



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

DFAS-DOP

MAR 15, 2005

MEMORANDUM FOR DIRECTOR, CONTINUING GOVERNMENT ACTIVITY, DEFENSE  
FINANCE AND ACCOUNTING SERVICE (DFAS-PDO/CL)

SUBJECT: Interim Change to the Department of Defense Financial Management Regulation  
(DoDFMR), Volume 7B, Regarding Dependency and Indemnity Compensation  
Cost-of-Living (DFAS Item N-56)

The attached is Interim Change **R02-05** to the DoDFMR, Volume 7B. This change updates Appendix L with the current Dependency and Indemnity Compensation (DIC) rates for surviving spouses and children. It also increases transitional compensation amounts due to Victims of Abuse, and provides new rates for Annuities for Certain Military Surviving Spouses (ACMSS) and Minimum Income Annuities. This interim change is effective December 1, 2004.

We have evaluated your comments on the proposed change and included your comments where appropriate. Assignment of the interim change number is your authority to initiate procedural modification to implement this change. Use the attached to initiate the formal change to the DoDFMR, Volume 7B.

A handwritten signature in black ink, appearing to read "Lydia Moschkin", is positioned above the printed name.

Lydia Moschkin  
Director, Policy and  
Requirements Management

Attachments:

As stated:

cc:

DFAS-GA/DE

DUSD(MPP)(Comp)

DUSD(C)(OCDFO)(FP)

ODGC(F)

DFAS-GA/CL

Service Liaisons

USCG/NOAA/PHS Liaisons

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## 1. Paragraph 600104.A, add the following:

<u>DIC Rate</u>	<u>Effective Date</u>
\$993	December 1, 2004

## 2. Paragraph 600104.B, add the following:

<u>DIC Rate</u>	<u>Effective Date</u>
\$247	December 1, 2004

## 3. Revise paragraph 600104.C by adding the following DIC Child Rate information:

DIC Child Rate	
Eff Dec 1, 2004	
1 Child	\$421
2 Children	605
3 Children	787
Over 3	787 plus \$151 for each child

## 4. Table 61-1, add the following:

<u>Date of Increase</u>	<u>Percent</u>	<u>Amount</u>
December 1, 2003	1.4	\$192.32
December 1, 2004	2.7	\$197.51

## 5. Revise Appendix L Heading, line 2, to read:

December 1, 1999- December 1, 2004

6. Revise Appendix L, Dependency and Indemnity Compensation Rates, by adding the following column:

PL 108-363  
Effective December 1, 2004  
(Note 1)

E-1	\$ (blank)
E-2	"
E-3	"
E-4	"
E-5	"
E-6	"
E-7	1,027
E-8	1,084
E-9	1,131
Sgt Major of the Army	1,221
Senior Enl Adv of the-Navy	1,221
CH Msgt of the Air Force	1,221
Sgt Major of the Marine Corps	1,221
MCPO of the Coast Guard	1,221
W-1	1,049
W-2	1,091
W-3	1,123
W-4	1,188
O-1	1,049
O-2	1,084
O-3	1,160
O-4	1,227
O-5	1,351
O-6	1,523
O-7	1,645
O-8	1,805
O-9	1,931
O-10	2,118
Chmn Joint Chiefs of Staff	2,272
Chief of Staff-Army	2,272
Chief of Naval Ops	2,272
Chief of Staff-Air Force	2,272
Commandant-Marine Corps	2,272
Commandant-Coast Guard	2,272

7. Revise Appendix L, Note 1 by adding the following:

<u>Flat Rate</u>	<u>Additional</u>	<u>Effective Date</u>
\$993	\$213	1 Dec 2004

**8. Appendix R, add the following:**

<u>Maximum Amount</u>	<u>Minimum Annual Income</u>	<u>Effective Date</u>
\$567.83	\$6,814	1 Dec 2004