

VOLUME 7B, CHAPTER 49: “SURVIVOR BENEFIT PLAN (SBP) COST-OF-LIVING ADJUSTMENT (COLA)”

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 **July 2016** is archived.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Updated formatting to comply with current administrative instructions.	Revision

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CHAPTER 49

SURVIVOR BENEFIT PLAN (SBP) COST-OF-LIVING ADJUSTMENT (COLA)

4901 GENERAL

490101. Purpose

This chapter addresses SBP base amounts, which increase by the COLA at the same time and by the same total percentage as retired or retainer pay. See Chapter 54 for information pertaining to the computation of the Reserve Component SBP (RCSBP) and Chapter 8, Table 8-1 for COLA.

490102. Authoritative Guidance

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

4902 PREMIUMS

The COLA increases all SBP and RCSBP premiums.

4903 ANNUITIES

490301. Periodic Adjustments for COLA

A. Whenever retired pay is increased, each annuity that is payable under SBP must be increased at the same time.

B. The increase must, in the case of any annuity, be by the same percentage as the percent by which the retired pay of the person providing the annuity would have been increased at such time if the person were alive (and otherwise entitled to such pay).

C. The amount of the increase must be based on the monthly annuity payable before any reductions, such as Dependency and Indemnity Compensation.

490302. Minimum Income Widow Annuities

See Chapter 46, regarding COLA for minimum income widow annuities.

490303. Rounding Down

The monthly amount of an annuity payable, if not a multiple of \$1, is rounded to the next lower multiple of \$1.

BIBLIOGRAPHY

CHAPTER 49 - SURVIVOR BENEFIT PLAN (SBP) COST-OF-LIVING ADJUSTMENT (COLA)

4902 - PREMIUMS

Title 10, United States Code (U.S.C.),
Section 1452(h)(1)

4903 - ANNUITIES

10 U.S.C. § 1451(g)(1) and (2)
10 U.S.C. § 1450(c)
10 U.S.C. § 1451(c)(2)