

VOLUME 7B, APPENDIX P: “DATA FOR PAYMENT OF RETIRED PERSONNEL”**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 2018](#) is archived.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Updated hyperlinks and formatting to comply with current administrative instructions.	Revision
P00102	Updated language for “Authoritative Guidance” to comply with new instructions.	Revision
References	Changed the name from “Bibliography” to “References” to comply with new requirements and updated some references.	Revision

Table of Contents

P001 GENERAL..... 3

 P00101. Purpose..... 3

 *P00102. Authoritative Guidance 3

P002 APPLICABILITY AND SCOPE..... 3

 P00201. Establishing Retired/Retainer Pay Account 3

 P00202. Required Data..... 3

P003 RESPONSIBILITIES 4

 P00301. Defense Finance and Accounting Service Cleveland Site (DFAS-CL) Responsibilities 4

 P00302. Military Service Responsibilities 4

 P00303. Service Member Responsibilities..... 4

*REFERENCES 5

APPENDIX P

DATA FOR PAYMENT OF RETIRED PERSONNEL

P001 GENERAL

P00101. Purpose

This appendix provides for the administration and completion of the Department of Defense [\(DD\) Form 2656](#), Data for Payment of Retired Personnel, and [DD 2656-1](#), Survivor Benefit Plan (SBP) Election Statement for Former Spouse Coverage, if appropriate.

*P00102. 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.), Title 10. 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.

P002 APPLICABILITY AND SCOPE

P00201. Establishing Retired/Retainer Pay Account

Those Service members requesting retirement or members transferring to the Fleet Reserve, Retired Reserve, or Inactive Reserve, and former members who qualify to retire under [10 U.S.C. Chapter 1223](#), must complete the DD 2656 and DD 2656-1, if appropriate. The DD 2656 is the most important financial related document to complete in preparing for military retirement. The Defense Finance and Accounting Service Cleveland Site (DFAS-CL) will establish the Service member's retired/retainer pay account based on the data provided on the form(s) and retirement/transfer orders.

P00202. Required Data

The Service member's personnel office and SBP counselor will assist them in the proper completion and submission of the DD 2656 and DD 2656-1, if appropriate. See section P003. The data provided is required to establish a retired/retainer pay account, including:

- A. [The retirement plan under which the Service member is covered;](#)
- B. Direct deposit/electronic funds transfer information;
- C. Designation of beneficiaries for unpaid retired pay;
- D. Federal and state [tax withholding](#) information;
- E. Information on dependents;

- F. An election of SBP coverage; and
- G. Lump sum payment election, when applicable.

Note: The DD 2656 replaced Navy Comptroller Form 2272, Department of Army Form 4240, and Air Force Forms 1266, 1267, and 1268.

P003 RESPONSIBILITIES

P00301. Defense Finance and Accounting Service Cleveland Site (DFAS-CL) Responsibilities

DFAS-CL is the primary source for information and technical guidance concerning the DD 2656 and DD 2656-1. DFAS-CL processes the documents for military retirement submitted by the Military Services.

P00302. Military Service Responsibilities

Each respective personnel activity will provide pre-retirement counseling to prospective retirees. As part of the counseling process, each personnel activity will ensure that the prospective retirees properly complete the DD 2656 and DD 2656-1, if appropriate. The personnel activity will forward the forms and appropriate documentation to DFAS-CL electronically, or mail to:

DFAS
U.S. Military Retired Pay
8899 E. 56th Street
Indianapolis, IN 46249-1200

P00303. Service Member Responsibilities

Members requesting retirement or transfer to the Fleet Reserve, Retired Reserve, or Inactive Reserve, and former members who qualify under 10 U.S.C. Chapter 1223, will complete the DD 2656 and DD 2656-1, if appropriate. Completion of these forms is necessary to establish the retired/retainer pay account. See paragraph P00202.

***REFERENCES**

APPENDIX P – DATA FOR PAYMENT OF RETIRED PERSONNEL

P001 – GENERAL

10 U.S.C., Chapter 73, subchapter II

P002 – APPLICABILITY AND SCOPE

10 U.S.C., Chapter 1223

DoD Instruction 1332.42