



DEFENSE FINANCE AND ACCOUNTING SERVICE
ARLINGTON
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ARLINGTON, VA 22240-5291

JAN 18 2005

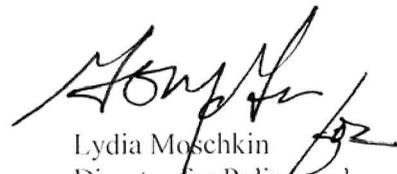
DFAS-DOP

MEMORANDUM FOR DIRECTOR, MILITARY PAY OPERATIONS, DEFENSE
FINANCE AND ACCOUNTING SERVICE (PM/CL)

SUBJECT: Interim Change to the Department of Defense Financial Management Regulation
(DoDFMR), Volume 7A, Disseminate the January 2006 Basic Pay Increase
(DFAS Item P-1)

Attached is Interim Change **01-06** to the DoDFMR, Volume 7A. This change
incorporates the basic pay increase for Calendar Year 2006.

This is a routine change and the result of directed action that does not affect existing
policies. A draft of this change was not provided for comments. Assignment of the interim
change number is your authority to initiate a procedural modification to implement this change.
Use the attached to initiate the formal change to the DoDFMR, Volume 7A.


Lydia Moschkin
Director for Policy and
Management Requirement

Attachment:
As stated

cc:
DFAS-DDM/CL
DFAS-GAM/DE
DFAS-PMJE/DE
DUSD(MPP)(Comp)
ODGC(F)
OUSD(C)(ODCFO)(FP)
Service Liaisons
USCG/NOAA/PHS Liaisons

Basic Pay Increase

1. Replace Tables 1-7 through 1-10 with the following:

MONTHLY RATES OF BASIC PAY—COMMISSIONED OFFICERS, ACADEMY CADETS, MIDSHIPMEN, AND ROTC MEMBERS—EFFECTIVE JANUARY 1, 2006 (notes 2 to 6)															
<i>Cumulative Years of Service</i>															
Pay Grade (note 1)	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 24	Over 26
O-10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13,365.00	13,430.40	13,709.70	14,196.30
O-9	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,689.50	11,857.50	12,101.10	12,525.60
O-8	8,271.00	8,541.90	8,721.60	8,772.00	8,996.10	9,371.10	9,458.10	9,814.20	9,916.20	10,222.80	10,666.20	11,075.40	11,348.70	11,348.70	11,348.70
O-7	6,872.70	7,191.90	7,339.80	7,457.10	7,669.80	7,879.50	8,122.50	8,364.90	8,607.90	9,371.10	10,015.80	10,015.80	10,015.80	10,015.80	10,066.50
O-6	5,094.00	5,596.20	5,963.40	5,963.40	5,985.90	6,242.70	6,276.60	6,276.60	6,633.30	7,263.90	7,634.10	8,004.00	8,214.60	8,427.60	8,841.30
O-5	4,246.50	4,783.50	5,115.00	5,177.10	5,383.50	5,507.40	5,779.20	5,978.70	6,236.10	6,630.60	6,818.10	7,003.80	7,214.40	7,214.40	7,214.40
O-4	3,663.90	4,241.40	4,524.30	4,587.60	4,850.10	5,131.80	5,482.20	5,755.80	5,945.40	6,054.30	6,117.60	6,117.60	6,117.60	6,117.60	6,117.60
O-3	3,221.40	3,651.90	3,941.70	4,297.50	4,503.00	4,728.90	4,875.30	5,115.90	5,240.70	5,240.70	5,240.70	5,240.70	5,240.70	5,240.70	5,240.70
O-2	2,783.10	3,170.10	3,651.00	3,774.30	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00
O-1	2,416.20	2,514.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60

NOTES:

- For rank titles, see Appendix 2, Comparable Terms.
- Basic pay for pay grades O-7 through O-10 is limited to the rate of basic pay for Level III of the Executive Schedule, which is \$12,666.60. 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 \$11,158.20.
- Basic pay for pay grade O-10 is \$15,615.90 regardless of years of service when serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Commandant of the Marine Corps, and Chief of Staff of the Air Force. However, basic pay is limited to the rate of basic pay for Level III of the Executive Schedule, which is \$12,666.60.
- 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.
- These rates, or, when applicable, the O-1E rates in Table 1-8 apply during periods of active service while as a student of the Uniformed Services University of Health Sciences. Also see subparagraphs 010201.H and 010301.A.
- Basic pay rate for Academy Cadets/Midshipmen and ROTC members/applicants is \$845.70.

Table 1-7. Monthly Rates of Basic Pay—Commissioned Officers, Academy Cadets/Midshipmen, and ROTC Members/Applicants—Effective January 1, 2006

MONTHLY RATES OF BASIC PAY—COMMISSIONED OFFICERS CREDITED WITH OVER 4 YEARS' ACTIVE DUTY ENLISTED AND/OR WARRANT OFFICER SERVICE—EFFECTIVE JANUARY 1, 2006 (note 1)

<i>Cumulative Years of Service (note 2)</i>								
Pay Grade	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18
O-3E	4,297.50	4,503.00	4,728.90	4,875.30	5,115.90	5,318.40	5,434.50	5,592.90
O-2E	3,774.30	3,852.00	3,974.70	4,181.40	4,341.60	4,460.70	4,460.70	4,460.70
O-1E (note 3)	3,039.60	3,246.30	3,366.00	3,488.70	3,609.30	3,774.30	3,774.30	3,774.30

NOTES:

- Basic pay is limited to the rate of basic pay for Level V of the Executive Schedule, which is \$11,158.20.
- Creditable service to be taken into account for purposes of this table is active service as a warrant officer or as a warrant officer and an enlisted member, 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. Creditable service to be taken into account for purposes of this table in the case of a commissioned officer who is paid from funds appropriated for reserve personnel is service as a warrant officer, or as a warrant officer and enlisted member, for which at least 1,460 points have been credited to the officer for the purposes of section 12732(a)(2) of title 10. 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 a warrant officer, or as a warrant officer and enlisted member, for which more than 1,460 points have been credited to the officer for the purposes of section 12732(a)(2) of title 10.
- These rates do not apply to students of the Uniformed Services University of Health Sciences (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 2-5 for applicable rates. 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 010201.H and 010301.A.

Table 1-8. Monthly Rates of Basic Pay—Commissioned Officers Credited With Over 4 Years' Active Duty Enlisted And/Or Warrant Officer Service—Effective January 1, 2006

MONTHLY RATES OF BASIC PAY—WARRANT OFFICERS—EFFECTIVE JANUARY 1, 2006 (note)

<i>Cumulative Years of Service</i>															
Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 24	Over 26
W-5	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5720.10	5916.30	6113.10	6311.10
W-4	3328.80	3581.10	3684.00	3785.10	3959.40	4131.30	4305.90	4475.70	4651.50	4927.20	5103.60	5276.10	5454.90	5631.00	5811.00
W-3	3039.90	3166.80	3296.40	3339.30	3475.50	3631.50	3837.30	4040.40	4256.40	4418.40	4579.80	4649.10	4720.80	4876.80	5032.50
W-2	2673.90	2826.60	2960.40	3057.30	3140.70	3369.60	3544.50	3674.40	3801.30	3888.30	3961.50	4100.70	4239.00	4379.10	4379.10
W-1	2361.30	2554.50	2683.80	2767.50	2990.40	3124.80	3243.90	3376.80	3465.00	3544.80	3674.70	3773.10	3773.10	3773.10	3773.10

NOTE:

Basic pay is limited to the rate of basic pay for Level V of the Executive Schedule which is \$11,158.20.

Table 1-9. Monthly Rates of Basic Pay—Warrant Officers—Effective January 1, 2006

MONTHLY RATE OF BASIC PAY—ENLISTED MEMBERS—EFFECTIVE JANUARY 1, 2006 (note 3)															
Pay Grade (note 1)	Cumulative Years of Service (note 2)														
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 24	Over 26
E-9	0.00	0.00	0.00	0.00	0.00	0.00	4,022.10	4,113.30	4,228.20	4,363.50	4,499.40	4,717.80	4,902.30	5,097.00	5,394.00
E-8	0.00	0.00	0.00	0.00	0.00	3,292.50	3,438.30	3,528.30	3,636.30	3,753.30	3,964.50	4,071.60	4,253.70	4,354.80	4,603.50
E-7	2,288.70	2,498.10	2,593.80	2,720.70	2,819.40	2,989.50	3,084.90	3,180.30	3,350.40	3,435.60	3,516.30	3,565.80	3,732.60	3,840.60	4,113.60
E-6	1,979.70	2,178.00	2,274.30	2,367.60	2,465.10	2,685.00	2,770.50	2,865.30	2,948.70	2,978.10	2,998.50	2,998.50	2,998.50	2,998.50	2,998.50
E-5	1,814.10	1,935.30	2,028.60	2,124.60	2,273.70	2,402.10	2,496.60	2,526.60	2,526.60	2,526.60	2,526.60	2,526.60	2,526.60	2,526.60	2,526.60
E-4	1,662.90	1,748.10	1,842.60	1,935.90	2,018.40	2,018.40	2,018.40	2,018.40	2,018.40	2,018.40	2,018.40	2,018.40	2,018.40	2,018.40	2,018.40
E-3	1,501.20	1,595.70	1,692.00	1,692.00	1,692.00	1,692.00	1,692.00	1,692.00	1,692.00	1,692.00	1,692.00	1,692.00	1,692.00	1,692.00	1,692.00
E-2	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40
E-1 (note 4)	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50
E-1 (note 5)	1,178.10														

NOTES:

1. For rank titles, see Appendix 2, Comparable Terms.
2. Basic pay for senior enlisted member (grade E-9) is \$6,499.50 regardless of years of service while serving as:
 - a. Sergeant Major of the Army.
 - b. Master Chief Petty Officer of the Navy or Coast Guard.
 - c. Chief Master Sergeant of the Air Force.
 - d. Sergeant Major of the Marine Corps.
 - e. Senior Enlisted Advisor of the Chairman, Joint Chiefs of Staff

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, then the member is entitled to the higher senior enlisted pay rate \$6,499.50 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 shall 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.

3. Basic pay is limited to the rate of basic pay for Level V of the Executive Schedule, which is \$11,158.20.
4. Must have 4 months of active duty or more.
5. Must have under 4 months of active duty.

Table 1-10. Monthly Rates of Basic Pay—Enlisted Members—Effective January 1, 2006

SCHEDULE 8BPAY OF THE UNIFORMED SERVICES
(Effective on January 1, 2006)

Part IBMONTHLY BASIC PAY

YEARS OF SERVICE (COMPUTED UNDER 37 U.S.C. 205)

Pay Grade	2 or Less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 24	Over 26
COMMISSIONED OFFICERS															
O-10**	-	-	-	-	-	-	-	-	-	-	-	\$13,365.00*	\$13,430.40*	\$13,709.70*	\$14,196.30*
O-9	-	-	-	-	-	-	-	-	-	-	-	11,689.50	11,857.50	12,101.10	12,525.60
O-8	\$8,271.00	\$8,541.90	\$8,721.60	8,772.00	8,996.10	9,371.10	9,458.10	9,814.20	9,916.20	10,222.80	10,666.20	11,075.40	11,348.70	11,348.70	11,348.70
O-7	6,872.70	7,191.90	7,339.80	7,457.10	7,669.80	7,879.50	8,122.50	8,364.90	8,607.90	9,371.10	10,015.80	10,015.80	10,015.80	10,015.80	10,066.50
O-6	5,094.00	5,596.20	5,963.40	5,963.40	5,985.90	6,242.70	6,276.60	6,276.60	6,633.30	7,263.90	7,634.10	8,004.00	8,214.60	8,427.60	8,841.30
O-5	4,246.50	4,783.50	5,115.00	5,177.10	5,383.50	5,507.40	5,779.20	5,978.70	6,236.10	6,630.60	6,818.10	7,003.80	7,214.40	7,214.40	7,214.40
O-4	3,663.90	4,241.40	4,524.30	4,587.60	4,850.10	5,131.80	5,482.20	5,755.80	5,945.40	6,054.30	6,117.60	6,117.60	6,117.60	6,117.60	6,117.60
O-3***	3,221.40	3,651.90	3,941.70	4,297.50	4,503.00	4,728.90	4,875.30	5,115.90	5,240.70	5,240.70	5,240.70	5,240.70	5,240.70	5,240.70	5,240.70
O-2***	2,783.10	3,170.10	3,651.00	3,774.30	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00
O-1***	2,416.20	2,514.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60

**COMMISSIONED OFFICERS WITH OVER 4 YEARS ACTIVE DUTY SERVICE
AS AN ENLISTED MEMBER AND/OR WARRANT OFFICER******

O-3E	-	-	-	\$4,297.50	\$4,503.00	\$4,728.90	\$4,875.30	\$5,115.90	\$5,318.40	\$5,434.50	\$5,592.90	\$5,592.90	\$5,592.90	\$5,592.90	\$5,592.90
O-2E	-	-	-	3,774.30	3,852.00	3,974.70	4,181.40	4,341.60	4,460.70	4,460.70	4,460.70	4,460.70	4,460.70	4,460.70	4,460.70
O-1E	-	-	-	3,039.60	3,246.30	3,366.00	3,488.70	3,609.30	3,774.30	3,774.30	3,774.30	3,774.30	3,774.30	3,774.30	3,774.30

* Basic pay for these officers is limited to the rate of basic pay for level III of the Executive Schedule, which is \$12,666.60 per month.

** For officers serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, Commandant of the Coast Guard, or commander of a unified or specified combatant command (as defined in section 161(c) of title 10, United States Code), basic pay for this grade is calculated to be \$15,615.90 per month, regardless of cumulative years of service computed under section 205 of title 37, United States Code. Nevertheless, actual basic pay for these officers is limited to the rate of basic pay for level III of the Executive Schedule, which is \$12,666.60 per month.

*** Does not apply to commissioned officers who have been credited with over 4 years of active duty service as an enlisted member or warrant officer.

**** Reservists with at least 1,460 points as an enlisted member and/or warrant officer which are creditable toward reserve retirement also qualify for these rates.

SCHEDULE 8BPAY OF THE UNIFORMED SERVICES (PAGE 2)

YEARS OF SERVICE (COMPUTED UNDER 37 U.S.C. 205)

Pay Grade	2 or Less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 24	Over 26
WARRANT OFFICERS															
W-5	-	-	-	-	-	-	-	-	-	-	-	\$5,720.10	\$5,916.30	\$6,113.10	\$6,311.10
W-4	3,328.80	3,581.10	3,684.00	3,785.10	3,959.40	4,131.30	4,305.90	4,475.70	\$4,651.50	\$4,927.20	\$5,103.60	5,276.10	5,454.90	5,631.00	5,811.00
W-3	3,039.90	3,166.80	3,296.40	3,339.30	3,475.50	3,631.50	3,837.30	4,040.40	4,256.40	4,418.40	4,579.80	4,649.10	4,720.80	4,876.80	5,032.50
W-2	2,673.90	2,826.60	2,960.40	3,057.30	3,140.70	3,369.60	3,544.50	3,674.40	3,801.30	3,888.30	3,961.50	4,100.70	4,239.00	4,379.10	4,379.10
W-1	2,361.30	2,554.50	2,683.80	2,767.50	2,990.40	3,124.80	3,243.90	3,376.80	3,465.00	3,544.80	3,674.70	3,773.10	3,773.10	3,773.10	3,773.10
ENLISTED MEMBERS															
E-9*	-	-	-	-	-	-	4,022.10	4,113.30	4,228.20	4,363.50	4,499.40	4,717.80	4,902.30	5,097.00	5,394.00
E-8	-	-	-	-	-	3,292.50	3,438.30	3,528.30	3,636.30	3,753.30	3,964.50	4,071.60	4,253.70	4,354.80	4,603.50
E-7	2,288.70	2,498.10	2,593.80	2,720.70	2,819.40	2,989.50	3,084.90	3,180.30	3,350.40	3,435.60	3,516.30	3,565.80	3,732.60	3,840.60	4,113.60
E-6	1,979.70	2,178.00	2,274.30	2,367.60	2,465.10	2,685.00	2,770.50	2,865.30	2,948.70	2,978.10	2,998.50	2,998.50	2,998.50	2,998.50	2,998.50
E-5	1,814.10	1,935.30	2,028.60	2,124.60	2,273.70	2,402.10	2,496.60	2,526.60	2,526.60	2,526.60	2,526.60	2,526.60	2,526.60	2,526.60	2,526.60
E-4	1,662.90	1,748.10	1,842.60	1,935.90	2,018.40	2,018.40	2,018.40	2,018.40	2,018.40	2,018.40	2,018.40	2,018.40	2,018.40	2,018.40	2,018.40
E-3	1,501.20	1,595.70	1,692.00	1,692.00	1,692.00	1,692.00	1,692.00	1,692.00	1,692.00	1,692.00	1,692.00	1,692.00	1,692.00	1,692.00	1,692.00
E-2	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40
E-1 ***	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50
E-1 ***	1,178.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-

* For noncommissioned officers serving as Sergeant Major of the Army, Master Chief Petty Officer of the Navy or Coast Guard, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, basic pay for this grade is \$6,499.50 per month, regardless of cumulative years of service under section 205 of title 37, United States Code.

** Applies to personnel who have served 4 months or more on active duty.

*** Applies to personnel who have served less than 4 months on active duty

SCHEDULE 8BPAY OF THE UNIFORMED SERVICES (PAGE 3)

Part IIBRATE OF MONTHLY CADET OR MIDSHIPMAN PAY

The rate of monthly cadet or midshipman pay authorized by section 203(c) of title 37, United States Code, is \$845.70.

Note: As a result of the enactment of sections 602-694 of Public Law 105-85, the National Defense Authorization Act for Fiscal Year 1998, the Secretary of Defense now has the authority to adjust the rates of basic allowances for subsistence and housing. Therefore, these allowances are no longer adjusted by the President in conjunction with the adjustment of basic pay for members of the uniformed services. Accordingly, the tables of allowances included in previous orders are not included here.