

VOLUME 7A, CHAPTER 52: “PRIORITY OF PAY DEDUCTIONS AND COLLECTIONS”

SUMMARY OF MAJOR CHANGES

Changes are identified in this table and also 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 [April 2022](#) is archived.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Table 52-1	Inserted Dependent Care Flexible Spending Account contributions as priority 15 and changed the priority for Internal Revenue Service paper levy for delinquent Federal income taxes and Court-Martial fines to priorities 16 and 17, respectively.	Addition
References	Updated the statutes and supporting references.	Revision

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CHAPTER 52

PRIORITY OF PAY DEDUCTIONS AND COLLECTIONS

1.0 GENERAL

1.1 Purpose

This chapter guides military service central site pay operations and field military finance/disbursing offices, henceforth referred to as “finance offices”, concerning the sequence order for processing deductions and debt collections from a member’s military pay entitlements when the member does not have sufficient pay. Finance offices must review a member’s military pay entitlements to determine if the member has sufficient pay to offset all deductions and debt collections. If a member does not have enough pay, Table 52-1, Priority of Deductions and Collections, states which deduction/collection will collect first from the current pay. If a member has voluntary deductions for Thrift Savings Plan (TSP) contributions and/or discretionary allotments that prevent the finance office from collecting debts due the United States, or to other entities listed in Table 52-1, the finance office has the authority to stop those voluntary deductions and process the debt collection. The finance office will notify the member that he/she has 30 days to voluntarily change, their TSP contribution, or discretionary allotment amounts. If they fail to make the changes, the finance office will initiate stoppages and specify when the changes will appear on the member’s military pay account. These actions will not substitute for, but may be included in, any indebtedness notification required by Volume 16.

1.2 Authoritative Guidance

The pay policies and requirements established by the DoD in this chapter are derived primarily from, and prepared in accordance with the United States Code (U.S.C.), including Titles 5, 10, 11, 26, 31, 37, 38 and 42. The specific statutes, regulations, and other applicable guidance that govern each individual section are listed in a reference section at the end of the chapter.

*Table 52-1. Priority of Deductions and Collections

R U L E	When the amounts due to a member are not enough to cover authorized deductions or collections, collect applicable amounts shown in the following sequence:	
1	Reduction of pay entitlement	Losses of pay entitlement take precedence over all items for deduction or collection: <ol style="list-style-type: none"> a. Forfeiture (note 1) b. Reduction for educational benefit under the "Montgomery G.I. Bill" (note 1)
2	Reimbursement to the United States	Collected amounts for deposit to the credit of the U.S. Treasury, in the following order: <ol style="list-style-type: none"> a. Federal Insurance Contribution Act tax b. Deductions for Armed Forces Retirement Homes c. Federal Income Tax Withholding (this includes any amounts voluntarily authorized by member in excess of the minimum withholding required) d. Deductions for Servicemembers' Group Life Insurance (SGLI), Family SGLI, and Traumatic SGLI
3	State income tax withholding	
4	Involuntary repayment of indebtedness to the United States	<ol style="list-style-type: none"> c. Routine pay adjustment as referenced in Volume 16, Chapter 3, subparagraph 3.6.4 d. Repayment of advances of pay/allowances or advances of travel e. Other collections (overpayments of pay or allowances outside the scope of a routine pay adjustment) f. Repayment of public funds entrusted to an accountable member or funds obtained by any member through fraud, larceny, embezzlement, or other unlawful means g. Clothing allowance charges h. Transportation charges i. Subsistence charges j. Government property lost or damaged (note 2) k. Telephone or telegraph charges l. Damage to assigned housing due to negligence or abuse m. Indebtedness to a Commissary, DoD contracted Military Banking Facility overseas, or other appropriated fund activity for an uncollectable check or defaulted loan n. Unpaid hospital bills for medical services furnished to a dependent o. Compensation or stipend payments received by a medical officer from state, county, municipal, or privately owned hospitals for medical services p. Jury duty fees received by a member q. Amounts due to other Uniformed Services or departments or agencies outside DoD, including court judgments
5	Garnishment for alimony and child support payments	

*Table 52-1. Priority of Deductions and Collections (Continued)

R U L E	When the amounts due to a member are not enough to cover authorized deductions or collections, collect applicable amounts shown in the following sequence:	
6	Statutorily-required child and spousal support allotments	
7	Reimbursement to individuals and agencies	Remittances to an individual or agency by disbursing officer making deductions as follows: a. Deductions for rental of premises occupied by dependents b. Deduction for payment for damages to private property
8	Court-ordered bankruptcy payments under Chapter 13 of the revised Bankruptcy Act	(note 3)
9	Indebtedness to a nonappropriated fund activity	
10	Amounts due Service relief society (Army Emergency Relief, Air Force Aid Society, Navy-Marine Corps Relief Society, or Coast Guard Mutual Assistance) only at final separation	
11	Voluntary repayment of indebtedness to the United States	In order specified by the Military Service member (note 4)
12	Involuntary allotment for commercial debts	(note 5)
13	TSP	Payments to TSP in the following order: a. TSP loan repayments b. TSP catch-up deductions c. TSP deductions d. Roth TSP deductions

*Table 52-1. Priority of Deductions and Collections (Continued)

R U L E	When the amounts due to a member are not enough to cover authorized deductions or collections, collect applicable amounts shown in the following sequence:	
14	Allotments	Payments made to an allottee by the United States will be disbursed in the following order: <ol style="list-style-type: none"> a. Emergency support of dependent b. Government insurance (discretionary allotment) c. Repayment of individual indebtedness or for payment to an individual or financial organization for disposition as authorized by the allotter (discretionary allotment) d. Purchase of U.S. Savings bonds e. Donation to charity drives f. Other discretionary allotments (note 5)
15	Dependent Care Flexible Spending Account Contributions	(See Chapter 51)
16	Internal Revenue Service paper levy for delinquent Federal income taxes	(See Chapter 44, section 3.0 and Table 52-1, note 5)
17	Court-Martial fines	

NOTES:

1. Gross pay to which the Military Service member would otherwise be entitled must be reduced by the monthly amount of the forfeiture or educational benefit under the Montgomery G.I. Bill. The forfeiture or educational benefit is subtracted to determine a new, reduced monthly gross pay amount. Deductions based on gross pay will be computed on the reduced gross pay.
2. This is a voluntary indebtedness for members of the Navy or Marine Corps, who fall under Volume 16, Chapter 3, Table 3-3, Rule 5.
3. In cases where the U.S. Bankruptcy Court has mandated that a sum be deducted monthly, the court order will be followed as prescribed in Military Service regulations. The order of precedence in Table 52-1 will apply unless otherwise specified in the court order in which case the court's order prevails.
4. Upon separation, these become involuntary and fall under rule 4.
5. If the date of a tax levy is earlier than the effective date of a voluntary allotment or an involuntary allotment for commercial debts, then the tax levy should be collected before either allotment.

*REFERENCES

CHAPTER 52 – PRIORITY OF PAY DEDUCTIONS AND COLLECTIONS

Table 52-1

Rule 1(a)	36 Comptroller General 79
Rule 1(b)	38 U.S.C., section 3011(b)
Rule 2(a)	26 U.S.C. §§ 3102, 3121
Rule 2(b)	37 U.S.C. § 1007(i)
Rule 2(c)	26 U.S.C. § 3402
Rule 2(d)	38 U.S.C. § 1969
Rule 3	5 U.S.C. § 5517
Rule 4	37 U.S.C. § 1007(c) 5 U.S.C. § 5514 31 U.S.C. § 3716
Rule 4(n)	5 U.S.C. § 5537
Rule 5	42 U.S.C. § 659
Rule 6	42 U.S.C. § 665
Rule 7(b)	10 U.S.C. § 939
Rule 8	11 U.S.C. § 1325(c)
Rule 9	37 U.S.C. § 1007(c)
Rule 10	37 U.S.C. § 1007(h)
Rule 12	5 U.S.C. § 5520a(k) DoD Instruction 1344.09, February 1, 2022
Rule 13	5 U.S.C. §§ 8432, 8432b, 8432d
Rule 14	37 U.S.C. §§ 701, 703, 704, 706
Rule 15	Secretary of Defense Memo, March 22, 2023
Rule 16	26 U.S.C. §§ 6331, 6334