

VOLUME 7B, CHAPTER 49: “SURVIVOR BENEFIT PLAN (SBP) COST-OF-LIVING-ADJUSTMENT”

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 May 2012 is archived.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	This chapter is updated to comply with current administrative instructions.	Revision

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CHAPTER 49

SURVIVOR BENEFIT PLAN (SBP) COST-OF-LIVING ADJUSTMENT

4901 GENERAL

All Survivor Benefit Plan (SBP) base amounts are increased by cost-of-living adjustments (COLA) at the same time and by the same total percentage as retired or retainer pay. See section 540201 for information pertaining to the computation of the Reserve Component Survivor Benefit Plan (RC-SBP) and Chapter 8, Table 8-1 for COLA adjustments.

4902 PREMIUMS

The COLA increases all SBP and RC-SBP premiums.

4903 ANNUITIES

490301. Cost of Living Adjustment

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

490302. Minimum Income Widow Annuities

See paragraph 461502, regarding COLA for minimum income widow annuities.

490303. Rounding

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 **GENERAL**

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)