

**SUMMARY OF MAJOR CHANGES TO CHAPTER 11
DOD 7000.14-R, VOLUME 7B
MILITARY PAY POLICY AND PROCEDURES FOR RETIRED PAY**

New and revised instructions are indicated by a star placed immediately before the new or revised section, paragraph, subparagraph, decision logic table, etc.

Page	Paragraph	Explanation of Change/Revision	Effective Date
		No ICs have been issued to this chapter.	

CHAPTER 11

REMOVAL FROM THE TEMPORARY DISABILITY RETIRED LIST1101 ENTITLEMENT TO DISABILITY SEVERANCE PAY

A member on the TDRL is given a physical examination at least once every 18 months. The Secretary concerned may make a final determination as to the member's disability at that time or at the end of the 5-year TDRL period. If the physical disability is rated less than 30 percent and if the member has less than 20 years of active service, his or her name is removed from the TDRL and he or she may be separated with severance pay.

1102 COMPUTATION OF SEVERANCE PAY

110201. When the member is removed from the TDRL with entitlement to disability severance pay, the pay is computed by multiplying years of active service, but not more than 12, by the highest of these amounts:

A. Twice the amount of monthly basic pay to which the member would be entitled if serving on active duty on the date of removal from the TDRL and in the grade or rank in which serving on the date of transfer to the TDRL.

B. Twice the amount of monthly basic pay to which the member would be entitled if serving on active duty when the his or her name was placed on the TDRL or on the date of separation, if not carried on TDRL. This basic pay rate reflects any temporary grade or rank higher than that in subparagraph 110201.A, above, in which the member served satisfactorily as determined by the Secretary of the Military Department concerned.

C. Twice the amount of monthly basic pay to which the member would be entitled if serving on active duty when his or her name was placed on TDRL or on the date of separation, if not carried on TDRL. This basic pay rate reflects the permanent Regular or Reserve grade to which the member would have promoted had it not been for the physical disability for which the member was separated and which was found on physical examination for promotion.

D. Twice the amount of monthly basic pay to which the member would be entitled if serving on active duty when his or her name was placed on TDRL or on the date of separation, if not carried on TDRL. This basic pay rate reflects the temporary grade or rank to which the member would have been promoted had it not been for the physical disability for which the member was separated and which was found on physical examination for promotion, if promotion eligibility was required to be based on cumulative years of service or years in grade.

110202. To compute the years of active service multiplier, count a part of a year of active service that is 6 months or more as a whole year, and disregard a part of a year that is less than 6 months. A member with less than 6 months of active service is not entitled to disability severance pay.

110203. To determine the taxability of the disability severance pay, see section 2413 of this volume.

1103 SEVERANCE PAY AND DEPARTMENT OF VETERANS AFFAIRS (VA) DISABILITY COMPENSATION

The amount of disability severance pay received under 10 U.S.C. 1212 (reference (c)) is deducted from any compensation for the same disability to which the former member of the Armed Forces or the member's dependents become entitled under any law administered by the Department of Veterans Affairs. No deduction, however, is made from any death compensation to which the former member's dependents become entitled after the member's death.

1104 RETURN TO ACTIVE DUTY

If, as a result of the physical examination or determination by the Secretary of the Military Department concerned (as referenced in section 1101, above), it is determined that the member is physically fit to perform the duties of the office, grade, rank, or rating, the member shall be removed from the TDRL. Any member removed may, with his or her consent, be recalled to active duty, appointed, reappointed, enlisted, reenlisted, or resume status in the Fleet Reserve or Fleet Marine Corps Reserve. See Table 11-1.

1105 DISABILITY OF A PERMANENT NATURE

110501. If, as a result of the physical examination or determination by the Secretary of the Military Department concerned (as referenced in section 1101, above):

A. The member's physical disability is determined to be permanent and is at least 30 percent under the standard schedule of rating disabilities in use by the Department of Veterans Affairs at the time of the determination, then his or her name is removed from the TDRL and he or she is retired by reason of permanent physical disability.

B. The member's physical disability is determined to be permanent and is less than 30 percent under the standard schedule of rating disabilities in use by the Department of Veterans Affairs at the time of the determination and, if he or she has at least 20 years of service, then his or her name is removed from the TDRL and he or she is retired by reason of permanent physical disability with retired pay computed under 10 U.S.C. 1401 (reference (c)). See Table 11-1.

1106 TERMINATION OF TEMPORARY DISABILITY RETIRED PAY

110601. The disability retired pay of a member terminates on the earlier of:

A. The date of removal from TDRL because of

1. Recall to active duty,
2. Resumption of status in Fleet Reserve and Fleet Marine Corps Reserve,
3. Appointment, reappointment, enlistment, or reenlistment,
4. Physical examination in which the member is found fit for duty or the disability is less than 30 percent; or

B. Upon the expiration of 5 years after the date when his or her name was placed on the TDRL.

1107 NOTIFICATION TO DEPARTMENT OF VETERANS AFFAIRS (VA)

When a total or partial VA waiver of retired pay is in effect on the date of the retiree's discharge from the TDRL, the supporting DFAS Center notifies the cognizant VA office of the effective date of discharge, amount of disability severance pay entitlement, if applicable, and the VA disability codes, if available, for which severance pay was paid.

REMOVAL FROM TEMPORARY DISABILITY RETIRED LIST (TDRL)			
	A	B	C
R U L E	If the member's disability	then member may be	and is entitled to
1	is less than 30 percent and member has less than 20 years of service as determined by 10 U.S.C. 1208	discharged under 10 U.S.C. 1203 or 1206	disability severance pay computed by multiplying years of active service not to exceed 12, times twice the highest basic pay rate determined by reference to subparagraphs 110201.A, B, C, or D. The retiree's pay entitlement terminates the effective date of separation under 10 U.S.C. 1203 or 1206 (note).
2	is less than 30 percent and member has at least 20 years of service	removed from the TDRL and retired under 10 U.S.C. 1201 and 1204	retired pay computed under 10 U.S.C. 1401. TDRL entitlement terminates on date of removal and transfer to PDRL (note).
3	is 30 percent or more		
4	no longer exists and member is found fit for duty and is a member of the Army or Air Force	with his or her consent recalled to active duty, appointed, reappointed, enlisted or reenlisted	retired pay terminating (1) on the date of removal from TDRL. (2) on the date of expiration of 5 years on the TDRL.
5	no longer exists and member is found fit for duty and is a member of the Navy, Marine Corps, or Coast Guard	with his or her consent recalled to active duty, appointed, reappointed, enlisted, reenlisted, or resume status in the Fleet Reserve or Fleet Marine Corps Reserve	
6	no longer exists and member is found fit for duty	discharged without severance pay if member does not consent to be recalled, appointed, reappointed, enlisted, or reenlisted	no retired pay after effective date of separation under 10 U.S.C. 1203 or 1206 (note).

NOTE: The date the member completes 5 years on TDRL supersedes this effective date. Rules 4, 5, and 6: If member is fit, there is no disability percent. See 10 U.S.C. 1210(f).

Table 11-1. Removal From Temporary Disability Retired List (TDRL)

Chapter 11-Removal From the Temporary Disability Retired List

1101-Entitlement to Disability Severance Pay

1101 10 U.S.C. 1210(a) and (e)

1102-Computation of Severance Pay

110201.A 10 U.S.C. 1212(a)(2)(A)

110201.B 10 U.S.C. 1212(a)(2)(B)

110201.C 10 U.S.C. 1212(a)(2)(C)

110201.D 10 U.S.C. 1212(a)(2)(D)

110202 10 U.S.C. 1212(b)

39 Comp Gen 291

1104-Return to Active Duty

1104 10 U.S.C. 1210, 1211

1105-Disability of a Permanent Nature

110501.A 10 U.S.C. 1210(c)

110501.B 10 U.S.C. 1210(d)

1106-Termination of Temporary Disability Retired Pay

110602 10 U.S.C. 1210(b)