed Forces under any other adoption benefits program administered by the Federal Government or under any such program administered by a state or local government. The DFAS-CL site is responsible for paying all approved adoption reimbursement claims. DFAS-CL is also responsible for providing primary guidance concerning adoption expense reimbursement procedures. The date the claim is received by DFAS-CL determines the creditable calendar year for determining the maximum reimbursable amount for multiple adoptions.

A004 ELIGIBILITY REQUIREMENTS

A00401. Active Duty Requirements

Service members must serve on continuous active duty for at least 180 days. In addition, members are not entitled to reimbursement expenses if they separate from active duty before the adoption is final. Members are eligible for reimbursement expenses if the adoption is finalized before separation from active duty, the claim form has been signed and certified by the member’s commanding officer, and the claim is submitted to the DFAS-CL site prior to discharge. Members may request a voluntary extension of assignment beyond their normal expiration of term of service to complete the adoption process.
A00402. Period of Eligibility

A. A member described in paragraph A00401, who incurs expenses when adopting a child under 18 years of age, must have the adoption finalized while on active duty to be eligible for reimbursement. Prior to separation from active duty, members must submit an application for reimbursement no later than:

1. 2 years after finalization of the adoption; or
2. 2 years after date that documentation of U.S. citizenship is issued (in the case of a foreign adoption).

B. If deployment responsibilities impact the member’s ability to comply with the 2-year deadline, DFAS can make exceptions. In these cases, the verifying official who signs the DoD (DD) Form 2675, Reimbursement Request for Adoption Expenses, will submit a letter stating that the member’s deployment impacted the member’s ability to comply with the 2-year deadline.

A00403. Eligible Members

Adoption expense reimbursements may be paid to married or single members. If both parents are military members (including members of the Coast Guard when operating as a Military Service in the Navy), then only one member may be reimbursed for expenses related to the adoption of the same child.

A00404. Qualifying Adoptions

A. Adoption expenses that may be reimbursed include:

1. Adoption of a child under the age of 18;
2. Adoption by a single person;
3. Infant adoption;
4. Inter-country adoption;
5. Adoption of a child with special needs; and
6. Adoption of stepchildren.

B. Adoptions qualify for reimbursement only if the adoption is arranged by:

1. A qualified adoption agency; or
2. Other source authorized to place children for adoption under state or local law.

C. A qualified adoption agency means any of the following:

1. State or local government agency which has responsibility under state or local law for child placement through adoption;

2. A nonprofit, voluntary adoption agency that is authorized by state or local law to place children for adoption; or

3. Any other source authorized by a state to provide adoption placement, if the adoption is supervised by a court under state or local law. (As used in this appendix, “state or local” refers to a state or locality in the United States.)

D. A qualified adoption agency for inter-country adoptions would be a foreign government or an agency authorized by a foreign government to place children for adoption, in any case which:

1. The adopted child is entitled to automatic citizenship in accordance with Title 8, United States Code (U.S.C.), section 1431, also known as the Immigration and Nationality Act; or

2. A certificate of citizenship has been issued for such child under 8 U.S.C. § 1433.

NOTE: In either case, documentation that describes the mission of the foreign agency and the authority delegated from the foreign government should be provided.

A005 RESPONSIBILITIES

A00501. Member Responsibilities

A. A member must submit requests for reimbursement of qualified adoption expenses using a separate DD 2675 for each qualifying adoption. Application assistance is available through Military One Source or installation personnel designated by the Military Service. The completed DD 2675 and substantiating documentation must be submitted no later than:

1. 2 years after finalization of the adoption; or

2. 2 years after date that documentation of U.S. citizenship is issued (in the case of a foreign adoption).

B. A member must manually or digitally sign a thoroughly completed application for reimbursement and have it verified by the member’s commander or designated verifying official.
1. When the DD 2675 is manually signed, the member’s command must submit the application via postal mail, or DoD Enterprise (encrypted) email to:

   Defense Finance and Accounting Service - Cleveland  
   Special Actions Team/JFLADA  
   ATTN: Adoption Reimbursement  
   1240 East Ninth Street  
   Cleveland, OH  44199  

   Email: dfas.cleveland-oh.jfl.mbx.adoption-reimbursement-cle@mail.mil

2. When the completed DD 2675 is digitally signed, either the member’s command or the member must submit a copy of the application via postal mail or DoD Enterprise (encrypted) email (see subparagraph A00501.B.1).

NOTE: The member must retain the original application, including all supporting documents and proof (e.g., postal tracking receipt or email message) that the application was submitted by the 2-year deadline.

C. If neither the member nor the spouse is able to appear personally at the servicing personnel activity, then the completed claim forms may be mailed to the personnel activity. The spouse of a Service member, who is unable to complete a claim package due to military duty, can sign a claim form under a power of attorney. All claims signed by a spouse must include the power of attorney as a part of the claims package.

D. Service members must substantiate all expenses with documentation. Documentation must include receipts marked “PAID” or canceled checks.

1. If the receipts are from a foreign entity, then they should list the U.S. currency equivalency.

2. Reconstruction of expense records is permissible when the original records are unavailable, and the member submits a notarized affidavit stating the costs.

3. The member must submit a full English translation of any foreign language document, to include the translator’s certification that he or she is competent to translate the foreign language into English, and that his or her translation is complete and correct.

4. The member is responsible for providing the appropriate documentation that establishes the adoption is final and that it was arranged by a qualified adoption agency, as defined in paragraph A00404.

5. With respect to documents originating from a state or other authorized adoption agency, copies of those documents must be certified as true copies of the original by the state or adoption agency. If the original document is filed with the court, then the member must submit a copy of the adoption order certified by the clerk of courts.
NOTE: These documents will not be returned to the member.

E. In determining whether an adoption of a child in a foreign country is final, the member must submit a copy of the final court documents, as well as proof of U.S. citizenship for the child. The following documents are acceptable forms of proof of U.S. citizenship:

1. A copy of a U.S. court order that recognizes foreign adoption or documents the “re-adopting” of the child in the United States, granting the child U.S. citizenship;

2. A letter from the U.S. Citizenship and Immigration Services which states the status of the child’s adoption, granting the child U.S. citizenship;

3. A copy of a U.S. passport (page with personal information only); or


F. The member is responsible for maintaining a file for the reimbursement claim. This file should contain copies of all paperwork related to the claim, including the receipts, agency documentation, and court papers associated with the adoption proceedings or court-certified copies until the claim is paid or denied.

G. The member will submit only one reimbursement claim per adoption.

*A00502. Secretaries of the Military Departments Responsibilities

Each Service Secretary will designate personnel as reviewing officials to evaluate and approve submission of payment claims for reimbursement by Service members under the jurisdiction of the Military Department concerned; accept and maintain a copy of claims for reimbursement; and forward the authorization for payment of the adoption reimbursement claim to DFAS for final approval and payment. See subparagraphs A00501.B.1 and 2 for instructions on how the application should be submitted.

A00503. DFAS-CL Responsibilities

The DFAS-CL site is the central site location for review, certification, and payment of adoption expense reimbursement payments. DFAS-CL is the primary source for guidance concerning the adoption expense reimbursement program. DFAS-CL will also maintain data on expenditures on a fiscal year basis. The contact information for DFAS-CL adoption expense reimbursement program is:
A00504. Military Services’ Adoption Expense Reimbursement Funding Responsibilities

The Military Services provide funding authorization to DFAS-CL by memorandum each fiscal year. The DFAS-CL site charges the applicable Military Service provided appropriations according to standard cross-disbursing operating procedures.

A006 ADOPTION REIMBURSEMENT PROCEDURES

A00601. Authorized Reimbursable Expenses

The DFAS-CL site will pay documented, reasonable, and necessary adoption expenses, up to $2,000 per adoptive child. Not more than $5,000 will be paid per calendar year to any member. In the case of two married members (including the Coast Guard when operating as a Military Service in the Navy), only one member may claim expenses for each adopted child and the couple is limited to the $5,000 per calendar year maximum. The calendar year is determined by the date the claim is received by DFAS-CL for payment. Reasonable and necessary expenses include the following:

A. Public and private agency fees, including adoptive fees charged by an agency in a foreign country;
B. Placement fees, including fees charged adoptive parents for counseling;
C. Legal fees, including court costs, for services that are unavailable to a member for the Military Services;
D. Medical expenses, including hospital expenses, of the biological mother of the child to be adopted and of a newborn infant to be adopted; and
E. Temporary foster care charges when payment of such charges is required to be made before the adoptive child’s placement.

*A00602. Unqualified Expenses

The term “reasonable and necessary expenses” does not include:

A. Travel expenses;
B. Items such as clothing, bedding, toys, and books; or

C. Any costs associated with an adoption arranged in violation of Federal, state, or local law.

A00603. Payment Processing Requirements

A. A separate DD 2675 must support each claim.

B. Eligibility for reimbursement is supported by the documentation submitted. If the eligibility for reimbursement cannot be determined from the documents provided or claimed expenses are not properly supported by receipts, then the DFAS-CL site will retain the claim and request the necessary information or documentation.

C. The DFAS-CL site will issue the reimbursement by Electronic Funds Transfer (EFT) to the member’s EFT account as designated on the DD 2675 within 30 days of receipt of a properly prepared and supported claim package. A member without access to an EFT method of payment must submit a request for EFT waiver to receive a check.

D. If the claim is denied, then DFAS-CL will send a letter to the member stating this fact. DFAS-CL will not return documents to the members.

A00604. Appeals

If a member receives a claim denial, they can request reconsideration in writing and add additional explanation or documentation. If, upon reconsideration, the member receives a notice of final action regarding the denial of the claim, the member may appeal to the Defense Office of Hearings and Appeals, in accordance with DoD Instruction (DoDI) 1340.21, Enclosure 7. The request for appeal should include copies of all relevant court documents and statements of the member or other persons in support of the claim and be sent to DFAS at the address listed in subparagraph A00501.B.1.
APPENDIX A – REIMBURSEMENT OF ADOPTION EXPENSES

A003 – POLICY
DoDI 1341.09, July 5, 2016

A004 – ELIGIBILITY REQUIREMENTS
DoDI 1341.09, July 5, 2016

A005 – RESPONSIBILITIES
A00501 DoDI 1341.09, July 5, 2016
* A00502 DoDI 1341.09, July 5, 2016

A006 – ADOPTION REIMBURSEMENT PROCEDURES
A00601 DoDI 1341.09, July 5, 2016
A00602 DoDI 1341.09, July 5, 2016
A00604 DoDI 1340.21, May 12, 2004
VOLUME 7A, APPENDIX B: “DISPOSITION OF FORFEITURES AND FINES AS A RESULT OF COURTS-MARTIAL, NONJUDICIAL PUNISHMENT, AND DESERTION”

SUMMARY OF MAJOR CHANGES

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APPENDIX B

DISPOSITION OF FORFEITURES AND FINES AS A RESULT OF COURTS-MARTIAL, NONJUDICIAL PUNISHMENT, AND DESERTION

B001 GENERAL

B00101. Purpose

This appendix describes the transfer of certain forfeitures and fines as a result of courts-martial, nonjudicial punishment, and desertion to the Armed Forces Retirement Home Trust Fund (AFRHTF).

B00102. Authoritative Guidance

The bibliography at the end of this appendix lists the authoritative references.

B002 SCOPE

This appendix applies to each Defense Finance and Accounting Service (DFAS) Site that maintains a military pay system and to limited-duty officers, regular and Reserve warrant officers, and regular and Reserve enlisted members of the Army, Navy, Air Force, and Marine Corps.

B003 GENERAL POLICY

The Chief Operating Officer (COO) for the Armed Forces Retirement Home (AFRH) determines, on the basis of the financial needs of the AFRH, a percentage of forfeitures and fines adjudged by courts-martial and nonjudicial punishment, and amounts forfeited on account of desertion against limited-duty officers, warrant officers, and enlisted members to be transferred to the AFRHTF. The COO has determined that 100 percent of all forfeitures and fines will be transferred to the AFRHTF. Transfer only those amounts that are in excess of any indebtedness to the United States and amounts owed to individuals. For the purpose of this appendix, the term “indebted” or “debt” refers to amounts due from the member for reimbursement to the United States.

Example: An amount due the Internal Revenue Service pursuant to a tax levy, which may ordinarily be thought of as a “debt” to the United States, is not a “reimbursement” or “debt” for purposes of this appendix. The term “amounts owed to individuals” refers to amounts owed from a member’s pay by direction of a commanding officer, pursuant to Title 10, United States Code (U.S.C.), section 939, or Article 139 of the Uniform Code of Military Justice.
B004 PROCEDURES

B00401. Transfer of Fines

When a limited-duty officer, warrant officer, or enlisted member is sentenced by a court-martial or nonjudicial punishment to pay a fine, the DFAS Site will transfer the amount to the AFRHTF within 30 days from the end of the month in which the fine was collected.

B00402. Transfer of Courts-Martial and Nonjudicial Punishment Forfeitures

When a limited-duty officer, warrant officer, or enlisted member is sentenced to forfeit all or part of his/her pay, the DFAS Site will transfer the amount to the AFRHTF within 30 days from the end of the month in which the forfeiture is collected. Multiple-month forfeitures, or forfeiture amounts which are collected over 2 or more months, will be transferred on a monthly basis to the AFRHTF. Do not wait until the entire amount of the forfeiture has been collected before making such transfers.

Example: A member is sentenced to forfeiture of pay of $500 per month for 2 months, and the effective date of the forfeiture is November 29. The transfer would be $33.33 ($500 divided by 30 days, times 2 days left in the month) no later than December 30; $500 ($500 divided by 30 days times 30 days) no later than January 30; and $466.67 ($500 divided by 30 days times 28 days left uncollected) no later than March 2, into the AFRHTF.

B00403. Transfer of Courts-Martial and Nonjudicial Punishment Forfeitures When Indebted to the Government

When a limited-duty officer, warrant officer, or enlisted member is sentenced to forfeit all or part of his/her pay, and the member is indebted to the Government, the DFAS Site will not transfer any amounts to the AFRHTF until all known debts have been established. Any forfeiture amounts exceeding the uncollected indebtedness will be transferred to the AFRHTF. All amounts collected thereafter, not to exceed the total amount of the forfeiture, will be transferred to the AFRHTF.

Example 1: A member has a forfeiture of $200 per month for 2 months, with outstanding debts totaling $300. Transfer $100 to the AFRHTF only after the first $300 of forfeitures has been collected.

Example 2: If the debt is $500 and forfeiture is $600, then the DFAS Site will transfer the difference of $100 to the AFRHTF.

Example 3: If the debt is $800 and forfeiture is $500, then no amounts will be transferred to the AFRHTF at this time. If subsequent collection recovers $700, then the first $300 ($800 indebtedness minus $500 forfeiture) collected will be credited to the applicable military personnel appropriation, and the next $400 received will be credited to the AFRHTF.
B00404. Indebtedness After Forfeiture Becomes Effective

Debts incurred by a limited-duty officer, warrant officer, or enlisted member after a sentence has been executed, and before credit of the forfeiture to the AFRHTF, do not affect the disposition of the forfeiture. The forfeiture will be credited to the AFRHTF as if the indebtedness did not exist.

B00405. Remission of Indebtedness

If a forfeiture of a limited-duty officer, warrant officer, or enlisted member is not credited to the AFRHTF due to outstanding debts, and the unliquidated portion of the debts is thereafter remitted or canceled, then the DFAS Site will not credit the forfeiture that equals the amount of indebtedness remitted or canceled to the AFRHTF. It remains in the military personnel appropriation.

B00406. Commissioned Officers

The DFAS Site will credit forfeitures and fines of Regular and Reserve commissioned officers (except warrant and limited-duty officers), to the appropriation to which the member’s pay is properly chargeable.

B00407. Forfeitures as a Result of Desertion

When a limited-duty officer, warrant officer, or enlisted member is declared a deserter, the amount of forfeitures on account of the desertion will be credited to the AFRHTF. For the purpose of this paragraph, the phrase “forfeitures on account of the desertion” refers to all pay and allowances due and unpaid at the time of a member’s desertion that are automatically forfeited when a member is determined to be a deserter.

B00408. Transfer of Desertion Forfeitures

The DFAS Site will transfer desertion forfeitures according to the procedures in paragraph B00402.
APPENDIX B - DISPOSITION OF FORFEITURES AND FINES AS A RESULT OF COURTS-MARTIAL, NONJUDICIAL PUNISHMENT, AND DESERTION

B003 – GENERAL POLICY  
10 U.S.C. § 939

B004 – PROCEDURES

B00401  
10 U.S.C. § 939

B00407  
10 U.S.C. § 2772(a)(2)  
United States v. Landers, 92 U.S. 77 (1876)  
Comptroller General B-145618, May 11, 1961
SUMMARY OF MAJOR CHANGES

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APPENDIX C

IMPLEMENTING PROCEDURES FOR MANDATORY ELECTRONIC FUNDS TRANSFER (EFT) OF MILITARY PAY

C001 GENERAL

C00101. Purpose

This appendix provides the policy for the administration and delivery of payments to military members, retirees, and annuitants through the EFT method of payment.

C00102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

C002 POLICY

C00201. Department of Defense (DoD) Method of Payment

The prescribed method of payment within the DoD is the EFT method of payment. DoD considers the requirement to participate in the EFT method of payment as a reasonable condition of service or benefit for personnel including enlistments, commissions, promotions, reenlistments, retirements, and for survivor benefit annuitant recipients. This policy requires payments by the EFT method of payment on all new Active Duty (AD), reserve, retired, and annuitant payments unless the recipient of the new payment certifies in writing that he/she does not have a financial institution or authorized payment agent.

Example: I certify that I do not have a financial institution or authorized payment agent. Signature___________ Date __________

C00202. Applicability and Scope

A. All payments to AD members, reservists, retirees, survivor annuitants and allotments are paid by the EFT method of payment.

B. Emergency payments (defined in Chapter 32, Section 3203) and certification of no account with a financial institution, as described in paragraph C00201, are the only exceptions to the requirement for delivery by the EFT method of payment. All pay for which an exception to the EFT method of payment requirement has not been granted, and for which the payee has not designated an account for receipt, is held at the servicing Defense Finance and Accounting Service (DFAS) central site until the required financial institution information is provided. Check payments are mailed on payday from the servicing DFAS central site to the member’s mailing address.
C003 PERSONNEL SUBJECT TO EFT PARTICIPATION

C00301. AD Military

AD military personnel and personnel entering or reentering the military service must provide the EFT method of payment information or certify in writing that they do not have a financial institution upon arrival at their respective military processing station. Personnel currently on AD but not enrolled in the EFT method of payment are required to submit EFT method of payment information when they perform Temporary Duty Travel, Permanent Change of Station travel, are promoted, reenlist, become eligible for a new payment, or certify in writing that they do not have a financial institution.

C00302. Reserve and National Guard (NG)

Reserve and NG personnel entering or reentering a Reserve Component (RC), upon processing into their respective component, or upon mobilization or recall to AD must provide the EFT method of payment information or certify in writing that they do not have a financial institution. Mobilized or recalled personnel are also required to continue participation after demobilization or deactivation. Personnel currently affiliated with a Reserve or NG unit, but not enrolled in the EFT method of payment, are required to submit the EFT method of payment information when they become eligible for any new payment, or certify in writing that they do not have a financial institution.

C00303. Military Retirees and Annuitants

All retirees, separated military personnel, and Survivor Benefit Plan annuitants who become eligible for new payments or annuities shall provide the EFT method of payment information or certify in writing that they do not have a financial institution. NOTE: Personnel currently receiving payments at a financial institution or address in a foreign country where the EFT method of payment is not available are exempt from this policy until the EFT method of payment becomes available.

C00304. Academy and Reserve Officer Training Corps (ROTC) Cadets and Midshipmen

Military Service Academy, ROTC cadets, and midshipmen are required to participate in the EFT method of payment. Personnel not presently enrolled shall enroll immediately or certify in writing that they do not have a financial institution.

C00305. Individual Ready Reservist (IRR)

IRRs and annual muster participants are required to participate in the EFT method of payment. Personnel not presently enrolled shall enroll immediately or certify in writing that they do not have a financial institution.
C004  PERSONNEL EXEMPT FROM EFT PARTICIPATION

C00401.  Personnel

AD military, retirees, or survivor annuitants receiving payments in an overseas area where the EFT method of payment is not available are exempt from this policy until the EFT method of payment becomes available at a financial institution in their area or until they relocate to an area where the EFT method of payment is available.

*C00402.  Written Certification Waiver

Individuals certify in writing that they do not have a financial institution as follows:

A.  For AD members and reservists, certifications will be submitted in writing to the Unit Commander.

B.  For military retirees, certification will be submitted in writing to:

   DFAS, U.S. Military Retired Pay
   8899 E. 56th Street
   Indianapolis, IN 46249-1200

C.  For survivor annuitants, certifications will be submitted in writing to:

   DFAS, U.S. Military Annuitant Pay
   8899 E. 56th Street
   Indianapolis, IN 46249-1300

C005  REIMBURSEMENT FOR DISHONORED CHECK CHARGES

C00501.  Reimbursements

Charges resulting from erroneous information provided by the individual or the financial institution to the servicing financial office are not the liability of the government and are not reimbursed. Reimbursement for dishonored check charges is authorized when an administrative or mechanical error on the part of the government causes the pay of a military member to be deposited late or in an incorrect manner or amount. Such reimbursements are limited to overdraft charges, minimum balance, or average balance charges levied by the financial institution.

C00502.  DFAS Procedures

The servicing DFAS site contacts the financial institution to explain the error and requests that charges levied against the account holder be reversed. If the financial institution declines to reverse the charges, then government reimbursement of the charges is made via the EFT method.
of payment, directly to the applicable account involved. Such charges are funded from the appropriation available for the pay of the member concerned.

C006 ALLOTMENTS

C00601. General

The EFT method of payment is the preferred method for paying all allotments and should be used whenever possible. It is DoD’s intention to work with recipients of all allotments, such as courts receiving child support and/or alimony payments, dependents, spouses, insurance companies, and mortgage companies, to accept allotment payment by the EFT method of payment when systems become available for third party EFT method of payment.

C00602. Savings Allotments

The EFT method of payment is required for all savings allotments sent to financial institutions participating in the Federal Reserve System.

C00603. Allotments to Non-Individuals

The EFT method of payment is required for all discretionary allotments to non-individuals.
BIBLIOGRAPHY

APPENDIX C - IMPLEMENTING PROCEDURES FOR MANDATORY ELECTRONIC FUNDS TRANSFER (EFT) OF MILITARY PAY

C001 – GENERAL

Title 31, United States Code, section 3332
Title 31, Code of Federal Regulation, parts 205, 206, 208, 210, and 212
VOLUME 7A: “COMPARABLE GRADES”

SUMMARY OF MAJOR CHANGES

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VOLUME 7A, “DEFINITIONS”

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Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by bold, italic, blue, and underlined font.

The previous version dated September 2014 is archived.

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DEFINITIONS

A. General

The following list defines general terms of significance or importance relating to military pay entitlement policies for the Department of Defense (DoD) that are discussed in various chapters in Volume 7A. This list of definitions provides general information. It is by no means an exhaustive list of all financial management terms, and it does not define terms when standard dictionary definitions apply. Authoritative guidance with more detailed explanations or nuances may be found in Volume 7A specific chapters.

B. List of Definitions

Absence Over Leave

Absent beyond the period for which leave was authorized.

Absent Without Leave

Absence from a place of duty without permission or authorization and without the intention of deserting.

Active Duty

Full-time duty in the active service of a Uniformed Service, including full-time training duty, annual training duty, full-time National Guard duty, and attendance, while in the active service, at a school designated as a Military Service school by law or by the Secretary concerned.

Active Duty for a Period of More Than 30 Days

Active duty under a call or order that does not specify a period of 30 days or less.

Active Duty for Training

Full-time duty in the active Military Service of the United States for training purposes.

Active Duty List

A single list for the Army, Navy, Air Force, or Marine Corps which contain the names of all officers of that Armed Force who are serving on active duty, other than officers described in Title 10, United States Code (U.S.C.), section 641.

Active Service

Active service means service on active duty.
Advance Payment

Payment of pay (pay and allowances in certain cases) before it is earned.

Advanced Leave

Leave authorized before it is accrued.

Aerial Flights

Flights in military aircraft or spacecraft, and also flights in nonmilitary aircraft when required by competent orders to fly in such aircraft. A flight begins when the aircraft or spacecraft takes off from rest at any point of support located on the surface of the earth and terminates when it next comes to a complete stop at a point of support located on the surface of the earth.

Air National Guard of the United States

The part of the Air Force Ready Reserve that is a Federal military reserve force as well as the militia Air Force of:

a. Each U.S. state;

b. The District of Columbia;

c. The Commonwealth of Puerto Rico; and

d. The territories of:

1. Guam; and

2. The U.S. Virgin Islands.

Allotment

A definite portion of the pay and allowances of a person in the Military Service, which is authorized to be paid to a qualified allottee.

Allottee

The person or institution to whom the allotment is made payable.

Allotter

The person from whose pay the allotment is made.
Allowance

A monetary amount paid to an individual for specific needs, such as food or housing.

Appropriation

An amount of money specifically authorized by Congress against which obligations may be incurred and from which payments may be made.

Armed Forces of the United States

Includes the Army, Navy, Air Force, Marine Corps, and Coast Guard, and all components thereof.

Army National Guard of the United States

The part of the Army Ready Reserve that is a Federal military reserve force as well as the militia Army of:

a. Each U.S. state;

b. The District of Columbia;

c. The Commonwealth of Puerto Rico; and

d. The territories of:
   1. Guam; and
   2. The U.S. Virgin Islands.

Aviation Accident

An accident in which a member, who is required to participate frequently or regularly in aerial flights, is injured or otherwise incapacitated as the result. The injury or incapacitation, as certified by the appropriate medical authority of the Uniformed Service concerned, may result from:

a. Jumping from, being thrown from, or being struck by an aircraft or spacecraft, or any part or auxiliary thereof; or

b. Participating in any duly authorized aerial flight or other aircraft or spacecraft operations. This term also means an incapacity incurred as the result, as certified by appropriate medical authority, of performance of flying duty, even though such incapacity is not the result of an actual aviation accident.
Aviation Service

Service performed by an officer (except a flight surgeon or other medical officer), while holding an aeronautical rating or designation or while in training to receive an aeronautical rating or designation.

Aviation Service Career

a. Extended Active Duty or Active Guard/Reserve Duty

An officer on extended active duty or Active Guard/Reserve Duty who holds an aeronautical rating or is in flying training leading to a rating or designation shall be considered to be performing aviation service on a career basis, as prescribed in 37 U.S.C. § 301a, while he or she is:

1. A member of the authorized rated inventory;
2. In flying training leading to a rating or designation; or
3. Serving in pay grade O-6 or below and is qualified for aviation service under regulations prescribed by the Secretary of the Military Department concerned.

b. Not on Extended Active Duty or Active Guard/Reserve Duty

An officer not on extended active duty or Active Guard/Reserve Duty who holds an aeronautical rating and is qualified for aviation service under regulations prescribed by the Secretary of the Military Department concerned will be considered to be performing aviation service on a career basis, as prescribed in 37 U.S.C. § 301a, while he or she is:

1. Performing operational flying duty;
2. Assigned to a rated position as a Ready Reservist in the Selective Reserves; or
3. Considered by that DoD Component as an asset to the rated inventory.

Basic Allowance for Housing (BAH)

An amount of money prescribed and limited by law which an officer or enlisted member receives to pay for quarters not provided by the Government.

Basic Allowance for Subsistence (BAS)

An allowance payable to officers and enlisted members for the purpose of subsisting themselves. BAS is payable at all times when entitled to basic pay after completion of initial military training, except as otherwise prohibited by law.
Basic Pay

The pay of an officer or enlisted member, according to the rank and longevity, before additional amounts are added for quarters, subsistence, flying status, and/or overseas duty.

Beneficiary

The recipient of certain benefits due as a result of relationship to or designation by a member.

Captive Status

A missing status resulting from a member's involvement in a hostile action. Hostile action is determined by the Secretary of Defense.

Captivity-Related Offense

An offense, committed while in a captive status and related to the status, which is listed in 5 U.S.C. § 8312(b) or (c) or 10 U.S.C. Chapter 47, that is punishable by dishonorable discharge, dismissal, or confinement for a minimum of 1 year.

Certifying Officer

An individual appointed in writing to attest to the correctness of statements, facts, accounts, and amounts appearing on a voucher, and to certify that voucher for payment.

Clothing Monetary Allowance

Refers to the several types of clothing maintenance allowances paid by cash; (for example: standard, basic, or special).

Combat Operation

A military action that may involve carrying out a strategic, operational, or tactical mission against a hostile or unfriendly force, to include carrying on combat and any related movement, supply, attack, defense, and maneuvers needed to gain the objectives of a battle or campaign.

Combat Zone

An area designated by Executive Order under 26 U.S.C. § 112 as an area in which U.S. Armed Forces are or have engaged in combat. Generally, an area becomes a combat zone or ceases to be a combat zone on the dates designated by Executive Order.
Commissioned Officer

Unless otherwise qualified, a member of the Uniformed Services having rank or grade of second lieutenant, ensign, or above, either permanent or temporary, in any of the Uniformed Services.

Committed Rations

The value of in-kind government subsistence (rations) converted to a cash equivalent payment.

Competent Orders

Orders issued by the Secretary concerned, or such officer or officers as the Secretary may designate, to members of their respective Service or to members of other Services when such latter members are performing duty with a Service other than their own.

Continental United States

Unless otherwise qualified, means the 48 contiguous states and the District of Columbia.

*Contingency Operation

Any military operation that:

a. Is designated by the Secretary of Defense as an operation in which members of the U.S. Armed Forces are or may become involved in military actions, operations, or hostilities against an enemy of the United States or against an opposing military force; or

b. Results in the call or order to, or retention on, active duty of members of the Uniformed Services under 10 U.S.C. § 688, § 12301(a), § 12302, § 12304, § 12304a, § 12305, or § 12406; 10 U.S.C. Chapter 15; 14 U.S.C. § 712; or any other provision of law during a war or national emergency declared by the President or the Congress.

Critical Specialty

A medical specialty that is manned at, or is projected within two fiscal years to be manned at, less than 95 percent of budget authorized allowance with fully qualified physicians.

Dependent

The term dependent means:

a. Spouse;
b. Unmarried child under the age of 21, including an adopted child or a stepchild, but not after the divorce of the member from the stepchild's natural parent;

c. An unmarried illegitimate child under the age of 21 provided the parentage on the part of the member is established by court order, a signed statement of parentage submitted by the member, or in the case of a female member, the birth certificate showing the member as the natural mother of the child;

d. An unmarried child under the age of 21 who has been placed in the member's home by a local, state, or foreign government placement agency, or a government-approved adoption agency as a part of a normal adoption process provided the member produces a document from such agency establishing the fact of relationship and the effective date of relationship;

e. An unmarried child who is at least 21 years of age, but under 23 years of age, who is enrolled in a full-time course of study at an educational institution approved by the Secretary concerned, when the member demonstrates in a statement listing the child's income and expenses that the child is in fact dependent on the member for over one half of the child's support;

f. An unmarried child, 21 years of age or older, who is incapable of self-support because of a mental or physical incapacity and who is in fact dependent upon the member for more than one half of the incapacitated child's support;

g. A parent, including a stepparent, parent by adoption, or any person who has stood in loco parentis at any time for a continuous period of at least five years before the member's 21st birthday, or a parent, a stepparent, or adopted parent of the member's spouse, any of whose dependency on the member has been determined in accordance with the rules and regulations established by the Secretary concerned; and

h. Effective July 1, 1994, a ward, who is an unmarried person who meets each of the following criteria:

1. A court of competent jurisdiction in the United States, Puerto Rico, or a possession of the United States has placed the person in the custody of the member:

   (a) either permanently; or

   (b) for a period which lasts at least 12 months from the date of the order;

2. The person must be:

   (a) Under 21 years of age;

   (b) At least 21 years of age, but under 23, years of age who meets the criteria for a student set forth in item “e” of the dependent definition; or
(c) Incapable of self-support because of a mental or physical incapacity that occurred while the person was considered a dependent ward of the member;

3. The person must be dependent upon the member for over one half of the person's support;

4. The person must reside with the member unless separated either by the necessity of Military Service to receive institutional care as a result of disability or incapacitation, or under such other circumstances as the Secretary concerned may prescribe;

5. The person may not be a dependent of any member under any other part of this definition; and

6. The person is considered to be in the same class of dependents as a member's other children for the purpose of determining entitlement.

Desertion

Absence without leave with intent to remain away permanently.

Disbursing Officer

A military member or a civilian employee of a DoD Component designated to disburse monies and render accounts according to laws and regulations governing the disbursement of public money. Disbursing officers must be U.S. citizens.

Dual Status

Enlisted members of the Navy or Marine Corps Reserve on duty as temporary officers under 10 U.S.C. § 5596.

Duty Station

The place at which the member is assigned for regular duty. Also, the place at which the member performs an assigned duty.

Enforced Separation

Involuntary separation of the member from dependents as a result of official orders.

Enlisted Member

A person enlisted, enrolled, or conscripted into a Military Service.
Enlistee

A person who has voluntarily enlisted for Military Service.

Enlistment

The term enlistment refers to:

a. A voluntary entrance into Military Service under enlisted status, as distinguished from induction through Selective Service; or

b. A period of time, contractual or prescribed by law, which enlisted members serve between enrollment and discharge.

Entitlement

The legal right to receive items of pay and/or allowances.

Erroneous Payment

A payment of pay and/or allowances to a member to which he/she is not entitled.

Excess Leave

Leave granted in excess of that accrued or advanced.

Exigencies of the Service

Urgent demands of a Military Service.

Expiration of Term of Service

The end of a required or contracted period of service.

Extension of Enlistment

Contractual agreement which extends an enlisted member's current enlistment for a stated period beyond normal expiration of that enlistment.

Federal Insurance Contribution Act

The Federal statute that requires the withholding of tax from salaries of employees covered by the Social Security Act and the payment of employer's tax by Federal agencies.
Field Duty

The term Field Duty refers to:

a. Duty performed by troops participating in:
   1. Maneuvers;
   2. War games;
   3. Field exercises; or
   4. Similar types of operations; and

b. The member is subsisted in a government mess or with an organization drawing field rations, and is quartered in accommodations normally associated with field exercises; or

c. Students are participating in survival training and forage for subsistence and improvise their own shelter. Members furnished quarters and subsistence obtained by contract may also be considered as performing field duty when so declared by a competent official.

Financial Organizations

Any bank, savings and loan association or similar institution, or Federal or state chartered credit union.

Flag Officer

A Navy term for an officer comparable to Army, Air Force, and Marine Corps general officer.

Fleet Reserve or Fleet Marine Corps Reserve

A component of the Regular service to which members may be transferred and released from active duty after obtaining 20 or more years of active Federal service.

Flight Requirement

The number of hours or minutes of flying time required to qualify for entitlement to incentive pay for a specific period of time.

Flying Status

The status of a member who is required by orders to participate in frequent and regular aerial flights.
Former Captive

A member who was held in a captive status.

Full-Time National Guard Duty

Training or other duty, other than inactive duty, performed by a member of the Army or Air National Guard of the United States, as a member of the National Guard of a state or territory, Puerto Rico, or the District of Columbia under 32 U.S.C. § 316, § 502, § 503, § 504, or § 505, for which the member is entitled to (or has waived entitlement to) pay from the United States.

Fully Qualified

A physician that has completed a residency training program or is board certified or board eligible in a medical specialty and, if involved with independent patient care, is credentialed to practice medicine in that specialty by a credentialing authority.

Government Mess

A dining facility supported wholly with appropriated funds that provide meals or rations to military members subsisted in-kind or sold at food cost. The term includes the following activities: general mess, wardroom mess, officer’s mess, chief petty officer’s mess, field mess, dining hall, dining activity, dining facility, mess hall, galley, field kitchen, flight kitchen, or similar terms used to describe dining facilities funded totally by appropriated funds. It does not include activities operated with non-appropriated funds such as officer’s club, enlisted club, squadron mess, organized mess, or similar terms, except when those activities provide meals or rations under contract or agreement with the applicable operating and food costs borne by appropriated funds.

Government Quarters or Housing Facilities

These terms include the following:

a. Any sleeping accommodations or family-type housing owned or leased by the U.S. Government;

b. Lodgings or other quarters obtained by U.S. Government contract;

c. Dormitories or similar facilities operated by cost-plus-a-fixed-fee contractors;

d. Any sleeping or housing facilities furnished by a foreign government on behalf of the U.S. Government;

e. Transient facilities such as guest houses, hostess houses, and hotel-type accommodations. (Accommodations built and operated by non-appropriated fund activities are
considered to be rental quarters for the purpose of BAH eligibility.) Payment of service charges for laundering of linens or janitorial services has no effect on whether the facilities are considered government quarters or housing facilities; or

f. Quarters in a state-owned National Guard camp.

He, His, Him

"He," "his," and "him" include the terms "she," "her," and "hers."

Home

The place recorded as home of record when the member was ordered to active duty.

Hostile Fire

An event including hostile fire, an explosion of a hostile explosive device, or any other hostile action that involves an attack or other use of force perpetrated by a foreign individual(s) or entity against the United States or a member of its Uniformed Services, or other designated persons or property. It also includes force used directly to impede the mission and/or duties of the Uniformed Services, such as the recovery of U.S. personnel or vital U.S. Government property.

*Inactive Duty Training

This term describes:

a. Duty prescribed for members of a Reserve Component by the Secretary concerned under 37 U.S.C. § 206 or any other law;

b. Special additional duties authorized for members of a Reserve Component by an authority designated by the Secretary concerned and performed by them on a voluntary basis in connection with prescribed training or maintenance activities of the units to which they are assigned; and

c. Duties when performed by members of a Reserve Component in their status as members of the National Guard, but (except as provided in 37 U.S.C. § 206) does not include work or study in connection with a correspondence course of a Uniformed Service.

NOTE: For pay purposes, inactive duty training may be documented on a Service-prescribed form or order covering a specific assignment and prescribed time limit.

Inductee

One who is inducted.
Induction

The act of taking a person into any of the U.S. Armed Services without voluntary action on his or her part.

Initial Residency Training

The period of time spent by an officer in residency training prior to the officer first becoming eligible to take a specialty board examination to qualify for board certification.

In Loco Parentis

A person who stood in place of the natural parent(s) to the Military Service member. (See also "Parent.")

Issue in-Kind

An issue in goods rather than in money.

Legal Process

The term legal process means any writ, order, summons, or other similar process in the nature of garnishment, which:

a. Is issued by:

   (1) A court of competent jurisdiction in any state, territory, or possession of the United States;

   (2) A court of competent jurisdiction in any foreign country with which the United States has entered into an agreement which requires the United States to honor such process; or

   (3) An authorized official pursuant to an order of such a court of competent jurisdiction or pursuant to state or local law; and

b. Is directed to, for the purpose to compel a governmental entity, that holds money which is otherwise payable to an individual, to make a payment from the money to another party in order to satisfy a legal obligation of the individual to provide child support or make alimony payments.

Lost Time

That period of time not included in determining cumulative years of service for all military purposes.
Medical Officer

An officer of the Medical Corps of the Army or Navy, or an officer of the Air Force designated as a medical officer, who is on active duty under a call or order to active duty for a period of not less than 1 year.

Medical or Osteopathic Internship

The first year of graduate medical education, immediately following medical or osteopathic school, whether a formal internship or the first year of a residency. For the purposes of variable special pay, this includes the period during which the active duty medical corps officer is waiting to begin internship training as well as the period in which such an officer is awaiting separation because of failure to complete that training.

Medical or Osteopathic Residency

A formal program of medical or osteopathic specialty or subspecialty training.

Medical or Osteopathic Specialty

Any specialty for which there is a specialty skill identifier number, a naval officer billet classification number, or an Air Force specialty code number.

Member

A person appointed or enlisted in, or conscripted into, Uniformed Service. (Cadets or midshipmen of the Service academies are considered members only for the purpose of establishing entitlement under the provisions of Chapter 34).

Military Specialty

An element of the enlisted classification structure Military Occupational Specialty, Air Force Specialty Code, Navy Enlisted Classification, career field subdivision, career management field, and occupational field, as appropriate to the Military Service concerned, that identifies an individual position or group of closely related positions on the basis of the similarity of the duties involved. It is also the primary identifier of members who possess the ability, knowledge and other occupational qualifications required for effective performance in such positions.

A military specialty provides occupational standards for procurement, training, classification, and career development; identifies military skills so closely related that a degree of interchangeability exists between members assigned to the military specialty; and provides a normal career progression pattern for members within that military specialty.
Missing Status

Includes missing, missing in action, interned in a foreign country, captured, beleaguered, besieged by a hostile force, or detained in a foreign country against a member's will.

National Guard

The National Guard includes the Army and the Air National Guard. The National Guard is the part of the organized militia of the 50 states, Puerto Rico, Guam, the Canal Zone, the Virgin Islands, and the District of Columbia, active and inactive, that is:

a. Either a land or an air force;

b. Trained and has its officers appointed under the U.S. Constitution, Article 1, Section 8, 16th Clause;

c. Organized, armed, and equipped, wholly or partly, at Federal expense; and

d. Federally recognized.

Nurse Corps Officer

An officer of the Nurse Corps of the Army or Navy, or an officer of the Air Force designated as a nurse.

Officer

A commissioned or warrant officer.

Operational Flying Duty

Flying performed under competent orders by rated or designated members, while serving in assignments in which basic flying skills normally are maintained in the performance of assigned duties, as determined by the Secretary concerned. This duty includes flying performed by members in training that leads to the award of an aeronautical rating or designation.

Overpayment

An amount paid to a member which is in excess of that to which entitled.

Parachute Accident

An accident which results in injury to a qualified parachutist or parachute rigger, or to a member in training for such rating during a regular tour of duty. To be considered a parachute accident, the injury must occur while the member is on board an aircraft incident to assigned
duties or as a result of jumping from, being thrown from, or being struck by an aircraft or any part or auxiliary thereof.

Parent

The natural father or mother, or father or mother through adoption. It also includes persons who have stood "in loco parentis" to a member. Also see definition for "Dependent."

Permanent Change of Station

The assignment, detail, or transfer of a member or unit to a different duty station under competent orders which neither specify the duty as temporary, nor provide for further assignment to a new station, nor direct return to the old station. (For a more detailed definition, see the Joint Travel Regulations (JTR), Appendix A1.)

Permanent Duty Station

In general, the post of duty or official station to which the member is assigned for permanent duty. (For a more detailed definition, see the JTR, Appendix A1.)

Prisoner of War

A member who was/is held in captivity by another nation's government as a result of hostilities between that nation and the United States (whether or not by declaration of war).

Punitive Discharge

A dishonorable or bad conduct discharge ordered as punishment under the Uniform Code of Military Justice (UCMJ).

Rations in-Kind

Meals or rations furnished by or on behalf of the government at no charge when BAS or commuted rations are not otherwise payable to a member in a pay status.

*Ready Reserve

The Ready Reserve is comprised of Service members of the Reserve and National Guard, organized in units or as individuals, or both. These Service members are accessible for involuntary order to active duty in time of war or national emergency pursuant to 10 U.S.C. § 12301 or § 12302 and 14 U.S.C. § 712 in the case of members of the Coast Guard Reserve. The Ready Reserve consists of three sub-categories: the Selected Reserve, the Individual Ready Reserve, and the Inactive National Guard.
Reenlistment Bonus

A monetary incentive offered to an enlisted member who reenlists under provisions of 37 U.S.C. § 308.

Reserve Components

The U.S. Army National Guard, Army Reserve, Navy Reserve, Marine Corps Reserve, U.S. Air National Guard, Air Force Reserve, Coast Guard Reserve, and the Reserve Corps of the Public Health Service.

Reserve Officers’ Training Corps (ROTC)

A student who is enrolled in the senior ROTC of an Armed Force, under 10 U.S.C. Chapter 103.

Retired List

Any one of several lists of military members retired from the regular or Reserve Components of the U.S. Armed Forces.

*Retired Reserve

The Retired Reserve consists of:

a. Reserves who are or have been retired under 10 U.S.C. § 3911, § 6323, or § 8911, or 14 U.S.C. § 291; or

b. Reserves who have been transferred to the Retired Reserve and retain their status as Reserves, if otherwise qualified.

Saved Pay

Special pay provisions that allow military members, under certain circumstances, to retain entitlement to amounts of pay and/or allowances authorized under prior laws or for a lower grade from which promoted.

*Selected Reserves

Within the Ready Reserve of each of the Reserve Components there is a Selected Reserve. The Selected Reserves consists of units and, as designed by the Secretary concerned, are trained as prescribed in 10 U.S.C. § 10147(a)(1) or 32 U.S.C. § 502(a), as appropriate.
Separation

Discharge, release from active duty, retirement, death, or when a member completes their full military obligation.

Service Academy Cadet or Midshipman

A person in training at one of the Service academies to become a commissioned officer.

Statutory Limitations

The legal limits or restrictions as provided by law.

Stipend Payment

A fixed sum of money paid periodically for services or to defray expenses, especially payment to medical officers on duty at civilian medical facilities.

Temporary Officer Status

A member of the Navy or Marine Corps appointed as a temporary officer under the provisions of 10 U.S.C. § 5596.

Total Forfeiture

Forfeiture of all pay and allowances as punishment under the UCMJ.

Uniformed Services

The Army, Navy, Air Force, Marine Corps, Coast Guard, National Oceanic and Atmospheric Administration, and Public Health Service.

United States

The 48 contiguous states, the District of Columbia, the states of Alaska and Hawaii, Puerto Rico, and U.S. territories.

Warrant Officer

A person who is designated an officer by a warrant, as distinguished from a commissioned officer who is designated an officer by a commission, and a non-commissioned officer who is designated an officer, often by virtue of seniority.