



DEFENSE FINANCE AND ACCOUNTING SERVICE

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AUG 9 1988

DFAS-HQ/F

MEMORANDUM FOR DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE  
- CLEVELAND CENTER  
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE  
- DENVER CENTER

SUBJECT: Update to the Department of Defense Financial  
Management Regulation (DoDFMR), Volume 7, Part B,  
Proposed Change on Social Security Offset  
(DFAS Item Number F-39)

This is an Interim Change Number R7 - 96 to the DoDFMR,  
Volume 7B. This change is effective immediately.

We have evaluated your comments on the draft change to the  
DoDFMR, Volume 7B. The attached final version of the change  
includes your comments where appropriate. Assignment of an  
interim change number is your authority to initiate a procedural  
modification to facilitate this change.

We have determined that this change does not require a  
change to the current pay system. For the Denver Center, use the  
attached to initiate the formal printed change to the DoDFMR.

Our point of contact, Mr. Fiti Malufau, may be contacted at  
DSN 327-5061 or Commercial (703) 607-5061. Our Fax number is  
DSN 332-5271 or Commercial (703) 602-5271.

Roger W. Searce  
Brigadier General, USA  
Deputy Director for Finance

Attachment:  
As stated

cc: OASD (FMP)  
ODGC (F)  
DFAS-DE/DG  
DFAS-IN  
DFAS-KC/FSP  
Service Liaisons  
USCG/NOAA PHS Liaisons

1. Change the last sentence in paragraph 90513b to read:

"...social security benefits. Benefits in the social security offset system are computed under PIA Table Method, a Decoupled (Indexing) Formula Method, or a Transitional Guarantee Savings provision.

(1)...(as is)..."

2. Change paragraph 90513b(3) to read:

"(3) Under the Transitional Guarantee savings provision, which applies to a member who became age 62 during the period 1 Jan 1979 through 31 Dec 1983, the social security offset is computed under the Decoupled (Indexing) Method and the Transitional Guarantee formula. The Transitional Guarantee formula is computed using the pre-1979 PIA Table Method, except that earnings in the first year fo eligibility and later are not included. DFAS uses the method that provides the higher social security benefit."

3. Bibliography change:

<u>"Paragraph</u>	<u>Citation</u>
90513b	42 U.S.C. 415(a)(4)(B)(i)
90513b(3)	42 U.S.C. 415(a)(4)(B)(i)"

4. Part Eleven, Chapter 2, (DFAS-Item D-59, Interim Change R6-96) revise title to read:

**"VICTIMS OF ABUSE -- Non-Retirement Eligible Members  
(Transitional Compensation)**