

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 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 [May 2016](#) is archived.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Revised to comply with current administrative instruction.	Revision
310201.C	Added a hyperlink to explain how to report the death of a survivor annuitant.	Addition
Bibliography	Added reference for clarity.	Addition

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CHAPTER 31

DEATH OF SURVIVOR ANNUITANT

3101 GENERAL

310101. Purpose

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. In accordance with the procedures in section 3102, the Defense Finance and Accounting Service (DFAS) pays the arrears of the annuity under Retired Serviceman's Family Protection Plan, Survivor Benefit Plan (SBP), and minimum income widow provisions of the SBP law.

310102. Authoritative Guidance

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

3102 SETTLEMENT OF THE ARREARS

*310201. Documentation

A notification of death from any source 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. A copy of the death certificate;
- B. A written claim over the signature and address of the claimant or of the claimant's authorized agent or attorney; and
- * 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 DFAS Cleveland before a settlement of arrears of annuity may be made.

Note: For more information on how to report an SBP [Annuitants Death](#), refer to the DFAS website.

310202. Payment of the Arrears

The annuity is not prorated for the month of the 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. For the purpose of payment of the arrears of an annuity under this section, the provisions of [Chapter 30](#), subparagraphs 300204.C,

D, and E apply, and all references to a “retiree” in [Chapter 30](#), subparagraphs 300204.A.2 through A.6, D, and E should be considered as referring to the deceased annuitant rather than a retiree.

310203. 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.

3103 TAXABILITY

In the case of deceased annuitants, one or more Department of the Treasury - Internal Revenue Service (IRS) Form(s) [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 Form 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 Form 1099-R is issued to each claimant to whom the arrears were paid.

*BIBLIOGRAPHY

CHAPTER 31 – DEATH OF SURVIVOR ANNUITANT

*3101 – GENERAL

310101

Title 10, United States Code (U.S.C.),
section 1450(b)(2)

3102 – SETTLEMENT OF THE ARREARS

310203

Title 31, United States Code (U.S.C.),
section 3702(b)