

VOLUME 7B, CHAPTER 1: “INITIAL ENTITLEMENTS – RETIREMENTS”**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 **November 2015** is archived.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Updated the hyperlinks and subparagraph titles, and revised the chapter to comply with current administrative instructions.	Revision
All	Renumbered former sections 0102 through 0108 to sections 0103 through 0109 to include paragraphs.	Revision
010101	Added a “Purpose” paragraph to provide information for the entitlement to military retirement pay. Additionally, introduced the Modernized Retirement System, commonly known as the Blended Retirement System (BRS), which became effective January 1, 2018.	Addition
010102	Added an “Authoritative Guidance” paragraph.	Addition
0102	Added section 0102, “Military Retired Pay – Initial Entitlements.”	Addition
0102	Renumbered the former paragraphs 010101 through 010107 to paragraphs 010201 through 010207.	Revision
010201.B, 010203, and 010204.A	Pursuant to Public Law (PL) 114-92, November 25, 2015 and PL 114-328, December 23, 2016, added the BRS information.	Addition
010203.C	Pursuant to PL 114-92, discontinued authorization of any new Career Status Bonus (CSB) agreements after December 31, 2017.	Addition
010206	Added the clarifying sentence, “The base amount for a member electing CSB/reduced retirement excludes the reduction for completing fewer than 30 years of service.”	Addition
010301.B	Pursuant to PL 114-328, December 23, 2016, extended the Temporary Early Retirement Authority end date of December 31, 2018 to December 31, 2025.	Revision
010901	Added clarifying information to the effective date of payment for retired pay and retainer pay.	Addition

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
010901	Added clarifying information to the effective date of payment for retired pay and retainer pay.	Addition
Bibliography	Updated "Bibliography."	Revision

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CHAPTER 1

INITIAL ENTITLEMENTS – RETIREMENTS

0101 GENERAL

*010101. Purpose

This chapter provides information for the entitlement to military retirement pay. Pursuant to the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2016, as amended by the NDAA FY 2017, the Department of Defense (DoD) established the Modernized Retirement System, commonly known as the Blended Retirement System (BRS). The BRS is the retired pay system for all Service members who entered military service on or after January 1, 2018. All members serving as of December 31, 2017 were grandfathered under the applicable legacy retirement system. The law permits active duty Service members with less than 12 years of service on December 31, 2017, or Service members in the Reserve Component who were in a paid status and accrued less than 4,320 retirement points as of December 31, 2017, the option of electing to be covered under the BRS or to remain with their applicable legacy retirement system. The law provides a one year election period for those Service members eligible to opt into BRS from January 1, 2018 and ends on December 31, 2018. The decision to opt into BRS is irrevocable.

*010102. Authoritative Guidance

The bibliography at the end of this chapter lists the authoritative references.

*0102 MILITARY RETIRED PAY – INITIAL ENTITLEMENTS

*010201. Overview

A warrant officer or an enlisted member may be voluntarily retired after completion of 20 years of creditable service. An enlisted member of the Army or Air Force may be voluntarily retired upon completion of 20 years of creditable service and then becomes a member of the Reserve force. A commissioned officer may be voluntarily retired after completion of 20 years of active service, of which at least 10 years is active commissioned service. Members who continue on active duty after completion of 20 years of service may be retired for voluntary or involuntary reasons. Members who incur a disability while serving on active duty or while called to active duty for training for 30 days or less may be retired. Various chapters in Volume 7B provide specific details on eligibility, computation, and payment.

A. Military retired pay is divided into three general categories: retired pay for Regular service, retired pay for non-Regular (Reserve/Guard) service, and retired pay for physical disability. With the exception of retirement for physical disability and certain temporary authorities for early retirement, a member must be credited with completion of at least 20 years of service in order to be eligible for retired/retainer pay. See section 0103 for determining years of service for retired/retainer pay eligibility.

* B. [Compute](#) retired pay for all categories by applying a percentage multiplier, as determined in paragraph 010203, to the member's monthly retired pay base.

1. The percentage multiplier is generally 2.5 percent for each year of service for members covered by the [legacy retirement pay plan](#); however, in the case of disability retirement, the percentage multiplier may optionally be the disability percentage awarded by the military service upon retirement.

2. The percentage multiplier is generally 2.0 percent for each year of service for members covered by the BRS; however, in the case of disability retirement, the percentage multiplier may optionally be the disability percentage awarded by the military service upon retirement.

C. All retiring members may participate in the Survivor Benefit Plan (SBP) that provides a continuing annuity for the lifetime of a surviving spouse or other beneficiary of up to 55 percent of the deceased member's retired pay. Both the retired pay and the survivor annuity are adjusted for inflation through annual Cost-of-Living Adjustments (COLA).

010202. Retired Pay Base

The retired pay base is determined based upon the date the member first entered military service and whether the member is retiring under [Regular](#), [Reserve/Guard](#), or disability provisions of law. Details are in Chapter 3.

A. The Date of Initial Entry into Military Service (DIEMS) determines whether the retired pay base is the monthly basic pay of the member just before retirement or an average of the highest 36 months of basic pay applicable during the member's career.

1. [Final Basic Pay](#). For members who first entered military service before September 8, 1980, the retired pay base is generally the final basic monthly pay that the member is receiving at the time of retirement.

2. [High-Three Average \(High 36 Month Average\)](#). For members who entered the military service on or after September 8, 1980, the retired pay base is generally the average of the highest three years (36 months) of monthly basic pay to which the member received for any 36 months of active service whether consecutive or not.

B. For a member entitled to retired pay for non-[Regular](#) ([Reserve/Guard](#)) service, the final basic pay or the high-36 average is usually determined using the rates to which the member was actually paid or to which the member would have been entitled if serving on active duty immediately before the date when retired pay is to begin.

*010203. Retired Pay Multiplier

[For members covered by the legacy retirement pay plan](#), the retired pay multiplier is either 2.5 percent times the years of service creditable for computing retired pay or the percentage of

disability awarded by the military service at retirement. For members covered by the BRS, the percentage multiplier is either 2.0 percent times the years of service creditable for computing retired pay or the percentage of disability awarded by the military service at retirement. See section 0104 for determining years of service creditable for computing retired pay.

A. The years of service for computing retired pay for Regular retirement are generally the total of years of active service. For non-Regular (Reserve/Guard) members, the years of service are the total of accumulated drill points combined with one point each day of active duty divided by 360.

B. A member who retires for disability may choose a multiplier based on years of service or based on the disability percentage awarded by the Service. However, if the member chooses the Service disability percentage, then the percentage is capped at 75 percent.

* C. Regular members who have a DIEMS date on or after August 1, 1986 may elect a reduced retirement (REDUX) accompanied by the Career Status Bonus (CSB). The retired pay multiplier is the same as computed in subparagraph 010203.A, except that it is reduced by one percentage point for each year the member retires short of completing 30 years of service. In accordance with section 631 of the NDAA FY 2016, Public Law 114-92, Title 37, United States Code (U.S.C.), section 354 was amended to discontinue authorization of any new CSB agreements after December 31, 2017. See Volume 7A, Chapter 66 for detailed information on the CSB entitlement and election.

*010204. Retired Pay Formulae

If a member entitled to retired or retainer pay would otherwise be entitled to retired pay computed under more than one formula, then the member is entitled to be paid under the applicable formula that is most favorable to the member. The retired pay formulae are more fully covered in Chapter 3. The formulae are as follows:

* A. For Regular and non-Regular (Reserve/Guard) members covered by the legacy retirement pay plan, monthly retired pay is equal to retired pay base times 2.5 percent times years of service. For Regular and non-Regular (Reserve/Guard) members covered by the BRS, monthly retired pay is equal to the retired pay base times 2.0 percent times years of service.

B. For disability retirement, the member may elect retired pay computed under subparagraph 010204.A, or monthly pay equal to retired pay base times military disability percentage.

C. For members retiring for Regular service that elected the REDUX retirement and received the CSB, retired pay is as computed in subparagraph 010204.A, except the multiplier is reduced by one percentage point for each year the member retires short of completing 30 years of service.

010205. Temporary Early Retirement Authority (TERA)

A. TERA provides the Secretary of Defense a temporary force management tool with which to affect the drawdown of military forces and yet maintain an adequate and effective well-trained military force. TERA provides the authority for voluntary retirement of members on active duty with at least 15 years, but less than 20 years of creditable service. An eligible member of the Armed Forces may apply for early retirement under the program and receive an annuity equivalent to 2.5 percent of retired pay base for each year of service completed and a deduction of 1 percent for each year short of 20 years of service. The request is subject to the approval of the Secretary concerned. Drawdown periods are referenced in subparagraph 010301.B. See Chapter 3 for computation of TERA payment.

B. A member of the Armed Forces approved for early retirement must:

1. Be currently serving on active duty;
2. Complete 15 or more years of active service upon the effective date of retirement;
3. Not be under evaluation for disability retirement under [10 U.S.C., Chapter 61](#); and
4. Meet grade, skill, years of service, and other eligibility criteria as established by the Secretary of the Military Department concerned.

*010206. Survivor Benefit Plan (SBP)

Retiring members may participate in the SBP program. The SBP program pays a lifetime annuity to the designated survivor of 55 percent of a base amount elected by the member not to exceed full retired pay. [The base amount for a member electing CSB/REDUX is determined without regard to any reduction for having less than 30 years of creditable service.](#) Upon receiving notice of having completed sufficient service to qualify for retirement, a non-Regular (Reserve/Guard) member (except for not having attained the requisite age) may also participate in the SBP program. Detailed information regarding the SBP program begins in Chapter 42.

010207. Cost of Living Adjustments (COLA)

Both retired pay and survivor annuities are adjusted annually by the change in the Consumer Price Index. See Chapter 8 for detailed information on COLAs.

0103 SERVICE CREDITABLE FOR RETIREMENT ELIGIBILITY

*010301. Creditable Service and Service Reduction for Retirement Eligibility

A. Computation of Creditable Service for Determining Retirement Eligibility.
A computation of creditable service for determining retirement eligibility may be required at any

time during a member's military career. Generally, a member must complete at least 20 years of creditable service in order to qualify for retired or retainer pay. Upon completion of 20 years of creditable service, a member may request to be transferred to a retired or retainer status.

1. An enlisted member of the Army or Air Force who completes 20 years of creditable active service may request to be retired.

2. An enlisted member of the Navy or the Marine Corps who completes 20 years of creditable active service may request transfer to the Fleet Reserve or Fleet Marine Corps Reserve. See Chapter 2 for details regarding creditable service for transfers to the Fleet Reserve and Fleet Marine Corps Reserve.

3. An enlisted member of the Regular Army, Navy, Marine Corps, or Air Force who completes 30 years of creditable active service or an enlisted member in the Fleet Reserve or Fleet Marine Corps Reserve upon completion of a total of 30 years of combined active and Fleet Reserve service will, upon request, be retired.

4. A Regular or Reserve commissioned officer may voluntarily be retired after completion of 20 years of active service, at least 10 years of which is active commissioned service.

5. A non-Regular member who completes 20 years of creditable qualifying service, but has not yet attained the eligibility age applicable for retired pay, may request transfer to the inactive status list.

6. Members who incur a qualifying disability while serving on active duty, while called to active duty for training for 30 days or less, or while performing inactive duty training may be retired for disability, at which time a service computation is required.

* B. Reduction of the 20-Year Creditable Service Requirement. Under TERA, the Secretary of the Military Department concerned may reduce the 20 years of creditable service requirement to as few as 15 years for retirements during the period of December 31, 2011 through December 31, 2025, for Regular retirements only. During the period of October 23, 1992 through September 1, 2002, TERA provided for Regular and non-Regular retirements.

C. Reduction of the 10-Year Active Commissioned Service Requirement. The Secretary of the Military Department concerned may also reduce the 10-year active commissioned service requirement to not less than 8 years for retirements during the following periods:

1. January 7, 2011 through September 30, 2018;
2. January 6, 2006 through December 31, 2008; and
3. October 1, 1990 through December 31, 2001.

D. Active Duty Beyond 20 Years of Service. A member who continues on active duty after completion of 20 years of service may be retired for voluntary or involuntary reasons. Involuntary reasons include court martial sentence, poor performance, failure to qualify for promotion, high year tenure, and age.

E. Service Creditable for Retirement Eligibility. Service creditable for the purpose of determining retirement eligibility varies with each type of retirement. For retirement types and the specific service creditable for each type, see paragraphs 010302 through 010308. See paragraph 010309 for service that is not creditable.

010302. Service Creditable for Regular Voluntary Retirement - Enlisted Members (Table 1-1)

The following is service creditable for Regular voluntary retirement for enlisted members:

- A. All active service in the Uniformed Services; and
- B. Service as a cadet or midshipman at Service academy.

010303. Service Creditable for Voluntary Retirement - Regular and Reserve Commissioned Officers (Table 1-1)

The following constitutes service creditable for voluntary retirement for Regular and Reserve commissioned officers:

- A. Active service in the Uniformed Services;
- B. All full-time service performed by an officer of the Regular Army or Regular Air Force in the Medical Corps as:
 - 1. A contract surgeon,
 - 2. An acting assistant surgeon, or
 - 3. A contract physician, under a contract to serve full-time and to take and change station as ordered; and
- C. All full-time service performed by an officer of the Regular Army or Regular Air Force in the Dental Corps as:
 - 1. A contract dental surgeon, or
 - 2. An acting dental surgeon.

010304. Service Creditable for Voluntary or Mandatory Retirement - Warrant Officers

The following constitutes service creditable for voluntary or mandatory retirement for warrant officers:

- A. Active service in the Uniformed Services; and
- B. All service as:
 - 1. A contract surgeon;
 - 2. A Reserve nurse;
 - 3. A contract dental surgeon;
 - 4. An acting dental surgeon; and
 - 5. A veterinarian in the quartermaster department, cavalry, or field artillery.

010305. Service Creditable for Mandatory Retirement - Regular Commissioned Officers, Army and Air Force (Table 1-2)

The service creditable for mandatory retirement for Regular commissioned officers of the Army and Air Force includes years of service credited at the time of original appointment in the Regular Army and Regular Air Force. Compute service creditable as stated in subparagraphs 010305.A through 010305.G to determine eligibility for promotion, except service in subparagraph 010309.C, plus all years of active commissioned service in the Regular Army and Regular Air Force after that appointment, or the applicable years of service.

A. A Reserve judge advocate appointed in the Regular Army is credited service after becoming 21 years of age, after December 7, 1941, and before the date of that appointment, or the number of the days, months and years by which the member's age at the time of appointment exceeds 25 years, whichever is greater, plus years of active commissioned service in the Regular Army or Regular Air Force after that appointment.

B. An officer appointed in the Regular Army, except the Army Nurse Corps or Army Medical Specialist Corps before December 31, 1947, other than an officer covered by subparagraph 010305.A, or appointed in the Regular Army under the Act of December 28, 1945, is credited the sum of:

- 1. Years of active commissioned service in the Regular Army after that appointment, and

2. Years of active commissioned service in the Army after becoming 21 years of age and after December 7, 1941, under any earlier appointment.

C. An officer appointed in the Regular Army, except the Army Nurse Corps or Army Medical Specialist Corps after December 31, 1947, other than an officer appointed in the Women's Army Corps, Regular Army, under section 108 of the Women's Armed Services Integration Act of 1948, is credited the sum of:

1. Years of active commissioned service in the Regular Army after that appointment, and

2. Years of active commissioned service in the Army after becoming 21 years of age and after December 31, 1947, under any earlier appointment.

D. An officer of the Regular Air Force appointed in the Regular Army or Regular Air Force after December 31, 1947, under section 506 of the Officer Personnel Act of 1947, is credited the sum of:

1. The years of active commissioned service in the Regular Army or Regular Air Force after that appointment; and

2. The years of active commissioned service in the Armed Forces after becoming 21 years of age and after December 6, 1941, under any earlier appointment.

E. An officer of the Air Force who was appointed in the Regular Army or Regular Air Force after December 31, 1947, other than an officer covered by subparagraphs 010305.D or 010305.F, is credited the sum of:

1. The years of active commissioned service in the Regular Army or Regular Air Force after that appointment; and

2. The years of active commissioned service in the Air Force after becoming 21 years of age and after December 31, 1947, under any earlier appointment.

F. An officer of the Regular Air Force who was appointed in the Regular Air Force after July 19, 1956, other than an officer covered by subparagraph 010305.D, or who is designated as a medical or dental officer, is credited the sum of:

1. The years of active commissioned service in the Regular Air Force after that appointment;

2. The years of active commissioned service in the Armed Forces after becoming 21 years of age and before appointment; and

3. The years credited for the purpose of determining grade, position on a promotion list, seniority, and eligibility for promotion under one of the following conditions:

a. Three years, if appointed in the Regular Air Force with a view to designation as a medical service officer, and if holding a degree of doctor of philosophy or comparable degree in science allied to medicine;

b. Not more than 8 years, if one of not more than 100 persons in any calendar year who are appointed from civil life or from Reserves of the Air Force who have qualifications not otherwise available from members of the Air Force on active duty; or

c. Not more than 2 years, if appointed while on active duty in the Air Force.

G. An officer of the Army or Air Force under the Defense Officer Personnel Management Act is credited with the sum of:

1. The years of active service; and

2. The years of service, other than active service in subparagraph 010305.G.1, with which the member was entitled to be credited on May 31, 1958, in computing basic pay.

010306. Service Creditable for Mandatory Retirement - Regular Officers, Navy and Marine Corps (Table 1-2)

The following constitutes service creditable for mandatory retirement of Regular officers of the Navy and Marine Corps:

A. The total commissioned service of an officer on the active list in the line of the Navy or of the Marine Corps is computed from June 30 of the fiscal year in which the officer accepted that appointment. The computation applies when the officer has served continuously on the active list since appointment in the grade of ensign or second lieutenant, either upon graduation from the Naval Academy or under 10 U.S.C. §§ 2106, 2107, or 6909 (repealed).

B. Every other officer on the active list in the line of the Navy or Marine Corps is considered to have the same service as in subparagraph 010306.A, who:

1. Has not lost numbers or precedence; and

2. Is, or at any time has been, junior to the other officer for the purposes of eligibility for promotion and selection for promotion during the other officer's latest period of continuous service on the active list.

C. The total commissioned service of each officer on the active list of the Navy in the Supply Corps or the Civil Engineer Corps who originally was appointed as a Regular or as a Reserve in the grade of ensign in the line, or any staff corps, or in the grade of lieutenant (junior grade) in the Civil Engineer Corps, and who has served continuously on active duty since that

appointment, is computed from June 30 of the fiscal year in which the officer accepted that appointment, beginning August 7, 1947.

D. The total commissioned service of each officer originally appointed in the grade of lieutenant (junior grade) or ensign in any staff corps of the Navy, except the Supply Corps and the Civil Engineer Corps, who since that appointment has served continuously on the active list of the Navy, is computed from June 30 of the fiscal year in which the officer accepted that appointment. This provision does not apply, however, to officers appointed under the Act of April 18, 1946.

E. Every other commissioned officer on the active list of the Navy in any staff corps is considered to have the same total commissioned service as the officer in the same corps described in subparagraphs 010306.C and D, having the maximum total commissioned service who:

1. Has not lost numbers or precedence; and
2. Is, or at any time has been, junior to the other officer for the purposes of eligibility for promotion and selection for promotion during that other officer's latest period of continuous service on the active list.

F. Notwithstanding the provisions of subparagraph 010306.E, officers on the active list of the Navy in the Medical Service Corps, appointed under the Act of April 18, 1946, are considered to have total commissioned service equivalent to that of their running mates.

G. Officers on the active list of the Navy in the Nurse Corps are credited with:

1. Active service in the Nurse Corps and the Nurse Corps Reserve; and
2. Active service in the Nurse Corps and the Nurse Corps Reserve, which was abolished by the Army-Navy Nurses Act of 1947.

H. An officer of the Navy or Marine Corps under the Defense Officer Personnel Management Act is credited with:

1. The years of active service; and
2. The years of service, other than the service included in subparagraph 010306.H.1, with which member was entitled to be credited on May 31, 1958, in computing basic pay.

010307. Service Creditable for Disability Retirement (Table 1-3)

A. A member of a Regular Component of the Armed Forces is credited with the greater of all service he or she is considered to have for the purpose of separation or mandatory elimination from the active list, or the sum of:

1. All active service as a member of the Armed Forces as a nurse, Reserve nurse after February 2, 1901, contract surgeon, contract dental surgeon, or acting dental surgeon;

2. Active service as a commissioned officer of the National Oceanic and Atmospheric Administration (NOAA), or the Public Health Service (PHS). Active service as a member of the NOAA includes active service as a member of the Environmental Science Services Administration and of the Coast and Geodetic Survey, the predecessor organizations to NOAA and PHS; and

3. [Active](#) service while participating in exercises or performing active duty training and drills in the National Guard, under [32 U.S.C. §§ 502, 503, 504, and 505](#).

B. A member who is not a member of a Regular Component of the Armed Forces is credited with service calculated as the sum of subparagraphs 010307.B.1 through 010307.B.3, and divided by 360:

1. All days of active service;

2. All days of full-time service while performing annual training duty or attending prescribed periods of instruction designated as a military service school by law or by the Secretary concerned; and

3. One day for each point, but not more than 130 days in the year of service that includes October 30, 2007, and in any subsequent year of service credited for attendance at drills or periods of equivalent instruction prescribed for that year by the Secretary concerned that conform to requirements by law or are credited as service in the Health Professions Scholarship and Financial Assistance Program under [10 U.S.C. § 2126](#). Between October 30, 2000 and October 29, 2007, the maximum number was 90 days. Between September 23, 1996 and October 29, 2000, the maximum number was 75 days, and 60 days before September 23, 1996. The credit includes points at the rate of 15 per year for membership in a Reserve Component of an Armed Force, in the Army or the Air Force without component, or service before July 1, 1949 in the categories provided in [10 U.S.C. § 12732](#).

010308. Service Creditable for Age and Service Retirement - Non-Regular Member (Table 1-4)

A. Creditable service for age and service retirement of non-[Regular](#) member includes:

1. The Uniformed Services;

2. Years of service before July 1, 1949, pursuant to 10 U.S.C. § 12732;

or

3. Each 1-year period after July 1, 1949, in which the member earned at least 50 points on the following basis:

- a. One point for each day of active service. Service as a cadet or midshipman at a Service academy is active service for non-**Regular** enlisted members only;
- b. One point for each day of full-time service while performing annual training or attending a prescribed course of instruction at a school designated as a Service school by law or by the Secretary concerned;
- c. One point for each attendance at a drill or period of equivalent instruction prescribed for that year by the Secretary concerned;
- d. Points at the rate of 15 per year for membership in a Reserve Component of the Armed Forces, in the Army or Air Force without component, or in any other category covered by 10 U.S.C. § 12732(a)(1), except a Regular Component; and
- e. Points credited as service in the Health Professions Scholarship and Financial Assistance Program under 10 U.S.C. § 212.

B. For the purpose of subparagraphs 010308.B.1 through 010308.B.3, all service in the National Guard is treated as if it were service in a Reserve Component if the member was later appointed in the U.S. National Guard or U.S. Air National Guard, or as a Reserve of the Army or Air Force and served continuously in the National Guard from date of Federal recognition to date of that appointment. A member of the Armed Forces Reserve or National Guard is entitled to retired pay computed under Chapter 3, Table 3-1, Rule 13 for non-**Regular** service upon application if he or she:

1. Has attained the eligibility age applicable to that member under subparagraph 010308.F;
2. Has performed at least 20 years of service (see subparagraph 010308.E), as shown in subparagraph 010308.A;
3. Has completed at least 20 years of service as described in subparagraph 010308.B.2 before April 25, 2005, and performed the last 6 years of qualifying service while a member of any category named in 10 U.S.C. § 12732(a)(1) (but not while a member of a Regular Component, the Fleet Reserve, or the Fleet Marine Corps Reserve); however, in the case of a member who completed 20 years of service before October 5, 1994, the number of years of such qualifying service must be 8; and
4. Is not entitled under any other provision of law to retired pay from the Armed Forces or retainer pay as a member of the Fleet Reserve or the Fleet Marine Corps Reserve, except as provided in Chapter 7, section 0701.

C. A member who has been notified that the years of service requirement has been met for eligibility for retired pay may not have that eligibility denied or revoked on the basis of any error, miscalculation, misinformation, or administrative determination of years of service performed, unless it resulted directly from fraud or misrepresentation of the member.

1. The notification of eligibility, which is based on the member's completion of the service requirement, conforms to applicable Military Department regulations. A nonconforming written notice, administratively issued, which shows completion of service requirements of eligibility for retired pay, may not result in the denial of retired pay unless evidence shows that the member caused the service record to be altered or confused.

2. The number of years of creditable service upon which retired pay is computed may be adjusted to correct any error, miscalculation, misinformation, or administrative determination. When a correction is made, the retiree is entitled to retired pay in accordance with the number of years of creditable service, as corrected, from the date the retiree is granted retired pay.

3. Notwithstanding subparagraph 010308.C.2, the granting of retired pay to a retiree under [10 U.S.C., Chapter 1223](#) is conclusive as to that retiree's entitlement to such pay only if the payment of retired pay began after October 14, 1966. A notification that a member has completed the years of service required for eligibility for retired pay under 10 U.S.C., Chapter 1223 is conclusive as to that member's subsequent entitlement to such pay only if the notification is made after October 14, 1966.

D. Under [10 U.S.C. § 12731](#), members of a Reserve Component who have reached age 60 and have at least 20 years of qualifying Federal service are qualified for retired pay. A member who has qualified for retired pay, but retained under [10 U.S.C. § 12308](#), with member's consent, may be credited with the service for all purposes. A member, however, who elects to receive retired pay under 10 U.S.C. § 12731, may not be retained simultaneously on active duty or in active service under 10 U.S.C. § 12308.

E. A temporary special retirement qualification authority, [10 U.S.C. § 12731a](#), provides for the Secretary of the Military Department concerned to allow certain members with at least 15 years of creditable service to retire during the period beginning on October 23, 1992, and ending on December 31, 2001.

F. Subject to subparagraph 010308.F.1, the eligibility age for purposes of subparagraph 010308.B.1 is 60 years of age.

1. After January 28, 2008, the eligibility age for purposes of subparagraph 010308.F will be reduced, subject to subparagraph 010308.F.5, below 60 years of age in the case of a member who, as a member of the Ready Reserve, serves on active duty or performs active service described in subparagraph 010308.F.2. The reduction will be 3 months for each aggregate of 90 days on which the member serves on such active duty or performs such active service in any fiscal year after January 28, 2008, or in any two fiscal years after September 30, 2014. A day of duty may be included in only one aggregate of 90 days for purposes of this subparagraph.

2. Service on active duty is pursuant to a call or order to active duty under a provision of law referred to in [10 U.S.C. § 101\(a\)\(13\)\(B\)](#) or under [10 U.S.C. § 12301\(d\)](#). Such service does not include a call or order to active duty under [10 U.S.C. § 12310](#).

3. Active service is also service under a call to active service authorized by the President or the Secretary of Defense under 32 U.S.C. § 502(f) for purposes of responding to a national emergency declared by the President or supported by Federal funds.

4. If the member is wounded, otherwise injured, or becomes ill while serving on active duty pursuant to a call or order to active duty under subparagraph 010308.F.2, and the member is ordered to active duty under 10 U.S.C. § 12301(h)(1) to receive medical care for the wound, injury, or illness, then each day of active duty under that order for medical care will be treated as a continuation of the original call or order to active duty for purposes of reducing the eligibility age of the member under this subparagraph.

5. The eligibility age for purposes of subparagraph 010308.F may not be reduced below 50 years of age for any member under subparagraph 010308.F.1.

010309. Service Not Creditable for Determining Retirement Eligibility

A. Enlisted Member's Lost Time. The following periods of absence from duty during a term of enlistment are not creditable to an enlisted member unless they are made up by the member upon return to full duty so as to complete the term for which the member was enlisted. The periods of absence from duty are:

1. Desertion;
2. Absence from organization, station, or duty for more than 1 day without proper authority, as determined by competent authority;
3. Confinement by military or civilian authorities for more than 1 day in connection with a trial, whether before, during, or after the trial; and
4. The member's inability for more than 1 day, as determined by competent authority, to perform assigned duties because of intemperate use of drugs or alcoholic liquor, or because of disease or injury resulting from the member's misconduct.

B. Officer's Lost Time. Prior to February 11, 1996, a commissioned or warrant officer was entitled to credit for every day in a commissioned or warrant status, without regard to absence of any kind, whether authorized or unauthorized, and including confinement prior to and during trial. In addition, absence during which a member was serving on active duty as an enlisted member was creditable if the enlisted member also held a commission as a Reserve officer. After February 10, 1996, a commissioned or warrant officer may not count the following periods of absence for any purpose other than the computation of length of service for basic pay:

1. Desertion;
2. Absence from organization, station, or duty for more than 1 day without proper authority, as determined by competent authority;

3. Confinement by military or civilian authority for more than 1 day in connection with a trial, whether before, during, or after the trial; or

4. Inability to perform assigned duties for more than 1 day, as determined by competent authority, because of intemperate use of drugs or alcoholic liquor, or because of disease or injury resulting from the member's misconduct. The period of such desertion, absence, confinement, or inability to perform duties may not be counted in computing, for any purpose other than basic pay under [37 U.S.C. § 205](#), the officer's length of service.

C. Constructive Service. Constructive service, credited under 10 U.S.C. § 3287(a)(2)(A) or (B) (repealed), 10 U.S.C. § 3294(b) (repealed), or section 506(c) of the Officer Personnel Act of 1947, is not included in the service computation under subparagraph 010305.A. Constructive service creditable may be:

1. Three years, if appointed as a chaplain, or for service in the Judge Advocate General's Corps or in the Veterinary Corps of the Regular Army;

2. Three years, if appointed in the Medical Service Corps and if holding the degree of doctor of philosophy or comparable degree recognized by the Surgeon General; or

3. Four years (five, if member completed a 1-year internship) credited at the time of appointment in the Medical or Dental Corps for the purpose of determining grade, position on a promotion list, seniority in grade in the Regular Army, and eligibility for promotion.

D. Other Non-creditable Service. This service may not be counted for the purpose of determining retirement eligibility under paragraph 010307:

1. Service, other than active service, in an inactive section of the Organized Reserve Corps or Army Reserve, or inactive section of the officer's section of the Air Force Reserve;

2. Service, other than active service, after June 30, 1949, while on the Honorary Retired List of the Naval Reserve or of the Marine Corps Reserve;

3. Service in the inactive National Guard or in a non-federally recognized status of the National Guard;

4. Inactive service in the Fleet Reserve or Fleet Marine Corps Reserve;
and

5. Service in any status other than that as a commissioned officer, warrant officer, nurse, flight officer, aviation midshipman, appointed aviation cadet, or enlisted member, and that is described in paragraph 010301 as creditable.

0104 SERVICE CREDITABLE FOR COMPUTING RETIRED PAY

010401. Service for Percentage Multiple

Service authorized to be used as a percentage multiple is specified in each law section authorizing computation of retired pay for each type of retirement. Information on retirement types and service for percentage multiple are provided in this section.

010402. Voluntary Retirement - Enlisted Members

Service is credited under paragraph 010302.

010403. Voluntary Retirement Commissioned Officers

A. Active service is creditable in the Uniformed Services.

B. Crediting of constructive service for medical and dental officers or an internship is not authorized after September 14, 1981, unless a member was already enrolled in such a program and later graduated, and was commissioned as a medical or dental officer; however, post-September 14, 1981, time is creditable in computing retired pay provided the officer is retirement eligible.

C. Service creditable in computing retired pay should include time an officer served in the Uniformed Services University of Health Sciences (USUHS). For an officer of the Medical Corps or Dental Corps of the Army or Navy, an officer of the Air Force designated as a medical or dental officer, or an officer of the PHS commissioned as a medical or dental officer, credit actual time served in the program. Any credit otherwise accrued during the same period by reason of Reserve membership would not be used in determining the multiplier for computing retired pay.

Example: An O-6 with 20 years and 6 months service under 37 U.S.C. § 205 (excludes time at USUHS) is receiving basic pay for an O-6 over 20 years. If this member served 4 years and 6 months at USUHS, then, upon retirement, the member is to receive retired pay computed at 62.5 percent of basic pay as an O-6. The 62.5 percent is computed as 2.5 percent times 25 (20.5 plus 4.5) years of service as this computation will include the USUHS time.

D. The years of service, not included in subparagraphs 010403.A or B, with which the member was entitled to be credited on June 1, 1958, in computing basic pay is stated in Volume 7A, Chapter 1, section 0102.

E. Years of service not included in subparagraphs 010403.A, B, or C, with which the member would be entitled to be credited under [10 U.S.C. § 12733](#), are:

1. Days of active service;

2. Days of full-time service under [32 U.S.C. § 316](#) and 32 U.S.C. §§ 502 through 505, while performing annual training duty or attending a prescribed course of instruction at a school designated as a Service school by law or by the Secretary of the Military Department concerned (or designee); or

3. One day for each point, but not more than 130 days in any year of service that includes October 30, 2007, and in any subsequent year of service credited for attendance at drills or periods of equivalent instruction prescribed that year by the Secretary concerned that conform to requirements by law or credited as service in the Health Professions Scholarship and Financial Assistance Program under 10 U.S.C. § 2126. Between October 29, 2007 and October 29, 2000, the maximum number was 90 days; between September 23, 1996 and October 29, 2000, the maximum number was 75 days; and before September 23, 1996, the maximum was 60 days. The credit includes points at the rate of 15 per year for membership in a Reserve Component of an Armed Force, in the Army or the Air Force without component, or service before July 1, 1949 in the categories named in 10 U.S.C. § 12732.

010404. Voluntary Retirement - Warrant Officers

[See service credited under paragraph 010403.](#)

010405. Mandatory Retirement

A. Army and Air Force service credited [is the same as](#) under paragraphs 010305 or 010403, whichever is more favorable.

B. Navy and Marine Corps service credited [is the same as](#) under paragraphs 010306 or paragraph 010403, whichever is more favorable.

010406. Disability Retirement

Service credited [is the same as](#) under paragraph 010307.

010407. Age and Service Retirement - Reservist

Total days of service, as stated in subparagraphs 010403.D.1 through 010403.D.3, divided by 360 equals equivalent years and any fraction of a year of service.

0105 UNIFORM RETIREMENT DATE ACT (URDA) APPLICATION,
[TITLE 5, UNITED STATES CODE \(U.S.C.\), SECTION 8301](#)

010501. Authority

A. Retirement is effective on the first day of the month after that in which retirement would otherwise be effective, except as otherwise specifically provided by statute.

B. Notwithstanding subparagraph 010501.A, the rate of pay is computed as of the date retirement would have occurred but for the provisions of subparagraph 010501.A. See Table 1-5. Members who enter a Uniformed Service after September 7, 1980 receive retired pay based on an average of basic pay rates for the period actually served, not to exceed a 36-month period. See Chapter 3 for gross pay computation.

010502. Application

A. Voluntary Retirement

1. Compute pay on the current active duty basic pay rate in effect on the first day of retirement, if the member:

a. Retired on other than an active duty basic pay rate change date;

b. Retired on the same day as an active duty basic pay rate change, but was fully qualified for retirement or met requirements to be retired at least 1 month before the month immediately preceding the active duty basic pay rate change date, except for warrant officers retired under the provisions of 10 U.S.C. §§ 580, 1255 (repealed), 1263, 1293, and 1305;

c. Retired as an enlisted member regardless of qualification date; or

d. Retired as a commissioned officer under provisions of 10 U.S.C. § 6323.

2. Compute pay on the active duty basic pay rate in effect on the day before the first date of retirement if the member:

a. Retired as a warrant officer under 10 U.S.C. §§ 564 (repealed), 580, 1255 (repealed), 1263, 1293, and 1305; or

b. Retired on an active duty basic pay rate change date as a commissioned officer (other than an officer retired under 10 U.S.C. § 6323) or warrant officer who first qualified for retirement during the month immediately preceding the active duty rate change date; however, refer to Table 1-5, Rule 6 for an exception to this rule.

B. Mandatory Retirement

1. Compute pay on the active duty basic pay rate in effect on the date when the member met the requirements for involuntary retirement and is retired for mandatory reasons; or

2. The provision in subparagraph 010502.B.1 does not apply if:

a. Before the date scheduled for mandatory retirement, the member qualifies for and requests voluntary retirement that is approved before he or she is scheduled for mandatory retirement. See provisions for voluntary retirement in subparagraph 010502.A, or

b. The member is retained on active duty beyond the mandatory retirement date for physical evaluation to determine eligibility for disability retirement and is retired for disability. See paragraph 010307 to establish service creditable for disability retirement.

C. Fleet Reserve and Fleet Marine Corps Reserve. The provisions of the URDA do not apply to members transferred to the Fleet Reserve and Fleet Marine Corps Reserve.

D. Disability Retirement

1. Compute pay on the active duty rate in effect on the first day of retirement if the member:

a. Retired on other than an active duty basic pay rate change date, or

b. Retired on an active duty pay rate change date and otherwise is eligible for voluntary retirement and met those requirements at least 1 month before the month immediately preceding the new basic pay rates. The new rates apply only to the formula for computation of entitlement for voluntary retirement.

2. Compute pay on the active duty basic pay rate in effect on the day before the first day of retirement if the member:

a. Retired on an active duty rate change date as a commissioned officer, warrant officer, or enlisted member, and

b. Retired under disability retirement findings approved without the Secretary concerned having designated an earlier retirement date under [10 U.S.C. § 1221](#). If an earlier retirement date is not specified by the Secretary, then the provisions of the URDA govern the effective date of retirement.

E. Non-Regular Service Reserve Retirement. Compute pay on the active duty basic pay rate in effect on the date when the member is granted retired pay.

010503. Special Provisions

Under specific circumstances, computation may be based on another basic pay rate that may provide greater pay. See Chapter 3, sections 0302, 0303, and 0304.

0106 RANK AND PAY GRADE

010601. General Determination

A. Grade at Retirement. Unless entitled to a higher grade under some other provisions of law, those Regular and Reserve members who retire other than for disability will retire in the Regular or Reserve grade they hold on the date of retirement. See Volume 7A, Comparable Grades.

B. Time in Grade Requirement. A commissioned officer, other than a commissioned warrant officer of the Army, Navy, Air Force, or Marine Corps, who voluntarily retires in a grade above major or lieutenant commander, must serve on active duty in that grade for not less than 3 years. The President may waive this requirement in cases of hardship or exceptional or unusual circumstances. The Secretary of the Military Department concerned (or designee) may reduce the service-in-grade requirement to 2 years. This authority was made permanent under [Public Law 108-136, section 506](#), dated November 24, 2003.

C. Retirement to the Next Lower Grade. An officer who does not meet the service-in-grade requirement retires in the next lower grade in which the member served on active duty satisfactorily for at least 6 months.

D. Officers in Grades 0-9 and 0-10

1. An officer in the grade of general or admiral, or lieutenant general or vice admiral, may retire in that grade if the Secretary of Defense certifies, in writing, to the President and the Congress that the officer served on active duty satisfactorily in that grade.

2. The 3-year service-in-grade requirement cannot be reduced or waived if the officer is under investigation for alleged misconduct or if an adverse personnel action is pending against the officer for alleged misconduct.

E. Reserve Officers

1. Unless entitled to a higher grade, or to credit for satisfactory service in a higher grade under some other provision of law, a member who becomes entitled to a non-Regular Reserve retirement [will](#), upon application, receive credit for satisfactory service in the highest grade held in the Armed Forces, as determined by the Secretary of the Military Department concerned (or designee).

2. To receive credit for satisfactory service in a grade below lieutenant colonel or commander, other than a warrant officer grade, a member must serve satisfactorily in that grade, as determined by the Secretary of the Military Department concerned (or designee) as a Reserve commissioned officer in an active status, or in a retired status on active duty, for at least 6 months.

3. To receive credit for satisfactory service in a grade above major or lieutenant commander, a member must serve satisfactorily in that grade, as determined by the Secretary of the Military Department concerned (or designee), as a Reserve commissioned officer in an active status, or in a retired status on active duty, for at least 3 years.

a. A member who completes at least 6 months of satisfactory service in grade, upon transfer from an active status or upon discharge as a Reserve commissioned officer for mandatory age or years of service, receives credit for satisfactory service in the grade in which serving at time of transfer or discharge in that grade.

b. If a member completes at least 6 months of satisfactory service in grade while serving as adjutant general under [32 U.S.C. § 314](#) or as assistant adjutant general to such adjutant general, and the member is unable to complete 3 years of service in such grade because the appointment is terminated or vacated under [32 U.S.C. § 324\(b\)](#), then the member may be credited with satisfactory service in that grade.

c. The Secretary of the Military Department concerned (or designee) may allow credit in a higher grade to a member who has been recommended for promotion but before promotion to the recommended grade. Such credit may be allowed when a member who is in the next lower grade serves in a position after recommendation where the minimum authorized grade for the position the member is serving in is the higher grade to which the member is recommended for promotion. The period of service credit may not include any period before the date that the Senate provides advice and consent for the appointment in the recommended grade.

d. A member who qualifies for Federal recognition in a higher grade and then serves in that grade in a position for which the higher grade is the minimum authorized grade may receive credit for having served in that grade. The credit, determined by the Secretary of the Military Department concerned (or designee), is contingent upon the member being appointed as a Reserve officer in that grade. The service credit is allowed only for the period the member served in the position after Senate advice and consent for the appointment.

e. A member who completes at least 6 months of satisfactory service in a grade above colonel (or, in the case of the Navy, in a grade above captain), and while serving in an active status is involuntarily transferred (other than for cause) from active status, may be credited with satisfactory service for the grade in which serving even though he or she does not complete 3 years of service in that grade.

4. When a member's length of service in the highest grade held does not meet the service-in-grade requirements, the member receives credit for satisfactory service in the next lower grade in which the member serves satisfactorily for at least 6 months as determined by the Secretary of the Military Department concerned (or designee).

5. The Secretary of Defense may authorize the Secretary of a Military Department concerned (or designee) to reduce the 3-year period required in subparagraph 010601.E.3 for an officer above major or lieutenant commander, to a period of not less than 2 years. However, in the case of an officer who, upon transfer to the Retired Reserve or discharge, is to be credited with satisfactory service in a general or flag officer grade, the authority provided by the Secretary of Defense to the Secretary of a Military Department concerned (or designee) may be exercised with respect to that officer only if approved by the Secretary of Defense or another civilian official in the Office of the Secretary of Defense appointed by the President, by and with the advice and consent of the Senate.

F. Grade on Retirement for Physical Disability. Unless entitled to a higher grade under some other provision of law, members of the Armed Forces who retire for disability are entitled to the highest of:

1. The grade or rank in which serving when placed on the Temporary Disability Retired List or, if not carried on that list, on date of retirement;

2. The highest temporary grade or rank in which member satisfactorily serves, as determined by the Secretary of the Armed Force from which he or she retired;

3. The permanent Regular or Reserve grade to which the member would have been promoted had it not been for the disability for which the member is retired that was found upon physical examination; or

4. The temporary grade to which the member would have been promoted had it not been for the disability for which the member is retired, if eligibility for that promotion was required based on the cumulative years of service or years of service-in-grade, and the disability was found upon physical examination.

010602. Special Provisions

A. Commissioned officers of the Regular or Reserve Component of the Army or Air Force and Regular officers of the Navy or Marine Corps may, at the discretion of the President, be retired by and with the consent of the Senate, in the highest grade held at any time on the active list if they have served as:

1. Chief of Staff to the President;

2. Chief of Staff of the Army;

3. Chief of Naval Operations;

4. Chief of Staff of the Air Force;
5. Senior member of the Military Staff Committee of the United Nations;
6. General or lieutenant general in a position of importance and responsibility designated by the President;
7. Admirals or vice admirals in positions of great importance and responsibility designated by the President under [10 U.S.C. § 601](#);
8. Chief or assistant chief of a branch of the Regular Army for at least 4 years;
9. Surgeon General of the Army or Air Force in the grade of lieutenant general;
10. Permanent professor of the U.S. Military Academy ([USMA](#)) or U.S. Air Force Academy ([USAFA](#)). If the grade is below brigadier general and service as professor is long and distinguished, then the professor may, at the discretion of the President, be retired in the grade of brigadier general; or

11. Chiefs of Bureaus and Judge Advocate General.

B. Regular and Reserve commissioned officers of the Army and Air Force are entitled to the grade equal to the highest temporary grade in which they served on active duty satisfactorily for not less than 6 months. See exception in subparagraph 010601.B.

C. Where an existing statute authorizes computation of pay based on a grade in which the member served satisfactorily that is higher than the pay of the grade otherwise entitled, computation is based on the higher grade:

1. Without regard to whether that grade was temporary or permanent, and

2. Even though the military service in which the member held that higher grade is not the military service in which retired.

D. Retired warrant officers of the Army and Air Force, and enlisted members of the Regular Army and Regular Air Force, are entitled to be advanced on the retired list to the highest grade in which they served on active duty satisfactorily, when their active service plus time on the retired list equals 30 years.

E. Unless otherwise entitled to a higher grade, officers of the Regular Navy or Regular Marine Corps holding a permanent grade of W-1 or above, retired with 30 or more years of service, are retired in the grade in which they are serving at the time of retirement.

F. Unless otherwise entitled to a higher grade, members of the Navy and Marine Corps retired while serving in a temporary grade to which they were appointed in time of war or national emergency that terminates on date of detachment are retired in the grade they would hold if they had not received such appointment.

G. Warrant officers of the Navy and Marine Corps who retire after completion of 20 years of service may elect to be retired in the highest grade entitled under any provision of law.

H. Unless otherwise entitled to a higher grade, members, other than retired members of the Navy or Marine Corps, when retired, are advanced on the retired list to the highest officer grade in which they served satisfactorily under a temporary appointment.

I. A courtesy title is not to be used for computation of pay. The grade for pay purposes is determined under the criteria of general determinations and special provisions as prescribed in this paragraph, with specific reference to the section of law that authorizes the grade for pay purposes.

J. Members promoted while missing in action, whose status is changed to killed in action, are exempted from the 6-month time-in-grade requirement since promotions received while in a missing status are “fully effective for all purposes” under [37 U.S.C. § 552\(a\)](#).
Note: This provision is applicable only to members of the Army and Air Force.

K. A member who enters a Uniformed Service after September 7, 1980, and who later retires, may receive retired pay computed from a retired pay base made up of active duty pay rates from more than one grade.

010603. Satisfactory Service

The determination as to what constitutes satisfactory service for the purpose of retirement in the highest grade is within the discretionary power of the Secretary of the Military Department concerned (or designee).

0107 NON-CITIZENS

010701. Philippine Constabulary/Philippine Scout

The Act of February 2, 1901, as amended by the Act of May 16, 1908, authorized the President of the [United States](#) to organize a Military Component to be known as the Philippine Scouts and make it a part of the Regular Army. Retirement eligibility was the same as for enlisted men of the Regular Army. Officers were entitled to the same pay, privileges, and retirement benefits as authorized officers of like grade and service of the Regular Army. The Philippine Constabulary/Philippine Scouts are no [longer](#) maintained as a continuing part of the Army.

010702. Insular Force

The Insular Force of the U.S. Navy was established by Executive Order on April 5, 1901, as amended on June 25, 1901. The Secretary of the Navy was authorized to enlist 500 natives of the Islands of the Philippines and Guam. Members of the Insular Force were eligible for transfer to the Fleet Reserve or to the retired list. The Insular Force **is** no longer maintained as a continuing part of the Navy.

010703. Payment

A. Philippine Scouts. Adjustments of retired pay of Philippine Scouts will be made to reflect changes in the Consumer Price Index as provided by 10 U.S.C. § 1401a.

B. Change in Citizenship of Non-Regular Retirees. If a member's citizenship status changes after retirement, then it may have an impact on the member's retired pay. See Chapter 6 for additional information on change or loss of U.S. citizenship.

0108 HEROISM PAY

010801. Entitlement

A. Regular Retirement. Enlisted members of the Army, Air Force, Navy, and Marine Corps, retired after the completion of 20 or more but less than 30 years of active service for **Regular** retired pay computation purposes, who are credited by the Secretary concerned with extraordinary heroism in the line of duty, **will** receive a 10 percent increase to retired or retainer pay. Enlisted members of the Army and the Air Force, with 20 or more, but less than 30, years of service may not exceed a retired pay multiplier of 75 percent, including any heroism pay. Enlisted members of the Navy, Marine Corps, and Coast Guard with 20 or more, but less than 30, years of active service are eligible to have retired or retainer pay increased by 10 percent without restriction to a final multiplier of 75 percent.

B. Non-Regular Retirement. Enlisted members of the Reserve Component retired after the completion of less than 30 years of service for non-Regular retired pay computation purposes, who are credited by the Secretary concerned with extraordinary heroism in the line of duty, **will** receive a 10 percent increase to their retired pay. Enlisted members so entitled may not exceed a retired pay multiplier of 75 percent. Entitlement to increased Reserve retired pay for heroism became effective October 1, 2002 and applies with respect to retired pay for months beginning on or after that date.

C. Disability Retirement. Enlisted members retired for disability who otherwise are eligible for voluntary retirement for 20 or more, but less than 30, years of service, and who are entitled to a 10 percent increase in pay for certified acts of extraordinary heroism, are entitled to an additional computation under the computation for a length-of-service retirement. However, in no case may the retired pay multiplier for a disability retirement based upon less than 30 years of service exceed 75 percent.

010802. Determination of Entitlement

The Secretary of the Military Department concerned (or designee) has the authority to grant 10 percent of additional retired pay to an individual who has performed an act of extraordinary heroism in the line of duty. The Secretary's determination as to extraordinary heroism is conclusive for all purposes.

010803. Special Provisions

A. Advancement on the Retired List. Retired enlisted members of the Regular Army or Air Force receiving the 10 percent additional increase in pay for extraordinary heroism are not entitled to the 10 percent increase when advanced to a higher grade on the completion of 30 years of service. See Chapter 9.

B. Recomputation After a Period of Active Duty. For detailed information on recomputation after subsequent active duty, see Chapter 7, section 0702.

1. Retired enlisted members of the Army and Air Force are entitled to the 10 percent increase in retired pay for extraordinary heroism when pay is recomputed to reflect active service performed after the date of retirement. The retired pay may not exceed 75 percent of the monthly basic pay upon which retired pay is based. Regardless of when the member's retired pay was recomputed, benefits **will** not accrue under this provision for any period prior to November 1, 1992.

2. Enlisted members of the Navy and Marine Corps who elected to receive retainer pay are entitled to the 10 percent increase in their pay for extraordinary heroism when that pay is recomputed to reflect active service performed after date of transfer.

0109 PAYMENT

*010901. Effective Date of Payment

Pay accrues on a day-to-day basis from and including the date on which retirement is effective, except members who are transferred to the Fleet Reserve/Fleet Marine Corps Reserve. These members become entitled to pay on the day after the date of transfer. **Amounts of retired pay and retainer pay due a retired member of the uniformed services will be paid on the first day of each month beginning after the month in which the right to such pay accrues. When the payment date falls on a Saturday, Sunday, or legal holiday, the Director of the Defense Finance and Accounting Service may authorize the payment of retired pay and retainer pay on the preceding workday but not more than three days before the last day of the pay period. See also Chapter 14.**

A. Regular Retirement. Except as otherwise provided by law, the effective date of retirement eligibility is the first day of the month after the month in which service requirements are fully met.

B. Disability Retirement. Placement on the Temporary and Permanent Disability Retired Lists may become effective on any day of the month as specified by the Secretary of the military service concerned (or designee).

C. Mandatory Retirement for Age and Service. Members attaining age and/or service requirements for involuntary retirements are retained on active duty through the last day of the month in which age or service requirements are met.

D. Non-Regular Retirement. Reservists are entitled to pay effective on the date on which the requirements for age and service have been met, or on the first day of any later month that the retiree may elect.

010902. Revocation of Retirement and/or Transfers

A. A member who is placed on the retired list is legally retired, and such status cannot thereafter be changed retrospectively because of a mistake or poor judgment on the part of the retiring authorities. Fully executed orders for retirement, if not cancelled before the date of retirement, are final and may not be reopened, revoked, or amended in the absence of fraud, manifest error, mathematical miscalculation, mistake of law, or substantial new evidence.

B. Transfer of members to the Fleet Reserve/Fleet Marine Corps Reserve and to the retired list of the Regular Navy or Marine Corps or the Retired Reserve is conclusive for all purposes. The Secretary may correct any error or omission in the determination as to the member's grade and years of creditable service.

C. Payment of active duty pay and allowances may be permitted after the first of the month in which retirement is effective until retirement orders are actually delivered to the member later in the same month, provided prior notice of retirement orders had not been received.

D. Where advance notice of retirement orders is given, but orders are not delivered, an attempt may be made to revoke them after they become effective and replace them with orders directing retirement at a later date. When it is apparent that the member had no knowledge of the lack of legal authority for this action, and active duty pay and allowances were received "under color of authority," the "de facto rule" permits repayment of active duty pay and allowances paid for the period and later collected.

010903. Computation

For detailed information on gross pay computation, see Chapter 3.

A. Monthly Pay. Compute monthly pay as if each month had 30 days. The daily rate is 1/30 of the monthly rate.

B. Intermediate Day. When retirement begins on an intermediate day of the month, compute pay at the rate of 1/30 for the actual number of days after date of retirement but

only through the 30th day of that month. If pay begins on February 28, then pay accrues for 3 days. If the pay begins on February 29, then pay accrues for 2 days.

Table 1-1. Voluntary Retirement

R U L E	A	B	C	D	E	F		
	A person who is	of the	and years of service total	including at least	may retire under 10 U.S.C. §	with retired pay computed under Chapter 3, Table 3-1		
1	an enlisted member	Army	20 (note 1)		3914	rule 4.		
2		Air Force			8914			
3	a Regular enlisted member	Army	30		3917			
4		Air Force			8917			
5	a commissioned officer	Army	20 (note 2)	10 years of active commissioned service (note 3)	3911	rule 5.		
6		Air Force			8911			
7		Army	30 (note 2)		3918			
8		Air Force			8918			
9		Army	40 (note 2)		3924			
10		Air Force			8924			
11		a warrant officer	Armed Forces		20 (note 4)		1293	rule 3.
12			Army		40 (note 4)		3924	rule 5.
13			Air Force				8924	rule 5.
14		a Regular officer W-1 and above	Navy or Marine Corps Reserve		40 (note 2)		6321	rule 6.
15	30 (note 2)				6322	rule 7.		
16	20 (note 2)			10 years of active commissioned service (note 3)	6323 (note 5)	rule 6.		

Table 1-1. Voluntary Retirement (Continued)

R U L E	A	B	C	D	E	F
	A person who is	of the	and years of service total	including at least	may retire under 10 U.S.C. §	with retired pay computed under Chapter 3, Table 3-1
17	a Regular enlisted member (note 6)	Navy or Marine Corps Reserve	30 (note 1)		6326	rule 7.
18	an officer or enlisted member		30 (note 2)		6327 (note 7)	rule 8.
19			20 (note 2)	10 years of active service served in the 11 years immediately before retirement		

NOTES:

1. See paragraph 010301 ([10 U.S.C. §§ 3683](#) (repealed), [3925](#), [8683](#) (repealed), and [8925](#)). Under TERA, the Secretary of the Military Department concerned (or designee) may reduce the 20 years of creditable service requirement to 15 years of creditable service. [Public Law 107-314, section 554](#), December 2, 2002, extended this authority to September 1, 2002. [Public Law 112-81, section 504](#), December 31, 2011, reinstated this authority to September 30, 2018.
2. See paragraph 010301 ([10 U.S.C. §§ 3926](#), [6321](#), 6323, and [8926](#)). Under TERA, the Secretary of the Military Department concerned (or designee) may reduce the 20 years of creditable service requirement to 15 years of creditable service. [Public Law 107-314, section 554](#), December 2, 2002, extended this authority to September 1, 2002. [Public Law 112-81, section 504](#), December 31, 2011, reinstated this authority to September 30, 2018.
3. See subparagraph 010301.C.1 ([10 U.S.C. §§ 3911](#), 6323, and [8911](#)). Under the Temporary Authority to Reduce Minimum Length of Active Service as a Commissioned Officer Required for Voluntary Retirement as an Officer, the Secretary of the Military Department concerned (or designee) may reduce the 10-year active service requirement to not less than 8 years. [Public Law 111-383, section 506](#), January 7, 2011, extended this authority to September 30, 2013. [Public Law 112-239, section 505](#), January 2, 2013, extended this authority to September 30, 2018.
4. See paragraph 010301 (CCA 1949, Section 511; 10 U.S.C. §§ 6321 and 6322). Under TERA, the Secretary of the Military Department concerned (or designee) may reduce the 20 years of creditable service requirement to 15 years of creditable service. [Public Law 107-314, section 554](#), December 2, 2002, extended this authority to September 1, 2002. [Public Law 112-81, section 504](#), December 31, 2011, reinstated this authority to September 30, 2018.
5. Members mandatorily retired under Public Law 86-155 thereafter are considered as having retired voluntarily pursuant to 10 U.S.C. § 6323. See Public Law 86-155, section 3. **There are no** officers processed under Public Law 86-155 after June 1, 1966.
6. Include Regular enlisted members holding temporary appointment as commissioned officer or warrant officer.
7. See section [6327](#). This section applies only to persons who were members of the Navy Reserve or the Marine Corps Reserve on January 1, 1953. This section terminates on January 1, 1973.

Table 1-2. Mandatory Retirement - Commissioned Officers and Warrant Officers

R U L E	A	B	C	D	E	F				G			
	A person who is a	and has at least	who holds the Regular grade of	and time in grade is	and is age	is retired by Secretary of the Military Department concerned under 10 U.S.C. §				with retired pay computed under Chapter 3, Table 3-1			
						Army	Air Force	Navy or Marine Corps	Armed Forces				
1	Regular commissioned officer of the Army or Air Force		below Major General (note 1)		60	3883 (note 2)	8883 (note 3)			rule 10 or 12.			
2					62 (note 23)	1251	1251	1251	1251	rule 9.			
3	Regular officer of the Navy or U.S. Marine Corps (USMC)	35 years (note 3)	Major General	5 years	60	3884 (note 2)	8884 (note 2)			rule 10 or 12.			
4					62	3885 (note 2)	8885 (note 2)						
5					64	3886 (note 2)	8886 (note 2)						
6					20 years (note 3)	any grade (note 5)			3913 (note 2)	8913 (note 2)			
7					28 years (note 3)	Lieutenant Colonel (note 6)			3916 (note 2)	8916 (note 2)			
8					30 years (note 3)	any grade (note 7)	5 years		3919 (note 2)	8919 (note 2)			rule 10 or 12.
9						Colonel (note 8)			3921 (note 2)	8921 (note 2)			
10		Brigadier General			3922 (note 2)	8922 (note 2)							
11		Major General			3923 (note 2)	8923 (note 2)							
12	Regular officer of the Navy or U.S. Marine Corps (USMC)	35 years of total commissioned service (note 3)	Rear Admiral (notes 9 and 11)	7 years				6371 (notes 2 and 10)		rule 11.			
13			Rear Admiral (notes 11 and 12)					6372 (notes 2 and 13)					
14			Major General (notes 11 and 14)					6373 (note 2)					

Table 1-2. Mandatory Retirement – Commissioned Officers and Warrant Officers (Continued)

R U L E	A	B	C	D	E	F				G
	A person who is a	and has at least	who holds the Regular grade of	and time in grade is	and is age	is retired by Secretary of the Military Department concerned under 10 U.S.C. §				with retired pay computed under Chapter 3, Table 3-1
						Army	Air Force	Navy or Marine Corps	Armed Forces	
15	Regular officer of the Navy or USMC	35 years of total commissioned service (note 3)	Rear Admiral (Navy), - Brigadier General (USMC) (note 9)					6374 (note 2)		rule 11.
16			Rear Admiral (Navy), Brigadier General (USMC) (notes 11 and 14)	5 years				6375 (note 15)		
17		30 years of total commissioned service (note 3)	Captain (Navy), Colonel (USMC) (notes 9 and 16)					6376 (note 2)		
18		31 years of total commissioned service (note 3)	Captain (Navy), Colonel (USMC) (notes 11 and 17)							
19		30 years of total commissioned service (note 3)	Captain (Navy), Colonel (USMC) (notes 12 and 16)						6377 (notes 2 & 18)	
20		31 years of total commissioned service (note 3)	Captain (Navy), Colonel (USMC) (notes 11, 12, and 17)						6377 (notes 2 & 18)	
21		26 years (note 3)	Commander (Nurse Corps) (notes 11, 12, and 16)							

Table 1-2. Mandatory Retirement – Commissioned Officers and Warrant Officers (Continued)

R U L E	A	B	C	D	E	F				G
	A person who is a	and has at least	who holds the Regular grade of	and time in grade is	and is age	is retired by Secretary of the Military Department concerned under 10 U.S.C. §				with retired pay computed under Chapter 3, Table 3-1
						Army	Air Force	Navy or Marine Corps	Armed Forces	
22	Regular officer of the Navy or USMC	35 years (note 3)	Captain (Navy), Commander (Nurse Corps) (notes 7 and 12)		62			6378 (notes 2 & 19)		
23		26 years of total commissioned service (note 3)	Commander, Lieutenant Colonel (note 16)					6379 (note 2)		rule 11.
24		20 years of total commissioned service (note 3)	Lieutenant Commander, Major (note 16)					6380 (note 2)		
25		30 years of active naval service	any grade (note 20)					6383		
26			Lieutenant Commander, Major (notes 16 and 20)							
27			any grade below Fleet Admiral		62			6390 (note 2)		
28			Rear Admiral, Major General, and Brigadier General					6394 (note 2)		

Table 1-2. Mandatory Retirement – Commissioned Officers and Warrant Officers (Continued)

R U L E	A	B	C	D	E	F				G
	A person who is a	and has at least	who holds the Regular grade of	and time in grade is	and is age	is retired by Secretary of the Military Department concerned under 10 U.S.C. §				with retired pay computed under Chapter 3, Table 3-1
						Army	Air Force	Navy or Marine Corps	Armed Forces	
29	Regular officer of the Navy or USMC	20 years of active commissioned service (note 3)	Lieutenant Commander and below (Nurse Corps)					6396 (note 2)		rule 11.
30	female Regular officer of the Navy or USMC	26 years of active commissioned service	Commander Lieutenant, Colonel (USMC)					6398 (note 2)		
31		30 years of active commissioned service	Captain Colonel (USMC) (note 21)							
32		20 years of active commissioned service	Lieutenant Commander, Major (note 5) and below					6400 (note 2)		
33	commissioned officer of the Army	30 years of commissioned service (note 22)	permanent professor, USMA			3920				rule 10.
34	commissioned officer of the Air Force		permanent professor, USAFA				8920			rule 12.
35	commissioned officer of the Army, Air Force	30 years of commissioned service (note 22)	permanent professor, USMA or USAFA		64	1251	1251			rule 9.

Table 1-2. Mandatory Retirement – Commissioned Officers and Warrant Officers (Continued)

R U L E	A	B	C	D	E	F				G
	A person who is a	and has at least	who holds the Regular grade of	and time in grade is	and is age	is retired by Secretary of the Military Department concerned under 10 U.S.C. §				with retired pay computed under Chapter 3, Table 3-1
						Army	Air Force	Navy or Marine Corps	Armed Forces	
36	perma- nent Regular warrant officer of the Armed Forces	20 years (note 23)	Warrant Officer 1, Warrant Officer 2, and Warrant Officer 3 (note 16)		64				0564 (repeal- ed), 580	rule 9.
37		20 years (note 23)	Warrant Officer 1, Warrant Officer 2, Warrant Officer 3, and Warrant Officer 4		55 (note 24)				1255 (repeal- ed)	rule 9.
38					62				1263	
39		30 years of service			1305					
40	Regular officer of the Army, Air Force, USMC, or Navy	28 years of commis- sioned service	Lieutenant Colonel, Commander (Navy)	5 years		633	633	633	633	
41		30 years of commis- sioned service	Colonel, Captain (Navy)			634	634	634	634	
42		35 years of commis- sioned service	Brigadier General, Rear Admiral (Navy)			635	635	635	635	
43		35 years of commis- sioned service	Major General, Rear Admiral (Navy)			636	636	636	636	
44		38 years commis- sioned service	Lt General, Vice Admiral (Navy)							
45		40 years commis- sioned service	General, Admiral (Navy)							

Table 1-2. Mandatory Retirement - Commissioned Officers and Warrant Officers (Continued)

NOTES:

1. Member is exempt from mandatory retirement, if a professor or registrar of U.S. Military Academy or U.S. Air Force Academy.
2. Sections repealed by Public Law 96-513, December 12, 1980, effective September 15, 1981.
3. Army or Air Force service is computed under paragraph 010305 (10 U.S.C. §§ 3927 and 8927 were repealed by Public Law 96-513).
4. Member is exempt from mandatory retirement, if a permanent professor, Director of Admissions, or Registrar of U.S. Military Academy or U.S. Air Force Academy or a commissioned warrant officer, effective September 15, 1981.
5. Member was not recommended for promotion.
6. Member was on the lieutenant colonel promotion list.
7. Member was excessive number in any grade.
8. Member was on the colonel promotion list.
9. Member was not restricted in performance of duty.
10. Title 10, U.S.C. § 6371 Executive Order 11284, May 27, 1966 was revoked by Executive Order 12553, February 25, 1986.
11. Member was not recommended for continuation on active duty.
12. Member is restricted in performance of duty.
13. Title 10, U.S.C. § 6372 was repealed by Public Law 96-513, December 12, 1980 (94 Stat. 2898).
14. Member who served as Commandant of the U.S. Marine Corps.
15. Title 10, U.S.C. § 6375 was repealed by Public Law 87-123, August 3, 1961.
16. Member failed selection for promotion twice to next higher grade and was not on promotion list.
17. Member was not on promotion list and retirement subject to completion of 5 years of service-in-grade.
18. Title 10, U.S.C. § 6377(c) was repealed by Public Law 90-130, November 8, 1967.
19. Any Navy captain or commander who will complete 35 years of total commissioned service or who will become age 62 in the fiscal year in which the selection board is convened is ineligible for consideration for retention.
20. This is designated for limited duty.
21. Except female officers on promotion list or serving as assistant to Chief of Naval Personnel with rank of captain, or assistant to Commandant of the U.S. Marine Corps with rank of colonel.
22. Compute service under paragraph 010303.
23. Compute service under paragraph 010304.
24. The statute, which pertained to female Regular warrant officers, was repealed by Public Law 90-130, November 8, 1967 (81 Statute 374).

Table 1-3. Disability Retirement

R U L E	A	B	C	D	E	F
	A person who is	of the	ordered to active duty for	and is determined	may retire under 10 U.S.C. §	with retired pay computed under Chapter 3, Table 3-1
1	an enlisted member, warrant officer, or commissioned officer	Armed Forces entitled to basic pay	30 days or less (note 1)	unfit to perform duties of his or her office, grade, rank, or rating because of physical disability (note 2)	1204	rule 1.
2			more than 30 days (note 1)		1205	rule 2.
3					1201	rule 1.
4			1202		rule 2.	

NOTES:

1. See paragraph 010307 ([10 U.S.C. § 1208](#)).
2. Disability rating must be at least 30 percent unless the member has 20 years of service ([10 U.S.C. §§ 1201, 1202, 1204, and 1205](#)).

Table 1-4. Age and Service, Non-Regular Retirement

R U L E	A	B	C	D	E	F
	A person who is	of the	and has at least	and is age	may retire under	with retired pay computed under
1	an enlisted member, warrant officer, or commissioned officer	Armed Forces, Reserve, or National Guard (note 1)	20 years of service (note 2)	60 or is otherwise eligible (note 3)	10 U.S.C. § 12731 (note 4)	Chapter 3, Table 3-1, rule 13.

NOTES:

- Who performed the last 6 years of qualifying service as a member of a Reserve Component, except that in the case of a member who completed 20 years of service computed under 10 U.S.C. § 12732 before October 5, 1994, the number of years of such qualifying service will be 8 years.
- See paragraph 010308 (10 U.S.C. § 12732). Under TERA, the Secretary concerned may reduce the 20 years of satisfactory service requirement to 15 years of creditable service for retirement under 10 U.S.C. § 12731(a). [Public Law 106-398, section 571](#), October 30, 2000, extended this authority to December 31, 2001.
- The eligibility will be reduced below 60 years of age by 3 months for each aggregate of 90 days on which the member so performs active duty or active service pursuant to a call or order under 10 U.S.C. §§ 101(a)(13)(B) or 12301(d) or 32 U.S.C. § 502(f) in any fiscal year after January 28, 2008. The eligibility age may not be reduced below 50 years of age.
- Member is not entitled to retired or retainer pay under any other provision of law.

Table 1-5. Rate of Basic Pay for Retired Pay Computation (Title 5, United States Code (U.S.C.), section 8301(b)) (note 1)

R U L E	A	B	C	D	E
	A member who	and is	who fully qualified or met requirements to be retired	and retirement is	will have retired pay computed using active duty basic pay rates in effect on
1	retires on other than the first day of an active duty basic pay rate change	an enlisted member, warrant officer, or commissioned officer	at any time	voluntary, mandatory, disability, Reservist (age and service)	the first day of retirement (notes 2 and 3).
2	retires on the first day of an active duty basic pay rate change	an enlisted member (note 3)		voluntary	the first day of retirement (note 2).
3		a warrant officer			the day before the first day of retirement (notes 2 and 3).
4		a commissioned officer	before the month immediately preceding the active duty basic pay rate change date (note 4)		the first day of retirement (note 2).
5			at any time prior to the active duty basic pay rate change date		voluntary (note 4)
6			during the month immediately preceding the active duty basic pay rate change date		voluntary
7		a warrant officer	any time	mandatory	the day before the first day of retirement (note 2).
8		a commissioned officer			

Table 1-5. Rate of Basic Pay for Retired Pay Computation (Title 5, United States Code (U.S.C.), section 8301(b)) (note 1) (Continued)

	A	B	C	D	E
R U L E	A member who	and is	who fully qualified or met requirements to be retired	and retirement is	will have retired pay computed using active duty basic pay rates in effect on
9	retires on the first day of an active duty basic pay rate change	an enlisted member, warrant officer, or commissioned officer	during the month immediately preceding the active duty basic pay rate change date without Secretarial action designating an earlier retirement date	disability (note 5)	the day before the first day of retirement (note 2).
10			any time	Reservist (age and service)	the date the member is granted retired pay (note 2).

NOTES:

1. A retired pay base is used in lieu of a basic pay rate in the computation of retired pay for members who enter the Uniformed Services after September 7, 1980.
2. For members who qualify for retirement on an earlier computation date under the same or some other provision of law, compute under rates in effect on that earlier date based on grade and service credited at that time, if that rate is greater (10 U.S.C. § 1401a(f)).
3. Not applicable to Navy and Marine Corps enlisted members transferred to the Fleet Reserve or Fleet Marine Corps Reserve.
4. Applicable only to retirements under 10 U.S.C. § 6323.
5. If otherwise retirement eligible, then follow rule for that retirement.
6. This rule is effective for retirements on or after December 1, 2000. For retirements prior to that date, compute retired pay using active duty basic pay rates in effect on the day before the first day of retirement, regardless of the date on which the member requested to be retired. See section 0105.

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