

**VOLUME 7A, CHAPTER 55: “RESERVE INCOME REPLACEMENT PROGRAM”****SUMMARY OF MAJOR CHANGES**

All changes are denoted by [blue font](#).

Substantive revisions are denoted by an asterisk (\*) 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 2019](#) is archived.

<b>PARAGRAPH</b>	<b>EXPLANATION OF CHANGE/REVISION</b>	<b>PURPOSE</b>
550102	Updated the “Authoritative Guidance” paragraph to comply with current administrative instructions.	Revision

## Table of Contents

5501	GENERAL .....	3
	550101. Purpose .....	3
	*550102. Authoritative Guidance .....	3
5502	DEFINITIONS .....	3
	550201. Involuntary Active Duty.....	3
	550202. Monthly Active Duty Income Differential.....	3
	550203. TMMC.....	3
5503	RIRP ELIGIBILITY .....	4
	550301. Eligibility.....	4
	550302. Eligibility.....	4
	550303. RIRP Entitlement .....	4
	550304. Special Conditions.....	4
5504	RESTRICTIONS.....	5
5505	PAYMENT.....	5
	550501. Frequency .....	5
	550502. Limitation .....	5
	550503. Termination of Payment.....	5
5506	TAXABILITY .....	5
	550601. Federal and State Tax Deduction .....	5
	550602. Federal Insurance Contribution Act (FICA) .....	5
Table 55-1. Date to Terminate RIRP Payment.....		6
REFERENCES .....		7

## CHAPTER 55

**RESERVE INCOME REPLACEMENT PROGRAM**

## 5501 GENERAL

## 550101. Purpose

This chapter establishes policy pertaining to the Reserve Income Replacement Program (RIRP) for members of the Reserve Components (RC) as defined in Volume 7A Definitions.

## \*550102. Authoritative Guidance

The RIRP policies and requirements established by DoD in this chapter are derived primarily from, and prepared in accordance with Title 37, United States Code (U.S.C.), section [910](#). Due to the subject matter in this chapter, the list of authoritative sources is extensive. The specific statutes, regulations, and other applicable guidance that govern each individual section are listed in a reference section at the end of the chapter.

## 5502 DEFINITIONS

## 550201. Involuntary Active Duty

For the purposes of this chapter, involuntary active duty is defined as an order to duty under 10 U.S.C. §§ [688](#), [12301\(a\)](#), [12301\(g\)](#), [12302](#), [12304](#), [12304a](#), [12304b](#), or [14 U.S.C. § 3713](#) without the consent of the member, or is defined as an order to duty under 10 U.S.C. §§ [251](#), [252](#), [12406](#), or [32 U.S.C. § 502\(f\)\(1\)](#) without the consent of the member.

## 550202. Monthly Active Duty Income Differential

This differential is the difference between the average monthly civilian income of the member and the member's total monthly military compensation (TMMC), when the member's average monthly civilian income exceeds the TMMC.

## 550203. TMMC

The TMMC is the amount computed on a monthly basis, using the member's regular military compensation and the amount of any special pays, incentive pays, and allowances (not included in regular military compensation) that are paid on a monthly basis (e.g., Foreign Language Proficiency annual bonus that may be paid in monthly installments). Bonuses paid in a lump sum or anniversary installments, such as enlistments, reenlistment, and affiliation bonuses, will not be included in the TMMC. Cost of living allowances will be included in the TMMC. Per Diem, to include meals and incidental expenses, will not be included in the TMMC.

## 5503 RIRP ELIGIBILITY

## 550301. Eligibility

A RC member currently serving on involuntary active duty is eligible for RIRP payments for any entire month of involuntary active duty (referred to in this chapter as a “service month”) that is served after the member completes the requisite eligibility period and for which the member realizes a monthly active duty income differential.

## 550302. Eligibility

A member of a reserve component is entitled to a payment under this section for any full month of active duty of the member, when the total monthly military compensation of the member is less than the average monthly civilian income of the member, while the member is on active duty under an involuntary mobilization order, following the date on which the member:

A. Completes 547 continuous days of service on active duty under an involuntary mobilization order;

B. Completes 730 cumulative days on active duty under an involuntary mobilization order during the previous 1,826 days; or

C. Is involuntarily mobilized for service on active duty for a period of 180 days or more within 180 days after the date of the member's separation from a previous period of active duty for a period of 180 days or more.

Example: If continuous service on active duty began on February 1, 2016, the 547 days to establish eligibility would end at midnight on July 31, 2017. The member would meet the eligibility requirement for RIRP on August 1, 2017, and would be entitled to RIRP payment on September 1, 2017, for the month of August 2017, if the member serves on active duty for the entire month of August.

## 550303. RIRP Entitlement

Payment for RIRP is based on each full month of active duty following the date on which the member meets the eligibility criteria in paragraph 550302. RIRP payments are based on full months of service only. Partial payments are not authorized. Changes in pay grade, longevity, number of dependents, and special pays will be taken into account in calculating the RIRP payment in the month following the change.

## 550304. Special Conditions

Effective January 29, 2008, the entitlement of a RC member to a RIRP payment will commence, or if previously commenced, will continue if the member satisfies the required number of days on active duty specified in paragraph 550302, or is, following an involuntarily mobilization, retained on active duty under 10 U.S.C. § 12301(h)(1)(A) or (B) because of an injury

or illness incurred, or aggravated while assigned to duty in an area for which special pay under [37 U.S.C. § 310](#) is available.

#### 5504 RESTRICTIONS

A civilian employee of the Federal Government who is also a member of a RC is not entitled to a payment of RIRP for any period for which the employee is entitled to a civilian pay differential payment under [5 U.S.C. § 5538](#) or Volume 8, Chapter 3, paragraph 030509; or a comparable civilian pay benefit under an administratively established program for civilian employees absent from a position of employment with the Federal Government in order to perform active duty in the Uniformed Services.

#### 5505 PAYMENT

##### 550501. Frequency

After a RC member has completed the requisite eligibility period, the member is entitled to RIRP payment on the first day of the calendar month after performing a preceding full calendar month of involuntary active duty service. See the example in subparagraph 550302.A.1.

##### 550502. Limitation

A member who realizes a monthly active duty income differential greater than \$50 is entitled to RIRP. The maximum RIRP payment will not exceed \$3,000 per month.

##### 550503. Termination of Payment

Payment will terminate when one of the conditions in Table 55-1 is met. Unless authorized by Congress, authorization to RIRP will terminate after the date on the [Duration of Authority](#) table. No payments will be made after the termination date unless the member's entitlement to RIRP commenced prior to that date.

#### 5506 TAXABILITY

##### 550601. Federal and State Tax Deduction

RIRP payments are subject to federal and state income tax withholding.

##### 550602. Federal Insurance Contribution Act (FICA)

RIRP payments are not subject to FICA withholding.

Table 55-1. Date to Terminate RIRP Payment

<b>DATE TO TERMINATE RIRP PAYMENT</b>		
<b>R</b>	<b>A</b>	<b>B</b>
<b>U</b>		
<b>L</b>		
<b>E</b>	When the	then RIRP payment is terminated
<b>1</b>	member is released from a qualifying period of active duty	effective the last full month of service. A partial month is not pro-rated.
<b>2</b>	member no longer meets eligibility requirements due to changes in the TMMC	
<b>3</b>	member's monthly active duty income differential decreases to \$50 or less due to changes in current military compensation	
<b>4</b>	member's orders change his or her duty status from involuntary to voluntary	

## REFERENCES

**CHAPTER 55 – RESERVE INCOME REPLACEMENT PROGRAM**

## 5502 – DEFINITIONS

	DoD Instruction (DoDI) 1241.05 May 15, 2018
	37 U.S.C. § 910
550201	10 U.S.C. §§ 251, 252, 688, 12301(a), 12301(g), 12302, 12304a, 12304b, 12406
	14 U.S.C. § 3713
	32 U.S.C. § 502(f)(1)
550202	37 U.S.C. § 910(b)
550203	DoDI 1241.05

## 5503 – RIRP ELIGIBILITY

37 U.S.C. § 910(b)  
DoDI 1241.05

## 5504 – RESTRICTIONS

37 U.S.C. § 910(b)(3)  
5 U.S.C. § 5538

## 5505 – PAYMENT

550502	37 U.S.C. § 910(c) DoDI 1241.05
550503	37 U.S.C. § 910(g)