VOLUME 7B, CHAPTER 19: “GENERAL PROVISIONS GOVERNING ALLOTMENTS OF RETIRED PAY”

SUMMARY OF MAJOR CHANGES

All changes are denoted by blue font.

Substantive revisions are denoted by an * 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 July 2011 is archived.

<table>
<thead>
<tr>
<th>PARAGRAPH</th>
<th>EXPLANATION OF CHANGE/REVISION</th>
<th>PURPOSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>Updated hyperlinks and formatted to comply with current administrative instruction.</td>
<td>Update</td>
</tr>
<tr>
<td>190201</td>
<td>Clarifies that a retired member may terminate a discretionary allotment upon request.</td>
<td>Add</td>
</tr>
<tr>
<td>190204 and 190404</td>
<td>Updated/condensed titles to the paragraphs to avoid repetition.</td>
<td>Update</td>
</tr>
</tbody>
</table>
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CHAPTER 19

GENERAL PROVISIONS GOVERNING ALLOTMENTS OF RETIRED PAY

1901 GENERAL

190101. Purpose

Allotments are designed for the convenience and privilege of retirees and are not to be exploited or abused. The retired pay activity acts solely as an agent of the retiree in the payment of the allotments and assumes no liability concerning any contract between the retiree and the allottee. Allotments paid erroneously through administrative error must be recovered from the allottee, if possible, or may be collected from the retiree if such payment provided a benefit to that retiree.

190102. Definitions

A. Allotment. An allotment, as used in this chapter, is a definite portion of the retired pay of a person retired from a Military Service, which the retiree authorizes to be paid to a person, institution, or agency.

B. Allottee. An allottee is a person, institution, or agency to whom the allotment is made payable.

C. Allotter. An allotter is the person from whose retired pay the allotment is made.

D. Financial Institution. A financial institution is a bank (to include a military banking facility), credit union, or thrift association.

190103. General

Voluntary allotments of retired pay or retainer pay for military retirees are limited to discretionary and nondiscretionary allotments. To aid personnel in the transition from active duty to retired status, all existing authorized allotments of members on active military service may be continued as approved allotments. Authorized allotments include a maximum of six discretionary allotments, as outlined in paragraph 190201 and Volume 7A.

190104. Method of Payment

Electronic Funds Transfer (EFT) is the method of payment required for all individual allotments. For a list of exceptions to this requirement see Title 31 Code of Federal Regulations (C.F.R.), part 208.4 (31 C.F.R. 208.4) and Chapter 1 of Volume 8.
190105. Restrictions

The following restrictions apply to allottees:

A. **Minors.** Allotments (except to purchase United States (U.S.) Savings Bonds) may not be made payable to children under 16 years of age. Allotments may be made payable to the child’s guardian or custodian. Spouses of retirees may be named as allottees regardless of age.

B. **Mental Incompetents.** Allotments are not payable to mentally incompetent persons. Such allotments are payable to a guardian or the institution where confined.

C. **Multiple Allotments.** See restrictions in paragraphs 190103 and 190201.

D. **Special Power of Attorney.** A special power of attorney may be used to establish, change, or stop an allotment. This special power of attorney must specifically grant the authority to establish, change or stop allotments. A general power of attorney is not acceptable to establish, change, or stop an allotment.

E. **Reduced Retired Pay of Allotter.** When a stoppage or reduction of retired pay does not leave enough funds for deduction of allotments in force, then those allotments are stopped administratively by the disbursing officer without the signature of the retiree, as described in section 1904, and Figure 19-1.

F. **Administrative Stops.** Allotments may be stopped because of the required deductions from retired pay listed in paragraph 190401. When possible, the retiree is allowed to determine the allotments to be stopped. If, however, the retiree involved refuses, or is unable, to identify those that should be stopped, then the allotments of that retiree are involuntarily stopped. See Figure 19-1 for the order of precedence.

1902 DISCRETIONARY ALLOTMENTS

*190201. Discretionary Allotments

Retirees are authorized no more than six discretionary allotments. A retiree may start a new allotment, as long as the total number of discretionary allotments does not exceed six. Discretionary allotments are identified as “class D” allotments. The retiree shall certify that the allotment is within the limits of the law (e.g., allotments may not be used to repay gambling debts in a state where gambling is not permitted). Discretionary allotments include, but are not restricted to, the allotments described in this section. A retired member may terminate a discretionary allotment upon request using the procedures set out in paragraph 190402.

190202. Allotments For Insurance Premiums

Allotments are authorized for paying various types of commercial insurance premiums. This includes payment for life, dental, health, and vehicle insurance. Premium payments are
combined when a retiree has more than one life insurance allotment within the same company. All payments to an insurer are made via EFT. The insurer is responsible for establishing an account for these payments. The start, change and stop dates for the insurance allotments are set out in Tables 19-2, 19-3, and 19-4.

A. **Cash Deposit for Insurance.** If a retiree’s retired pay account is in a nonpay status due to full waiver of pay, failure to report for periodic physical examination, or 5 years on the Temporary Disability Retired List, then inform the member that he or she may request the Department of Veterans Affairs (VA) to pay VA insurance premiums by deduction from disability compensation benefits, or the member may pay premiums by sending remittances directly to:

   Department of Veterans Affairs  
P.O. Box 7787  
Philadelphia, PA 19101

B. **Eligible Allottees**

1. United States Government Life Insurance/National Service Life Insurance (USGLI/NSLI),
3. Army Mutual Aid Insurance.
4. Dental and Health Insurers.
5. Vehicle Insurers.

190203. **Allotments to Dependents or Relatives**

Voluntary payment may be made by allotment to a spouse, other dependent(s), or to a relative(s) not legally designated as a dependent(s). Allotments shall be made payable to the allottee through a financial institution for credit to the account of the allottee. An allottee can be a state agency, court trustee, welfare agency, former spouse, or a child’s guardian or custodian. The member or allottee must make satisfactory arrangements with the financial institution to accept EFT payment before starting the allotment.

*190204. **Allotment Deposits to Financial Organizations**

Retirees may authorize allotments of pay to financial organizations for credit to the account of the member. Allotments may be deposited to:

A. A financial organization for credit to a savings, checking, or trust account of the allotter.
B. A mutual fund or other company or investment firm.

190205. Allotments for Payment of Mortgage or Rent

Retirees may authorize allotments for mortgage or rent payment to a financial institution, mortgage company, realtor, or landlord.

190206. Other Allotments

Retirees may authorize an allotment for payment of personal loans; however, the restrictions in paragraph 190105 apply. Personal loans may include, but are not limited to the following:

A. Payment of a car loan.

B. Payment of a loan to repay consumer credit, such as to a finance company.

190207. Air Force Retired Members Only

Only retired Air Force members may authorize allotment payments to the Air Force Enlisted Members Widow’s Home.

1903 NONDISCRETIONARY ALLOTMENTS

190301. Nondiscretionary Allotments

Nondiscretionary allotments of retired and retainer pay are limited to those described in this section.

190302. Voluntary Liquidation of Indebtedness

An allotment for repayment of indebtedness to the United States (U.S.) is registered for a definite period required to liquidate the indebtedness. Retired members may make allotments for payment of:

A. Indebtedness incurred due to defaulted notes insured by the Federal Housing Administration or guaranteed by the VA.

B. Any other indebtedness to any department or agency of the U.S. Government (except Department of Defense debts), to include those assigned to a collection agency.

C. Delinquent Federal income taxes. A member may execute an agreement with the Internal Revenue Service (IRS) to pay delinquent taxes by monthly deductions from retired pay. Agreements are made by executing an IRS Form 2159, (Payroll Deduction Agreement).
D. Delinquent state or local income or employment taxes.

E. Loans to Navy and Marine Corps Relief Society, Army Emergency Relief, Air Force Aid Society, and American Red Cross.

190303. Charitable Contributions

Retirees are authorized to establish an allotment for making charity contributions to any of the Service Relief Organizations which includes the Army Emergency Relief; Navy and Marine Corps Relief Society; or affiliates of the Air Force Assistance Fund. Payment of pledges for one of these specified charities is authorized. These payments are for a definite period. Individual organizations are responsible for identifying an account for payment issue.

190304. Savings Bonds Allotments

A. Purchasing Savings Bonds by Allotment. As of October 1, 2010, the U.S. Treasury no longer issues paper savings bonds to federal employees (military, retired, and civilian personnel members) through payroll deduction. Retired members may purchase electronic savings bonds by establishing a personal TreasuryDirect account with the Treasury, and then initiating a nondiscretionary allotment made payable to Treasury at their TreasuryDirect account. Members are authorized one nondiscretionary allotment for the purchase of bonds. For information on TreasuryDirect, go to www.treasurydirect.gov.

B. Establishment of Savings Bond Nondiscretionary Allotment. Retired members electing to purchase electronic savings bonds will first create a TreasuryDirect account at www.treasurydirect.gov. This account can be used to purchase multiple bonds. Once created, members must either contact Defense Finance and Accounting Service (DFAS) Retired and Annuitant Pay or log into myPay to establish an allotment to the TreasuryDirect account. The following information is required to initiate the allotment:

1. The routing transit number for TreasuryDirect is: 051736158.
2. The TreasuryDirect account number provided by Treasury.
3. The specific dollar amount to be deducted monthly.

The myPay system also requires that the member designate the account type, either checking or savings, even though that designation is not applicable to an allotment to a TreasuryDirect account. Send written requests to begin Savings Bonds Allotments to:

Defense Finance and Accounting Service
P.O.Box. 7130
Retired Pay
London, KY 40742-7130
1904 ALLOTMENT ADMINISTRATION

190401. Excluded Amounts in Retired Pay Allotment

The amount of retired pay, which may be allotted, can be limited administratively to exclude amounts required to be withheld for:

A. Tax purposes.

B. Liquidation of an indebtedness determined under applicable provisions of law to be chargeable against the member’s retired pay account.

C. Cost of participation in the Retired Serviceman’s Family Protection Plan and/or Survivor Benefit Plan.

D. Garnishments.

E. Continuing tax levies.

F. VA compensation.

G. Former spouse.

190402. Establishment, Discontinuance, and Changes to Existing Allotments

A properly executed form (Department of Defense (DD) Form 2558, Authorization to Start, Stop or Change an Allotment), a written request, or an automated data exchange (from specific organizations) may be used to establish, discontinue, or change an allotment. Automated computer programs that allow members to establish, discontinue, or change an allotment using a personal identification number are also permitted. In addition, requests may be accepted telephonically from members without written documentation, but only after the member’s identity has been validated. Requests for allotment actions should be provided to the Defense Finance and Accounting Service, Retired and Annuitant Pay. Normally, allotments are not established retroactively.

190403. Administrative Changes

Changes beyond the control of the retiree are considered administrative in nature. These are dictated by events incidental to the purpose of the allotment. Examples include changes to the name, address, account number, and financial institution of the allottee. Other examples include amount changes due to contractual obligations existing at the time the allotment was executed (such as a mortgage payment changed because of variable rate mortgage or change in escrow requirement). Upon notice and request from the insurance allottee, administrative changes may be made without the member’s consent under the following circumstances:

A. Death of retired member.
B. Policy terminated.

C. Policy has been surrendered.

D. Policy changed.

E. Policy paid up, no premiums due.

F. Policy not in force.

G. Lapsed policy.

The allotment will be terminated or reduced at the insurance allottee’s request; and refund and notification of the returned premium shall be forwarded to the retired member.

*190404. Duration of Allotments

Allotments are registered for an indefinite period except for the following circumstances:

A. Situations listed in subparagraphs 190403.A through G.

B. Repayment of indebtedness to the U.S., to include payment of delinquent Federal income taxes.

C. Charity as specified in paragraph 190303.

190405. Allotment Overpayment Responsibilities

Any check or bond issued and mailed to a recipient for which entitlement does not exist must be recovered immediately by the issuing office. If an allotment payment is made after deductions from retiree’s retired pay have stopped, and the retiree does not return the amount of that payment, then the office of issuance starts recovery action of an equal amount from the recipient, or the retiree, if that office determines that the retiree benefited from the payment. If the retiree is liable, then overpayment is recovered by deductions from retired pay due the retiree.

1905 RIGHT TO ALLOTMENTS IN CASE OF DEATH

190501. Death of Retiree

Entitlements to allotments end with the death of the member. No further allotment payments may be made after receipt of notice of the allotter’s death. Deductions made from the retiree’s pay, but not paid to the allottee, become part of the arrears of retired pay. Allotments paid after the retiree’s death may not be collected from the allottee, except:

A. Allotments erroneously established after notice of death of the retiree; and
B. Unearned insurance premiums (insurance premiums are paid 1 month before the day payment is actually due).

190502. Death of Allottee

An allotment check, even though endorsed, does not become part of an allottee’s estate if it is not cashed or negotiated before the allottee’s death. It is not subject to any expense incurred by or on behalf of the allottee before or after death. All unnegotiated allotment checks must be returned to the office that issued them. Such checks are credited to the retiree’s account.
### Figure 19-1. Order of Precedence

<table>
<thead>
<tr>
<th>Precedence</th>
<th>Type</th>
<th>Letter Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Charitable contributions to Army Emergency Relief, Navy and Marine Corp Relief Society, or Air Force Assistance Fund</td>
<td>See Table 19-1</td>
</tr>
<tr>
<td>2</td>
<td>Bonds</td>
<td>B</td>
</tr>
<tr>
<td>3</td>
<td>Savings</td>
<td>D</td>
</tr>
<tr>
<td>4</td>
<td>Loans to service organizations</td>
<td>L</td>
</tr>
<tr>
<td>5</td>
<td>Payment of delinquent state or local income or employment taxes</td>
<td>T</td>
</tr>
<tr>
<td>6</td>
<td>Dependents</td>
<td>D</td>
</tr>
<tr>
<td>7</td>
<td>Home loans</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Commercial life insurance/Army Mutual Aid Insurance</td>
<td>D</td>
</tr>
<tr>
<td>9</td>
<td>Navy Mutual Aid Insurance</td>
<td>M</td>
</tr>
<tr>
<td>10</td>
<td>Government life insurance</td>
<td>N</td>
</tr>
<tr>
<td>11</td>
<td>Veterans Group Life Insurance</td>
<td>See Table 19-1</td>
</tr>
<tr>
<td>12</td>
<td>Deductions for court-ordered support</td>
<td>D</td>
</tr>
<tr>
<td>13</td>
<td>Repayment of indebtedness to the U.S.</td>
<td>T</td>
</tr>
<tr>
<td>14</td>
<td>Payment of delinquent Federal income taxes</td>
<td>T</td>
</tr>
</tbody>
</table>
Table 19-1. Allotments of Retired Pay – General

<table>
<thead>
<tr>
<th>RULE</th>
<th>When the purpose of allotment is for</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>and Service's letter designation is</td>
<td>Army</td>
<td>Navy/USMC</td>
<td>Air Force</td>
<td>authorized for carryover from active duty</td>
</tr>
<tr>
<td>1</td>
<td>Purchase of U.S. Savings Bonds</td>
<td>B</td>
<td>B</td>
<td>B</td>
<td>X</td>
</tr>
<tr>
<td>2</td>
<td>payment to dependents (note 5)</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>X</td>
</tr>
<tr>
<td>3</td>
<td>repayment of home loans</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>X</td>
</tr>
<tr>
<td>4</td>
<td>commercial life insurance/Army Mutual Aid Insurance (note 3)</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>X</td>
</tr>
<tr>
<td>5</td>
<td>repayment of loans to Navy and Marine Corps Relief Society, Army Emergency Relief, American Red Cross, or Air Force Aid Society</td>
<td>L</td>
<td>L</td>
<td>L</td>
<td>X</td>
</tr>
<tr>
<td>6</td>
<td>Navy Mutual Aid Insurance (note 2)</td>
<td>None</td>
<td>M</td>
<td>None</td>
<td>X</td>
</tr>
<tr>
<td>7</td>
<td>U.S. Government Life Insurance and/or National Service Life Insurance (note 4)</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>X</td>
</tr>
<tr>
<td>8</td>
<td>repayment of loans on Department of Veterans Affairs insurance (note 4)</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>payment of financial institution or credit to account of retiree (note 6)</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>X</td>
</tr>
<tr>
<td>10</td>
<td>payment of delinquent Federal income taxes and/or payment of indebtedness to the U.S. (note 7)</td>
<td>T</td>
<td>T</td>
<td>T</td>
<td>X</td>
</tr>
<tr>
<td>11</td>
<td>charitable contributions to the Army Emergency Relief, Navy and Marine Corps Relief Society, or affiliates of the Air Force Assistance Fund</td>
<td>L</td>
<td>C</td>
<td>F</td>
<td>X</td>
</tr>
</tbody>
</table>
Table 19-1. Allotments of Retired Pay - General (Continued)

<table>
<thead>
<tr>
<th>Allotments of Retired Pay — General</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A</strong> &amp; <strong>B</strong> &amp; <strong>C</strong> &amp; <strong>D</strong></td>
</tr>
<tr>
<td><strong>RULE</strong> &amp; <strong>When the purpose of allotment is for</strong> &amp; <strong>Army</strong> &amp; <strong>Navy/USMC</strong> &amp; <strong>Air Force</strong> &amp; <strong>and member is not on active duty and has allotment (notes 1 and 2)</strong> &amp; <strong>then the allotment period required is</strong></td>
</tr>
<tr>
<td><strong>12</strong> &amp; payment of delinquent state or local income or employment taxes (note 8) &amp; T &amp; T &amp; T &amp; X &amp; Indefinite &amp; Definite</td>
</tr>
<tr>
<td><strong>13</strong> &amp; Veterans Group Life Insurance &amp; D &amp; D,V &amp; D &amp; X &amp; X</td>
</tr>
</tbody>
</table>

**NOTES:**
1. Includes members of the Fleet Reserve or Fleet Marine Corps Reserve when not on active duty.
2. In addition to allotments authorized, member may continue any other allotments in effect (except Combined Federal Campaign and aviation premiums payable to the Navy Mutual Aid Association) at the time of retirement.
3. On the life of the allotter, spouse, and/or children.
4. Payment of allotments for insurance premiums and repayment of insurance loans are made by one NSLI or class N allotment.
5. Authorized to a spouse, former spouse, and/or children of the retired member having a permanent residence other than that of the retired member.
6. Includes credit unions within the U.S., its possessions, Puerto Rico, and Panama Canal Zone operating under a Federal or state charter. Also includes credit unions authorized under Volume 5, Chapter 34 to operate an overseas U.S. military installation.
7. Delinquent Federal income taxes are payable to the applicable District Director, Internal Revenue Service.
8. Delinquent state or local and employment taxes are payable to the applicable state or local tax authorities.
Table 19-2. Effective Dates for Starting Insurance Allotments (D, M, V, or N)

<table>
<thead>
<tr>
<th>RULE</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>If a retired member of</td>
<td>is authorized a class</td>
<td>and the</td>
<td>then start allotment effective the first day of the month</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>any Military Service</td>
<td>N allotment</td>
<td>before the month in which insurance premium is due (note).</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>the Army or Air Force</td>
<td>D allotment</td>
<td>insurance policy is dated back to save age in which application is made. Retiree must pay the Reserve to cover previous months by direct payments to VA.</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>the Navy or Marine Corps</td>
<td>D or M allotment</td>
<td>specified by retiree, if authorization reaches the servicing finance center before the date specified in Military Service procedural regulations.</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>any Military Service</td>
<td>D or V allotment</td>
<td>the date submitted by the Veterans Group Life Insurance through the automated data exchange process.</td>
<td></td>
</tr>
</tbody>
</table>

NOTE: A U.S. Government or National Service Life Insurance allotment deducted for 1 month pays the premium for the succeeding month. For example, if premium for July is paid by allotment, then allotment must be effective June 1.
### Table 19-3. Effective Dates for Changing Insurance Allotments (D, M, V, or N)

<table>
<thead>
<tr>
<th>Rule</th>
<th>If a retired member of</th>
<th>Has a class</th>
<th>and</th>
<th>then stop present allotment effective the last day of the month</th>
<th>then start new allotment effective the first day of the month</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>the Army or Air Force</td>
<td>D or N allotment</td>
<td>the retiree or fiduciary or guardian requests a change in allotment</td>
<td>specified in request if allotment change can be processed by the date specified in procedural regulations of the concerned Military Service</td>
<td></td>
</tr>
<tr>
<td></td>
<td>the Navy or Marine Corps</td>
<td>D, M, or N allotment</td>
<td>allotment was authorized in incorrect amount or effective date</td>
<td>before its effective date</td>
<td>specified in original request or authorization of the date requested by the VA.</td>
</tr>
<tr>
<td>3</td>
<td>any Military Service</td>
<td>N allotment</td>
<td>the Office of Servicemembers’ Group Life Insurance (OSGLI) automated data exchange provides a change in the allotment</td>
<td>as specified by the automated data exchange process</td>
<td>specified by the automated data exchange process.</td>
</tr>
</tbody>
</table>

- **Rule 1**: If a retired member of the Army or Air Force has a class and the retiree or fiduciary or guardian requests a change in allotment, then stop present allotment effective the last day of the month after the month old allotment is stopped. If allotment change can be processed by the date specified in procedural regulations of the concerned Military Service, then start new allotment effective the first day of the month.

- **Rule 2**: If a retired member of the Navy or Marine Corps has a class and the retiree or fiduciary or guardian requests a change in allotment, the retiree or fiduciary or guardian requests a change in allotment, then stop present allotment effective the last day of the month after the month old allotment is stopped. If allotment change can be processed by the date specified in procedural regulations of the concerned Military Service, then start new allotment effective the first day of the month.

- **Rule 3**: If a retired member of any Military Service has a class and the retiree or fiduciary or guardian requests a change in allotment, then stop present allotment effective the last day of the month after the month old allotment is stopped. If allotment change can be processed by the date specified in procedural regulations of the concerned Military Service, then start new allotment effective the first day of the month.

- **Rule 4**: If a retired member of any Military Service has a class and the retiree or fiduciary or guardian requests a change in allotment, then stop present allotment effective the last day of the month after the month old allotment is stopped. If allotment change can be processed by the date specified in procedural regulations of the concerned Military Service, then start new allotment effective the first day of the month.
Table 19-4. Effective Dates for Stopping Insurance Allotments (D, M, V, or N)

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>If a retired member of the Army or Air Force</td>
<td>D or N allotment</td>
<td>the retiree requests the allotment be stopped</td>
<td>month specified by the retiree, if authorization reaches the servicing DFAS Site before the date specified in procedural regulations of the Military Service concerned.</td>
</tr>
<tr>
<td>2</td>
<td>the Navy or Marine Corps</td>
<td>D, M, or N allotment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>any Military Service</td>
<td>N allotment</td>
<td>the application for insurance is disapproved by the VA</td>
<td>month before the effective starting date of the allotment.</td>
</tr>
<tr>
<td>4</td>
<td>the Army or Air Force</td>
<td>D allotment</td>
<td>has insufficient “net” pay to satisfy IRS Notice of Levy for delinquent income tax determined by IRS to be a “problem case”</td>
<td>month before the month in which IRS levy is received (stop insurance allotments only if discontinuance of other voluntary allotments will not satisfy levy).</td>
</tr>
<tr>
<td>5</td>
<td>the Navy or Marine Corps</td>
<td>D or M allotment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>the Army or Air Force</td>
<td>D or N allotment</td>
<td>has pay suspended (note 1) or insufficient pay</td>
<td>last month in which enough pay accrues to satisfy deduction. Avoid stopping allotment unnecessarily or earlier than required.</td>
</tr>
<tr>
<td>7</td>
<td>the Navy or Marine Corps</td>
<td>D, M, or N allotment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>the Army or Air Force</td>
<td>D or N allotment</td>
<td>dies</td>
<td>(note 1.)</td>
</tr>
<tr>
<td>9</td>
<td>the Navy or Marine Corps</td>
<td>D, M, or N allotment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>any Military Service</td>
<td>D or V allotment</td>
<td>the retiree or OSGLI requests the allotment</td>
<td>month specified by the retiree, if authorization reaches the servicing DFAS Site before the date specified in Military Service procedural regulations; for OSGLI as specified by the automated data exchange process (note 2).</td>
</tr>
</tbody>
</table>

**NOTES:**
1. See procedural regulations of Military Service concerned.
2. Advise OSGLI immediately of reason for stoppage of allotment if it was discontinued by the automated data exchange process.
BIBLIOGRAPHY

CHAPTER 19 – GENERAL PROVISIONS GOVERNING ALLOTMENTS OF RETIRED PAY

1901 – GENERAL

190103  37 U.S.C. 701
190104  31 U.S.C. 3332

1902 – DISCRETIONARY ALLOTMENTS

190201  37 U.S.C. 701

1903 – NONDISCRETIONARY ALLOTMENTS

190304  31 C.F.R. Part 363

1905 – RIGHT TO ALLOTMENTS IN CASE OF DEATH

190501  Comp. Gen. B-225873.2
        31 U.S.C. 3727(e)(2)