

**VOLUME 7B, CHAPTER 31: “DEATH OF SURVIVOR ANNUITANT”****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 February 2012 is archived.

<b>PARAGRAPH</b>	<b>EXPLANATION OF CHANGE/REVISION</b>	<b>PURPOSE</b>
All	Updated to comply with current administrative instruction.	Revision

**Table of Contents**

VOLUME 7B, CHAPTER 31: “DEATH OF SURVIVOR ANNUITANT” ..... 1

3101 GENERAL ..... 3

    310101. Overview ..... 3

    310102. Documentation ..... 3

    310103. Payment of the Arrears..... 3

    310104. Indebtedness Resulting From Annuity Overpayment ..... 4

    310105. Claim for Arrears ..... 4

3102. TAXABILITY ..... 4

BIBLIOGRAPHY ..... 5

## CHAPTER 31

DEATH OF SURVIVOR ANNUITANT

## 3101 GENERAL

## 310101. Overview

This chapter addresses the settlement of the arrears of an annuity where the annuitant is a spouse with no eligible child annuitant, the last remaining child annuitant, or a natural person with an insurable interest. Payment of the arrears of the annuity under Retired Serviceman's Family Protection Plan (RSFPP), Survivor Benefit Plan (SBP), and minimum income widow provisions of the SBP law is made by the Defense Finance and Accounting Service (DFAS) in accordance with procedures in paragraph 310103.

## 310102. Documentation

A notification of death from any source (next of kin, post office, or neighbor) is sufficient to suspend future payment of the annuity. To settle (pay) the arrears of an annuity, the following documentation must be on file:

- A. Copy of Death Certificate.
- B. Written Claim. A written claim over the signature and address of the claimant or of the claimant's authorized agent or attorney.
- C. Proof of Recoupment of Outstanding Payments. All outstanding checks or direct deposits (not negotiated before the annuitant's death or forwarded past the date of entitlement) or the proceeds thereof must be returned to the DFAS-Cleveland Site before a settlement of arrears of annuity may be made.

## 310103. Payment of the Arrears

The annuity is not prorated for the month of annuitant's death. Entitlement stops as of the last day of the month before the date of the annuitant's death. When all documentation is received, payment of the arrears is made to the person living on the date of the annuitant's death who is highest on the order of precedence set forth in Chapter 30, paragraph 300104.A.2 through A.6 of this volume. For the purpose of payment of the arrears of an annuity under this section, the provisions of subparagraph 300104.C, D and E apply, and all references to a "retiree" in subparagraphs 300104.A.2 through A.6, C, D, and E of this volume should be considered as referring to the deceased annuitant rather than a retiree.

## 310104. Indebtedness Resulting From Annuity Overpayment

Any indebtedness resulting from the overpayment of the annuity (for example, overlap of SBP and Dependency Indemnity Compensation payment made beyond the date of entitlement or miscalculations) must be liquidated before arrears of the annuity can be settled. Any delinquent premiums for RSFPP or SBP still owed at the annuitant's death must be offset from the arrears of the annuity. Debts of the member may not be offset against the arrears of the annuity.

## 310105. Claim for Arrears

A claim for arrears of an annuity must be filed within the 6-year statute-of-limitation restriction. Any claim received 6 years after the date of the annuitant's death is barred.

## 3102. TAXABILITY

In the case of deceased annuitants, one or more Treasury Department, (TD) Forms 1099-R, *Distributions from Pensions, Annuities, Retirement or Profit Sharing Plans, IRAs, Insurance Contracts, etc.*, may be used. If no arrears of an annuity are paid, then one TD 1099-R will be issued in the annuitant's name to cover any payments received by the annuitant before death. If arrears of an annuity are paid, then an additional TD 1099-R is issued to each claimant to whom the arrears were paid.

BIBLIOGRAPHY

CHAPTER 31 – DEATH OF SURVIVOR ANNUITANT

3101 – ARREARS OF ANNUITY

310105

31 U.S.C. 3702(b)