

**SUMMARY OF MAJOR CHANGES TO
DOD 7000.14-R, VOLUME 7B, CHAPTER 49
"SURVIVOR BENEFIT PLAN (SBP) – COST-OF-LIVING ADJUSTMENT"**

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
490303.	The monthly amount of an annuity payable, if not a multiple of \$1, shall be rounded to the next lower multiple of \$1.	Add

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SURVIVOR BENEFIT PLAN (SBP) – COST-OF-LIVING ADJUSTMENT4901 BASE AMOUNTS

All Survivor Benefit Plan (SBP) base amounts are increased by cost-of-living adjustments. The adjustment to the base amount is made at the same time and by the same total percentage that retired or retainer pay is increased. See [Chapter 54, Section 540201](#) of this Volume for information pertaining to the computation of the Reserve Component Survivor Benefit Plan (RC-SBP).

4902 PREMIUMS

All SBP and RC-SBP premiums are increased by cost-of-living adjustments.

4903 ANNUITIES

490301. Normally, SBP and RC-SBP annuities increase at the same time and by the same percentage that retired pay increases by cost-of-living adjustment. However, when the payment of increased retired pay due to a cost-of-living adjustment is delayed by law, the increased annuity due to a cost-of-living adjustment is not delayed. The cost-of-living adjustment applies to the monthly gross annuity amount before any reductions, such as Dependency and Indemnity Compensation.

490302. See paragraph [510202](#) regarding cost-of-living adjustments for Minimum Income Widow annuities.

*490303. The monthly amount of an annuity payable, if not a multiple of \$1, shall be rounded to the next lower multiple of \$1.

BIBLIOGRAPHY

**CHAPTER 49 - SURVIVOR BENEFIT PLAN (SBP) – COST-OF-LIVING
ADJUSTMENT**

4901 BASE AMOUNT

10 U.S.C. 1451(h)

4902 - THRESHOLD AND PREMIUMS

10 U.S.C. 1452(h)(1)

4903 - ANNUITIES

10 U.S.C. 1451(g)(1), (2)