

CHAPTER 3

RECOMPUTATION AFTER ADDITIONAL ACTIVE DUTY

20301. General

a. A retiree is not entitled to receive retired pay upon recall to active duty. On release from active duty, a retiree is entitled to credit the additional time served on active duty for recomputation of retired pay, and may be eligible to receive:

(1) Retired pay based on a higher grade to which advanced while on active duty; or

(2) Retired pay based on a disability incurred or aggravated while serving on active duty.

b. A member of an armed force who first becomes a member of a uniformed service after 7 Sep 1980, and who has become entitled to retired or retainer pay and later serves on active duty (other than for training) is entitled to recomputation of retired pay per paragraph 20306g and table 2-3-4.

c. As an exception to paragraph 20303 below, a member of the armed forces who:

(1) Was voluntarily called or ordered to active duty during the period beginning 1 Oct 1963, and ending 30 Sep 1971;

(2) Was at the time of such call or order entitled to retired or retainer pay;

(3) Served on such active duty under such call or order for a continuous period of at least 2 years; and

(4) Was released from such active duty before 1 Oct 1973, shall have retired or retainer pay recomputed under the rates of basic pay in effect at the time of that release from active duty and increased by the amount by which the member's retired or retainer pay would have increased during the period beginning on the date of the member's release from active duty and ending on 18 Oct 1984. This provision applies to retired and retainer pay payable for months beginning November 1984.

20302. Computation of Additional Active Service

The additional time spent on active duty after retirement either:

a. Increases the years of service for percentage and basic pay purposes for recomputing retired pay reversion:

	YR	MO	DAY
Date released from active duty	74	05	28
Date recalled to active duty	<u>71</u>	<u>09</u>	<u>09</u>
Additional time on active duty	02	08	20

(1 day added for inclusive dates)

Service credited upon retirement 22 06 03

Plus additional active duty 02 08 20

Service credited for recomputation 25 02 23

b. Increases the years of service for percentage purposes, as shown in paragraph 20302a, and the retired or retainer pay base for recomputing retired pay upon reversion for members who first become members after 7 Sep 1980.

20303. Length of Time on Active Duty

a. A retiree who serves on active duty after retirement for a continuous period of at least 2 years and returns to the retired list not by reason of disability is entitled to:

(1) Retired pay recomputed under the rates of basic pay in effect upon release from active duty if the retiree received these rates for at least 2 years, see paragraph 20301c for exception; or

(2) Retired pay recomputed under the basic pay rates in effect before the current basic pay rate if the retiree did not receive the current rate for at least 2 years, plus applicable cost-of-living increases; or

(3) Retired pay computed using the basic pay rates under which the member's retired pay was computed when the member entered on active duty, plus applicable cost-of-living adjustments made under 10 U.S.C. 1401a after the member first became entitled to that pay.

b. A retiree who does not serve on active duty for at least 2 years is entitled to retired pay recomputed under the rates of basic pay under which retired pay was computed when the retiree entered on that active duty, plus applicable cost-of-living adjustments.

c. A retiree who reverts to retired status with a disability rating of 30 percent or more is entitled to recomputation of retired pay per paragraph 20306c.

20304. Applicable Basic Pay Rates

a. See tables 2-3-1 and 2-3-3 for basic pay rates and cost-of-living adjustment percentages to use when a retiree reverts and is entitled to retired pay based on service.

b. See tables 2-3-2 and 2-3-3 for basic pay and cost-of-living adjustment percentages to use when a retiree reverts with a disability rating of 30 percent or more.

c. See the provisions of 10 U.S.C. 1401a(f) (the Tower Amendment) (part one, chapter 3, section C) to determine if basic pay rates authorized under that provision afford greater retired pay entitlement than the basic pay rates in table 2-3-1 and 2-3-2.

d. See paragraph 20301c for certain recalled members who may receive retired or retainer pay recomputed using the current basic pay rate upon release from active duty although the member had not received the rate at least 2 years.

20305. Grades Authorized for Recomputation

a. A retiree advanced in grade on the retired list while serving on active duty after retirement may decline advancement to the higher grade upon release from active duty if advancement results in a reduction in retired pay entitlement. The retiree is entitled to:

(1) Recomputation at the higher grade based on the basic pay rates applicable at the time of retirement increased by an applicable adjustment in that pay (see part two, chapter 4, Cost-of-Living Adjustment) or,

(2) Recomputation at the grade held before advancement based on the basic pay rates replaced by those in effect upon release from active duty if active duty after retirement was for a continuous period of at least 2 years.

b. It is not mandatory that a retiree be advanced on the retired list. The retiree is "entitled" to be advanced, if the retiree so chooses. Once advanced the retiree has retired pay rights determined under the section governing such advancement.

c. A retired officer recalled to active duty (other than for training) in the grade held on the retired list, under former 10 U.S.C. 6150 (repealed), or under any other law that authorized advancement on the retired list based on a special commendation for the performance of duty in actual combat, may have retired pay recomputed upon release from active duty based on that grade; and,

(1) As prescribed in table 2-3-4, rule 1, and

(2) On the basis of the rates in effect upon release from active duty if the retiree received these rates for a continuous period of at least 3 years; or

(3) On the basis of the rates replaced by those in effect upon release from active duty if the retiree did not receive the current rates for a continuous period of at least 3 years.

d. A retiree recalled to active duty after retirement and promoted in grade while on active duty may elect, upon release from that active duty, to have retired pay recomputed based on either;

(1) The higher grade to which promoted in which the retiree served satisfactorily; or

(2) The lower grade held at initial retirement.

e. A retiree recalled to active duty after retirement and demoted in grade while on active duty may elect, upon release from that active duty, to have retired pay recomputed based on either:

(1) The grade to which demoted; or,

(2) The pay to which entitled in the grade held at initial retirement.

20306. Recomputation of Entitlement

a. A member of the Armed Forces entitled to retired pay, who thereafter serves on active duty (other than for training) and who does not incur a disability of at least 30 percent, is entitled to recomputation of retired pay upon release from active duty per table 2-3-4, rule 1 (see figures 2-3-1 and 2-3-2).

b. A member of the Armed Forces:

(1) Who retired other than for physical disability; and,

(2) Who, while on active duty incurs a physical disability of at least 30 percent for which the member would be otherwise eligible for disability retired pay, is entitled, upon release from active duty, to retired pay as specified in paragraph 20306d.

c. A member of the Armed Forces:

(1) Who is retired for temporary disability or on the Temporary Disability Retired List (TDRL); and,

(2) Who incurs, while on active duty after his or her name was placed on that list, an additional physical disability or one that aggravates the original physical disability and,

(3) Who is qualified for temporary or permanent disability retirement is entitled upon release from active duty to recomputation of retired pay per paragraph 20306d.

d. A member of the Armed Forces covered by paragraph 20306b or c may elect to receive either:

(1) The retired pay to which entitled when the member retired, increased by applicable adjustments in that pay, as specified in Part Two, Chapter 4, Cost-of-Living Adjustment, after the member first became entitled to that pay; or,

(2) Retired pay computed per table 2-3-4, rule 2.

e. A retiree covered by paragraph 20306b or c who is promoted to a higher grade in which he or she serves satisfactorily, as determined by the Secretary concerned, while on active duty after retirement or after member's name was placed on the TDRL, is entitled to retired pay:

(1) Of the grade in which the member would be eligible to retire if retiring upon that release from active duty in that higher grade; or,

(2) Of the grade in which the member would be eligible to transfer to the FR/FMCR if transferring upon that release from active duty.

f. Notwithstanding paragraph 20306a, a retiree covered by that paragraph may elect, upon release from active duty, to have retired pay:

(1) Recomputed according to the formula in table 2-3-4, rule 1, but using the rate of basic pay under which retired pay was computed when the member entered on active duty; and,

(2) Increased by any applicable adjustments in that pay as specified in part two, chapter 4, after the member first became entitled to that pay.

g. A member of an armed force who first became a member of a uniformed service after 7 Sep 1980, who has become entitled to retired or retainer pay, and who thereafter serves on active duty (other than for training) is entitled to retired pay.

(1) Recomputed according to the formula in table 2-3-4, rule 2, but using the retired pay to which the member became entitled upon retirement, and

(2) Increased by any applicable adjustments in that pay under 10 U.S.C. 1401a after the member initially became entitled to that pay.

20307. Heroism Pay

See part one, chapter 1, section G.

TABLE 2-31
SERVICE REVERT - RATES OF ENTITLEMENT UPON REVERSION TO RETIRED LIST (10 U.S.C. 1402) (WITH AT LEAST 2 YEARS ACTIVE SERVICE AFTER RECALL)

R U L E	A If date of release from active duty is during	B and the current active duty rate is	C then revert to active duty rate	D and entitlement at time of recomputation is	E increased by COLADJ applicable at time of recomputation	F and apply later COLADJ per table 2-33, rule (note B)
1	1 Oct 63-31 Aug 64	1 Oct 63	1 Jun 58	1 Jun 58		1 through end.
2	1 Sep 64-31 Aug 65	1 Sep 64	1 Oct 63	1 Oct 63		
3	1 Sep 65-30 Jun 66	1 Sep 65	1 Sep 64	1 Sep 64	4.4	2 through end.
4	1 Jul 66-30 Nov 66	1 Jul 66	1 Sep 65	1 Sep 65		
5	1 Dec 66-30 Sep 67				3.7	3 through end.
6	1 Oct 67-15 Dec 67	1 Oct 67		1 Sep 65 (note 1)		
7	16 Dec 67-31 Mar 68		1 Jul 66	1 Jul 66		
8	1 Apr 68-30 Jun 68				3.7 + 3.9	4 through end.
9	1 Jul 68-31 Jan 69	1 Jul 68	1 Oct 67	1 Oct 67 (note 2)	1.3	
10	1 Feb 69-30 Jun 69			1 Oct 67 (note 3)	1.3 + 4.0	5 through end.
11	1 Jul 69-31 Oct 69	1 Jul 69	1 Jul 68	1 Jul 68	2.1	
12	1 Nov 69-14 Apr 70				2.1 + 5.3	6 through end.
13	15 Apr 70-31 Jul 70	15 Apr 70	1 Jul 69	1 Jul 69	.9	
14	1 Aug 70-1 Jan 71				.9 + 5.6	7 through end.
15	2 Jan 71-31 May 71	1 Jan 71	15 Apr 70	15 Apr 70	2.5	
16	1 Jun 71-1 Oct 71				2.5 + 4.5	8 through end.
17	2 Oct 71-31 Dec 71	1 Oct 71	1 Jan 71	1 Jan 71	.6	
18	2 Jan 72-30 Jun 72	1 Jan 72	1 Oct 71	1 Oct 71		Apply 1.7% on 1 Jul 72 then 9 through end.
19	1 Jul 72-30 Sep 72				1.7	9 through end.
20	1 Oct 72-30 Jun 73	1 Oct 72	1 Jan 72	1 Jan 72	1.0	
21	1 Jul 73-30 Sep 73				1.0+ 6.1	10 through end.
22	1 Oct 73-31 Dec 73	1 Oct 73	1 Oct 72	1 Oct 72	3.6	
23	1 Jan 74-30 Jun 74				3.6+ 5.5	11 through end.
24	1 Jul 74-30 Sep 74				3.6+ 5.5+ 6.3	12 through end.
25	1 Oct 74-31 Dec 74	1 Oct 74	1 Oct 73	SP 1 Oct 72 (note 4)		
26	1 Jan 75-31 Jul 75				3.6+ 5.5+ 6.3+ 7.3	13 through end.
27	1 Aug 75-30 Sep 75				3.6+ 5.5+ 6.3+ 7.3+ 5.1	14 through end.
28	1 Oct 75-29 Feb 76	1 Oct 75	1 Oct 74	SP 1 Oct 73 (note 4)	6.2+ 7.3+ 5.1	
29	1 Mar 76-30 Sep 76				6.2+ 7.3+ 5.1+ 5.4	15 through end.
30	1 Oct 76-28 Feb 77	1 Oct 76	1 Oct 75	SP 1 Oct 74 (note 4)	5.0+ 5.4	
31	1 Mar 77-31 Aug 77				5.0+ 5.4+ 4.8	16 through end.
32	1 Sep 77-30 Sep 77				5.0+ 5.4+ 4.8+ 4.3	17 through end.

TABLE 2-3-1, CONTINUED

R U L E	A	B	C	D	E	F (Note 5)
	If date of release from active duty is during	and the current active duty rate is	then revert to active duty rate	and entitlement at time of recomputation is	increase by COLADJ applicable at time of recomputation	and apply later COLADJ per table 2-3-3, rule (note 5)
33	1 Oct 77-28 Feb 78	1 Oct 77	1 Oct 76	SP 1 Oct 75 (note 4)	1.7+4.8+4.3	17 through end.
34	1 Mar 78-31 Aug 78				1.7+4.8+4.3+2.4	18 through end.
35	1 Sep 78-30 Sep 78				1.7+4.8+4.3+2.4+4.9	19 through end.
36	1 Oct 78-28 Feb 79	1 Oct 78	1 Oct 77	SP 1 Oct 76 (note 4)	5.3+2.4+4.9	20 through end.
37	1 Mar 79-31 Aug 79				5.3+2.4+4.9+3.9	
38	1 Sep 79-30 Sep 79				5.3+2.4+4.9+3.9+6.9	
39	1 Oct 79-29 Feb 80	1 Oct 79	1 Oct 78	SP 1 Oct 77 (note 4)	6.1+3.9+6.9	21 through end.
40	1 Mar 80-31 Aug 80				6.1+3.9+6.9+6.0+7.7	
41	1 Sep 80-30 Sep 80				6.1+3.9+6.9+6.0+7.7	
42	1 Oct 80-28 Feb 81	1 Oct 80	1 Oct 79	SP 1 Oct 78 (note 4)	8.9+6.0+7.7	22 through end.
43	1 Mar 81-30 Sep 81				8.9+6.0+7.7+4.4	
44	1 Oct 81-28 Feb 82				10.8+4.4	
45	1 Mar 82-30 Sep 82	1 Oct 81	1 Oct 80	SP 1 Oct 79 (note 4)	10.8+4.4+8.7	25 through end.
46	1 Oct 82-31 Mar 83				2.7+8.7	
47	1 Apr 83-23 Sep 83				2.7+8.7+3.3/3.9	
48	24 Sep 83-31 Dec 83	1 Oct 81 (note 4)	1 Oct 82 (note 4)	1 Oct 82 (note 4)	.7+3.3/3.9	26 through end.
49	1 Jan 84-30 Nov 84					
50	1 Dec 84-31 Dec 84					
51	1 Jan 85-30 Sep 85	1 Jan 84	1 Jan 84	1 Jan 84 (note 4)	3.5	27 through end.
52	1 Oct 85-30 Nov 86	1 Oct 85	1 Jan 85	1 Jan 85 (note 4)	2.8	
53	1 Dec 86-31 Dec 86	1 Jan 85	1 Oct 85	1 Oct 85 (note 4)	1.3	
54	1 Jan 87-30 Nov 87	1 Jan 87	1 Jan 87	1 Jan 87	4.2	28 through end.
55	1 Dec 87-31 Dec 87					
56	1 Jan 88-30 Nov 88					
57	1 Dec 88-31 Dec 88	1 Jan 88	1 Jan 88	1 Jan 88	3.7	29 through end.
58	1 Jan 89-30 Nov 89					
59	1 Dec 89-31 Dec 89					
60	1 Jan 90-30 Nov 90	1 Jan 89	1 Jan 89	1 Jan 89	3.7+4.0	30 through end.
61	1 Dec 90-31 Dec 90					
62	1 Jan 91-30 Nov 91					
63	1 Dec 91-31 Dec 91	1 Jan 90	1 Jan 90	1 Jan 90	3.2	31 through end.
64	1 Jan 92-30 Nov 92					
65	1 Dec 92-31 Dec 92					
★66	1 Jan 93-30 Nov 93	1 Jan 91	1 Jan 91	1 Jan 91	3.2+4.7	32 through end.
★67	1 Dec 93-31 Dec 93					
★68	1 Jan 94-					
	1 Jan 94	1 Jan 93	1 Jan 93	1 Jan 93	3.6	33 through end.
					3.6+5.4	
					4.4	
					4.4+3.7	34 through end.
					2.0	
					2.0+3.0	
					2.3	34 through end.
					2.3+2.6	
					1.9	

NOTES:

1. See 48 Comp Gen 398.
2. See 50 Comp Gen 232.
3. See 48 Comp Gen 204.
4. If member was first retired on or after 1 Oct 1967, was recalled to active duty on or after 1 Oct 1967, and reverted to retired status, the provisions of 10 U.S.C. 1401a(e) may be applied (52 Comp Gen 469). However, 10 U.S.C. 1401a(e) was repealed by Public Law 98-94, 24 Sep 1983. (See paragraph 10313.)
5. If member was initially retired on or after 1 Oct 1983, the amount computed, if not a multiple of \$1, shall be rounded to the next lower multiple of \$1. Any future adjustments to such pay must be made on the rounded figure. Retired pay of members retired on 30 Sep 1983 will not be rounded until there

is an adjustment under 10 U.S.C. 1401a; then, and with each subsequent adjustment, the amount adjusted, if not a multiple of \$1, shall be rounded to the next lower multiple of \$1. The rounded amount becomes the member's entitlement and any future adjustments shall be based on this rounded entitlement.

6. Public Law 97-92 established new rates for Executive Level V personnel effective 1 Jan 1982, which permitted an increase in the maximum amount payable for grades 0-7, 0-8, 0-9, and 0-10. Members received a .7 percent COLADJ effective 1 Mar 1982, and rule 25 through end from table 2-3-3.

7. Public Law 97-377 permitted an increase in the maximum amount payable for Executive Level V personnel effective 18 Dec 1982. Grades 0-8, 0-9, and 0-10 were affected. Members received COLADJ under table 2-3-3, rule 26 through end.

TABLE 2-3-2

DISABILITY REVERT - RATES OF ENTITLEMENT UPON REVERSION TO RETIRED LIST (10 U.S.C. 1402) (WITH DISABILITY OF AT LEAST 30 PERCENT AFTER RECALL)

R U L E	A	B	C	D	E	F
	If date of release from active duty is during	and the current active duty rate is	then revert to active duty rate	and entitlement at time of recomputation is	increased by COLADJ applicable at time of recomputation	and apply later COLADJ per table 2-3-3. rule
1	1 Oct 63-31 Aug 64	1 Oct 63	1 Oct 63	1 Oct 63		1 through end.
2	1 Sep 64-31 Aug 65	1 Sep 64	1 Sep 64	1 Sep 64		2 through end.
3	1 Sep 65-30 Jun 66	1 Sep 65	1 Sep 65	1 Sep 65		3 through end.
4	1 Jul 66-30 Nov 66	1 Jul 66	1 Jul 66	1 Jul 66		
5	1 Dec 66-30 Sep 67				3.7	
6	1 Oct 67-15 Nov 67	1 Oct 67		1 Jul 66 (note 1)		
7	16 Dec 67-31 Mar 68		1 Oct 67	1 Oct 67		apply 1.3% on 1 Apr 68 then 4 through end.
8	1 Apr 68-30 Jun 68				1.3	4 through end.
9	1 Jul 68-31 Jan 69	1 Jul 68	1 Jul 68	1 Jul 68		apply 2.1% on 1 Feb 69 then 5 through end.
10	1 Feb 69-30 Jun 69				2.1	5 through end.
11	1 Jul 69-31 Oct 69	1 Jul 69	1 Jul 69	1 Jul 69		apply .9% on 1 Nov 69 then 6 through end.
12	1 Nov 69-14 Apr 70				.9	6 through end.
13	15 Apr 70-31 Jul 70	1 Jan 70-15 Apr 70	1 Jan 70-15 Apr 70	15 Apr 70		apply 2.5% on 1 Aug 70 then 7 through end.
14	1 Aug 70-31 Dec 70				2.5	7 through end.
15	1 Jan 71-31 May 71	1 Jan 71	1 Jan 71	1 Jan 71		apply .6% on 1 Jun 71 then 8 through end.
16	1 Jun 71-30 Sep 71				.6	8 through end.
17	1 Oct 71-31 Dec 71	1 Oct 71	1 Oct 71	1 Oct 71		if receiving pay on 1 Oct 71 increased rate apply 1.7% on 1 Jul 72 then 9 through end.
18	1 Jan 72-30 Jun 72	1 Jan 72	1 Jan 72	1 Jan 72		if receiving pay on 1 Jan 72 increased rate apply 1.0% on 1 Jul 72 then 9 through end.
19	1 Jul 72-30 Sep 72				1.0	9 through end.
20	1 Oct 72-30 Jun 73	1 Oct 72	1 Oct 72	1 Oct 72		apply 3.6% on 1 Jul 73 then 10 through end.
21	1 Jul 73-30 Sep 73				3.6	10 through end.

TABLE 2-3-2. CONTINUED

R U L E	A	B	C	D	E	F	
	If date of release from active duty is during	and the current active duty rate is	then revert to active duty rate	and entitlement at time of recomputation is	increased by COLADJ applicable at time of recomputation	and apply later COLADJ per table 2-3-3, rule	
22	1 Oct 73-31 Dec 73	1 Oct 73	1 Oct 73	1 Oct 73		change to 1 Oct 72 saved pay on 1 Jan 74 then apply 3.6% then 10 through end.	
23	1 Jan 74-30 Jun 74			SP 1 Oct 72	3.6 + 5.5	11 through end.	
24	1 Jul 74-30 Sep 74				3.6 + 5.5 + 6 + 3	12 through end.	
25	1 Oct 74-31 Dec 74	1 Oct 74	1 Oct 74	SP 1 Oct 73	6.2	13 through end.	
26	1 Jan 75-31 Jul 75				6.2 + 7.3		
27	1 Aug 75-30 Sep 75				6.2 + 7.3 + 5.1	14 through end.	
28	1 Oct 75-29 Feb 76	1 Oct 75	1 Oct 75	SP 1 Oct 74	5.0		
29	1 Mar 76-30 Sep 76				5.0 + 5.4	15 through end.	
30	1 Oct 76-28 Feb 77	1 Oct 76	1 Oct 76	1 Oct 76		Recompute 1 Mar 77 on 1 Oct 75 plus COLADJ 1.7 + 4.8 and 16 through end.	
31	1 Mar 77-31 Aug 77			SP 1 Oct 75	1.7 + 4.8	16 through end.	
32	1 Sep 77-30 Sep 77				1.7 + 4.8 + 4.3	17 through end.	
33	1 Oct 77-28 Feb 78	1 Oct 77	1 Oct 77	1 Oct 77		Recompute 1 Mar 78 on 1 Oct 76 plus COLADJ 5.3 + 2.4 and 18 through end.	
34	1 Mar 78-31 Aug 78				5.3 + 2.4	18 through end.	
35	1 Sep 78-30 Sep 78				5.3 + 2.4 + 4.9	19 through end.	
36	1 Oct 78-28 Feb 79	1 Oct 78	1 Oct 78	1 Oct 78	6.1		
37	1 Mar 79-31 Aug 79			SP 1 Oct 77	6.1 + 3.9	20 through end.	
38	1 Sep 79-30 Sep 79				6.1 + 3.9 + 6.9	21 through end.	
39	1 Oct 79-29 Feb 80	1 Oct 79	1 Oct 79	1 Oct 79	8.9		
40	1 Mar 80-31 Aug 80			SP 1 Oct 78	8.9 + 6.0	22 through end.	
41	1 Sep 80-30 Sep 80				8.9 + 6.0 + 7.7	23 through end.	
42	1 Oct 80-28 Feb 81	1 Oct 80	1 Oct 80	1 Oct 80		Recompute 1 Mar 81 on 1 Oct 79 plus COLADJ 10.8 + 4.4 and 24 through end.	
43	1 Mar 81-30 Sep 81			SP 1 Oct 79	10.8 + 4.4	24 through end.	
44	1 Oct 81-28 Feb 82	1 Oct 81	1 Oct 81	1 Oct 81	.7 (note 2)	0.7 (note 2) and 25 through end.	
45	1 Mar 82-30 Sep 82						25 through end.

TABLE 2-3-3					
COST-OF-LIVING ADJUSTMENT (COLADJ) PERCENTAGE TABLE					
No.	Date of COLADJ	Percent	No.	Date of COLADJ	Percent
1	1 Sep 65	4.4	26	1 Dec 84	3.5
2	1 Dec 66	3.7	27	1 Dec 86	1.3
3	1 Apr 68	3.9	28	1 Dec 87	4.2 pre-Aug 86 member
4	1 Feb 69	4.0			3.2 post-Aug 86 member
5	1 Nov 69	5.3	29	1 Dec 88	4.0 pre-Aug 86 member
6	1 Aug 70	5.6			3.0 post-Aug 86 member
7	1 Jun 71	4.5	30	1 Dec 89	4.7 pre-Aug 86 member
8	1 Jul 72	4.8			3.7 post-Aug 86 member
9	1 Jul 73	6.1	*31	1 Dec 90	5.4 pre-Aug 86 member
10	1 Jan 74	5.5			4.4 post-Aug 86 member
11	1 Jul 74	6.3	*32	1 Dec 91	3.7 pre-Aug 86 member
12	1 Jan 75	7.3			2.7 post-Aug 86 member
13	1 Aug 75	5.1	*33	1 Dec 92	3.0 pre-Aug 86 member
14	1 Mar 76	5.4			2.0 post-Aug 86 member
15	1 Mar 77	4.8	*34	1 Dec 93 (note 2)	2.6 pre-Aug 86 member
16	1 Sep 77	4.3			1.6 post-Aug 86 member
17	1 Mar 78	2.4			
18	1 Sep 78	4.9			
19	1 Mar 79	3.9			
20	1 Sep 79	6.9			
21	1 Mar 80	6.0			
22	1 Sep 80	7.7			
23	1 Mar 81	4.4			
24	1 Mar 82	8.7			
*25	1 Apr 83 (note 1)	3.3			
		3.9			

* NOTES:

1. See paragraph 20404bb.
2. See paragraph 20404bx.

TABLE 2-3-4						
COMPUTATION OF RETIRED PAY UPON REVERSION TO THE RETIRED LIST						
R U L E	A	B	C	D	E	F
	If	and	take	multiply by	add	subtract (note 3)
1	member reverts and is entitled to pay based on years of service	member first became member before 8 Sep 1980 (see figures 2-3-1 and 2-3-2)	monthly basic pay (note 1) of the grade in which member would be eligible; (1) to retire if retiring upon that release from active duty; or	2-1/2 percent of the sum of: (1) the years of service that may be credited to the retiree in computing retired pay or retainer pay; and (2) years of active service after becoming entitled to retired pay or retainer pay (note 2)		excess over 75 percent of pay upon which computation is based
2		member first became member after 7 Sep 1980	(2) to transfer to the Fleet Reserve or Fleet Marine Corps Reserve if transferring to either upon that release from active duty			
3	member reverts with a disability rating of 30 percent or more	member first became member before 8 Sep 1980	highest monthly basic pay (note 1) that member received while on active duty after retirement or after date when member's was placed on Temporary Disability Retired List	as member elects: (1) 2-1/2 percent of years of service credited under 10 U.S.C. 1208; or (2) the highest percentage of disability attained while on active duty after retirement or after the date when member's name was placed on Temporary Disability Retired List (note 2)	amount necessary to increase product of columns C and D to 50 percent of pay upon which computation is based, if member is on Temporary Disability Retired List	excess over 75 percent of pay upon which computation is based.
4		member first became member after 7 Sep 1980	the monthly retired pay base			

NOTES:

1. For a member who has been entitled, for a continuous period of at least 2 years, to basic pay under the rates of basic pay in effect upon release from active duty, compute under those rates. For a member who has been entitled to basic pay for a continuous period of at least 2 years upon that release from active duty, compute under those rates. For a member who has been entitled to basic pay for a continuous period of at least 2 years upon that release from active duty, but who is not covered by the preceding sentence, compute under the rates of basic pay replaced by those in effect upon that release from active duty. For any other member, compute under the rates of basic pay under which the member's retired pay or retainer was computed when member entered on that active duty (see paragraph 20301c for an exception when the active duty is between 1 Oct 1963 and 30 Sep 1973).

*2. Before applying the percentage factor, credit a part of a year that is 6 months or more as shown in paragraph 10345.

3. If member was initially retired on or after 1 Oct 1983, the amount computed, if not a multiple of \$1, shall be rounded to the next lower multiple of \$1. Any future adjustments to such pay must be made on the rounded figure. Retired pay of members retired on 30 Sep 1983 will not be rounded until there is an adjustment under 10 U.S.C. 1401a; then, with each subsequent adjustment, the amount as adjusted, if not a multiple of \$1, shall be rounded to the next lower multiple of \$1. The rounded amount becomes the member's entitlement and any future adjustments shall be based on this rounded entitlement.

Retired 1 July 1963 10 U.S.C. 6323 O-5 @ 775.00 (6/58 BP O-5 over 22 yrs)	24-6-23
OAD 6 July 1968 - 30 June 1970 (1-11-25) O-5 @ 1363.50(1/70 BP O-5 over 22 yrs)	26-6-18
<u>Saved Pay</u>	
2-1/2% x 25 yrs = 62-1/2%	
62-1/2% x 775.00 = 484.38	(6/58 BP O-5 over 22 yrs)
62-1/2% x 885.00 = 553.13	(10/63 BP O-5 over 22 yrs)
+ 4.4% = 577.47	
+ 3.7% = 598.84	
+ 3.9% = 622.19	
+ 4.0% = 647.08	
+ 5.3% = 681.38	
+ 5.6% = 719.54	
<u>10 U.S.C. 1402(a) and (e)</u>	
10/63 BP O-5 over 22 yrs	
2-1/2% x 27 yrs = 67-1/2%	
67-1/2% x 775.00 = 597.38	
+ 4.4% = 623.66	
+ 3.7% = 646.74	
+ 3.9% = 671.96	
+ 4.0% = 698.84	
+ 5.3% = 735.88	
+ 5.6% = 777.09	
For grade O-5 with "over 22 yrs" this is the maximum pay allowable.	

Figure 2-3-1. Recomputation Upon Reversion (After Serving on Active Duty).

Transferred to the Fleet Reserve 14 Aug 1959 E-8 @ 360.00 (6/58 BP E-8 over 18 yrs)	BP 19-6-5 PCT 19-11-10
OAD 16 Nov 1966 - 16 Mar 1971 (4-4-1) E-9 @ 975.00 (1/71 BP E-9 over 26 yrs)	BP 23-10-6 PCT 24-3-11
Promoted from E-8 to E-9 16 Feb 1969	
Tranferred to the Retired List 1 Oct 1969	
Saved Pay	
6/58 BP E-8 over 20 yrs	6/58 BP E-9 over 20 yrs
2-1/2% x 20 yrs = 50%	2-1/2% x 20 yrs = 50%
50% x 370.00 = 185.00	50% x 430.00 = 215.00
+ 5.0% = 194.25	+ 5.0% = 225.75
+ 4.4% = 202.80	+ 4.4% = 235.68
+ 3.7% = 210.30	+ 3.7% = 244.40
+ 3.9% = 218.50	+ 3.9% = 253.93
+ 4.0% = 227.24	+ 4.0% = 264.09
+ 5.3% = 239.28	+ 5.3% = 278.09
+ 5.6% = 252.68	+ 5.6% = 293.66
+ 4.5% = 264.05	+ 4.5% = 306.87
10 U.S.C. 1402(a)	
1/70 BP E-8 over 22 yrs	1/70 BP E-9 over 22 yrs
2-1/2% x 24 yrs = 60%	2-1/2% x 24 yrs = 60%
60% x 726.30 = 435.78	60% x 823.50 = 494.10
+ 2.5% = 446.67	+ 2.5% = 506.45
+ 4.5% = 466.77	+ 4.5% = 529.24
10 U.S.C. 1402(e)	
6/58 BP E-8 over 22 yrs	6/58 BP E-9 over 22 yrs
2-1/2% x 24 yrs = 60%	2-1/2% x 24 yrs = 60%
60% x 380.00 = 228.00	60% x 440.00 = 264.00
+ 3.7% = 236.44	+ 3.7% = 273.77
+ 3.9% = 245.66	+ 3.9% = 284.45
+ 4.0% = 255.49	+ 4.0% = 295.83
+ 5.3% = 269.03	+ 5.3% = 311.51
+ 5.6% = 284.10	+ 5.6% = 328.95
+ 4.5% = 296.88	+ 4.5% = 343.75

Figure 2-3-2. Recomputation Upon Reversion (Transfer to Fleet Reserve or FMC).

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