DOD 7000.14-R

DEPARTMENT OF DEFENSE

FINANCIAL MANAGEMENT REGULATION

VOLUME 7A

MILITARY PAY POLICY AND PROCEDURES ACTIVE DUTY AND RESERVE PAY

JULY 2012

★ WITH CHANGES THROUGH JUNE 2012 ★

UNDER SECRETARY OF DEFENSE (COMPTROLLER)

VOLUME 7A: MILITARY PAY POLICY AND PROCEDURES
ACTIVE DUTY AND RESERVE PAY

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SUMMARY OF MAJOR CHANGES TO
DOD 7000.14, INTRODUCTION
"DOD FINANCIAL MANAGEMENT REGULATION"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision.

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PAGE PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
I-2	Add Table of Contents	Incorporate
I-3 APPLICABILITY	Add "the Joint Staff", "Combatant Commands", and "all other organizational entities within the DoD" expanding activities that are included in the Standard Applicability Statement ***template*** and ***standards guidance*** for processing DoD issuances.	Update
I-4 PARAGRAPH NUMBERING SYSTEM	Add example of "6-digit paragraph number".	Update
I-4 INFORMATION REQUIREMENTS	Change hyperlink for the DoD Financial Management Regulation to ***http://comptroller.defense.gov/fmr/***	Correction

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INTRODUCTION

The Department of Defense Financial Management Regulation (DoD FMR) is issued under the authority of DoD Instruction 7000.14, *DoD Financial Management Policy and Procedures*. The DoD FMR directs statutory and regulatory financial management requirements, systems, and functions for all appropriated and non-appropriated, working capital, revolving, and trust fund activities.

VOLUMES	
	Glossary
1	***General Financial Management Information, Systems and Requirements***
2A	***Budget Formulation and Presentation (Chapters 1-3)***
2B	***Budget Formulation and Presentation (Chapters 4-19)***
3	***Budget Execution - Availability and Use of Budgetary Resources***
4	***Accounting Policy and Procedures***
5	***Disbursing Policy and Procedures***
6A	***Reporting Policy and Procedures***
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7A	***Military Pay Policy and Procedures - Active Duty and Reserve Pay***
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11A	***Reimbursable Operations, Policy and Procedures***
11B	***Reimbursable Operations, Policy and Procedures-Working Capital Funds (WCF)***
12	***Special Accounts, Funds and Programs***
13	***Nonappropriated Funds Policy and Procedures***
14	***Administrative Control of Funds and Antideficiency Act Violations***
15	***Security Assistance Policy and Procedures***

* APPLICABILITY

The DoD FMR applies to the Office of the Secretary of Defense, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense (DoD), the Defense Agencies, the DoD Field Activities, and all other organizational entities within the DoD (hereinafter referred to collectively as "DoD Components").

* PARAGRAPH NUMBERING SYSTEM

The paragraph numbering system of this Regulation is consistent for all 15 Volumes. The 6 digit paragraph number (e.g. 010101) and its subparagraph designators are formulated as follows:

01	**01**	**01**	**A. 1. a. (1) (a)**
CHAPTER 1	SECTION 1	PARAGRAPH 1	SUBPARAGRAPHS

* INFORMATION REQUIREMENTS

DoD Components are requested to forward recommend changes to this Regulation through channels to the address below. Submit requests for deviations from or exceptions to this Regulation, with justification, to:

Office of the Under Secretary of Defense (Comptroller)
Accounting and Finance Policy (A&FP)
1100 Defense Pentagon
Washington, DC 20301-1100

The DoD FMR is available on the web at: ***http://comptroller.defense.gov/fmr/***

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A
"COMPARABLE GRADES"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	The Comparable Grades are current with no changes required.	Update

COMPARABLE GRADES				
PAY GRADE	**ARMY**	**NAVY**	**MARINE CORPS**	**AIR FORCE**
O-10	General	Admiral	General	General
O-9	Lieutenant General	Vice Admiral	Lieutenant General	Lieutenant General
O-8	Major General	Rear Admiral (UH)	Major General	Major General
O-7	Brigadier General	Rear Admiral (LH)	Brigadier General	Brigadier General
O-6	Colonel	Captain	Colonel	Colonel
O-5	Lieutenant Colonel	Commander	Lieutenant Colonel	Lieutenant Colonel
O-4	Major	Lieutenant Commander	Major	Major
O-3	Captain	Lieutenant	Captain	Captain
O-2	1st Lieutenant	Lieutenant (JG)	1st Lieutenant	1st Lieutenant
O-1	2nd Lieutenant	Ensign	2nd Lieutenant	2nd Lieutenant
W-5	Chief Warrant Officer	Chief Warrant Officer	Chief Warrant Officer 5	
W-4	Chief Warrant Officer	Chief Warrant Officer	Chief Warrant Officer 4	
W-3	Chief Warrant Officer	Chief Warrant Officer	Chief Warrant Officer 3	
W-2	Chief Warrant Officer	Chief Warrant Officer	Chief Warrant Officer 2	
W-1	Warrant Officer		Warrant Officer	
E-9	Sergeant Major of the Army	Master Chief Petty Officer of the Navy	Sergeant Major of the Marine Corps	Chief Master Sergeant of the Air Force
E-9	Command Sergeant Major or Sergeant Major	Master Chief Petty Officer	Sergeant Major or Master Gunnery Sergeant	Chief Master Sergeant
E-8	First Sergeant or Master Sergeant	Senior Chief Petty Officer	First Sergeant or Master Sergeant	Senior Master Sergeant
E-7	Platoon Sergeant or Sergeant First Class	Chief Petty Officer	Gunnery Sergeant	Master Sergeant
E-6	Staff Sergeant	Petty Officer, 1st Class	Staff Sergeant	Technical Sergeant
E-5	Sergeant	Petty Officer, 2nd Class	Sergeant	Staff Sergeant
E-4	Corporal or Specialist	Petty Officer, 3rd Class	Corporal	Senior Airman
E-3	Private First Class	Seaman	Lance Corporal	Airman, First Class
E-2	Private	Seaman Apprentice	Private First Class	Airman
E-1	Private	Seaman Recruit	Private	Airman, Basic

SUMMARY OF MAJOR CHANGES TO
DOD 7000.14-R, VOLUME 7A,
"GLOSSARY"

All changes are denoted in blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, blue italic font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Section Title	Changed name to Glossary to conform to Department of Defense standard.	Update
Entire Section	Updated definitions for Dual Status, Home, Certifying and Disbursing Officer.	Update
Entire Section	Deleted definitions for Rental Charge, Separate Rations, Currency-Blocked Country, and Variable Reenlistment Bonus.	Delete

*GLOSSARY

1. Absence Over Leave. Absent beyond the period for which leave was authorized.

2. Absent Without Leave (AWOL). Absence from a place of duty without permission or authorization and without the intention of deserting.

3. Academic School Year. Commences with the date required to report for courses of instruction for the member's chosen degree for naval or military science classes, whichever occurs first, and terminates upon completion of either of the above, whichever occurs later.

4. Active Duty. Full-time duty in the active service of a Uniformed Service, including full-time training duty, annual training duty, full-time National Guard duty, and attendance, while in the active service, at a school designated as a Military Service school by law or by the Secretary concerned.

5. Active Duty for a Period of More Than 30 Days. Active duty under a call or order that does not specify a period of 30 days or less.

6. Active Duty for Training. Full-time duty in the active military service of the United States for training purposes.

7. Active Duty List. A single list for the Army, Navy, Air Force, or Marine Corps which contain the names of all officers of that Armed Force who are serving on active duty, other than officers described in ***10 United States Code (U.S.C.) 641***.

8. Active Service. Active service means service on active duty.

9. Advance Payment. Payment of pay (pay and allowances in certain cases) before it is earned.

10. Advanced Leave. Leave authorized in advance of that accrued.

11. Air National Guard of the United States. The part of the Air Force Ready Reserve whose members are also members of the Air National Guard.

12. Allotment. A definite portion of the pay and allowances of a person in the Military Service, which is authorized to be paid to a qualified allottee.

13. Allottee. The person or institution to whom the allotment is made payable.

14. Allotter. The person from whose pay the allotment is made.

15. Allowance. A monetary amount paid to an individual in lieu of furnished quarters, subsistence, or the like.

16. Appropriation. An amount of money specifically authorized by Congress against which obligations may be incurred and from which payments may be made.

17. Armed Forces of the United States. Includes the Army, Navy, Air Force, Marine Corps, and Coast Guard, and all components thereof.

18. Army National Guard of the United States. The part of the Army Ready Reserve whose members are also members of the Army National Guard.

19. Aviation Service Career

a. Extended Active Duty or Active Guard/Reserve Duty. An officer on extended active duty or Active Guard/Reserve Duty who holds an aeronautical rating or is in flying training leading to a rating or designation shall be considered to be performing aviation service on a career basis, as prescribed in ***37 U.S.C. 301a***, while he or she is:

1. A member of the authorized rated inventory.

2. In flying training leading to a rating or designation.

3. Serving in pay grade O-6 or above and is qualified for aviation service under regulations prescribed by the Secretary of the Military Department concerned.

b. Not on Extended Active Duty or Active Guard/Reserve Duty. An officer not on extended active duty or Active Guard/Reserve Duty who holds an aeronautical rating and is qualified for aviation service under regulations prescribed by the Secretary of the Military Department concerned shall be considered to be performing aviation service on a career basis, as prescribed in ***37 U.S.C. 301a***, while he or she is:

1. Performing operational flying duty.

2. Assigned to a rated position as a Ready Reservist in the Selective Reserves.

3. Considered by that DoD Component as an asset to the rated inventory.

20. Basic Allowance for Housing (BAH). An amount of money prescribed and limited by law which an officer or enlisted member receives to pay for quarters not provided by the Government.

21. Basic Allowance for Subsistence (BAS). Cash allowance payable to officers and enlisted members for the purpose of subsisting themselves. Payable at all times when entitled to basic pay after completion of initial military training, except as otherwise prohibited by law.

22. Basic Pay. The pay of an officer or enlisted member according to the rank and longevity before additional amounts are added for quarters, subsistence, flying status, overseas duty, etc.

23. Beneficiary. The recipient of certain benefits due as a result of relationship to or designation by a member.

24. Cadet or Midshipmen (Reserve Officers' Training Corps)(ROTC). A member of the Senior ROTC (SROTC) program under ***chapter 103 of Title 10, U.S.C.***

25. Captive Status. A missing status resulting from a member's involvement in a hostile action. Hostile action is determined by the Secretary of Defense.

26. Captivity-Related Offense. An offense, committed while in a captive status and related to the status, which is listed in ***5 U.S.C. 8312(b) or (c)***, or which is listed in ***chapter 47 of the Uniformed Code of Military Justice (UCMJ)***, that is punishable by dishonorable discharge, dismissal, or confinement for a minimum of 1 year.

27. Cash Maintenance Allowance. Refers to the several types of clothing maintenance allowances paid by cash; for example: standard, basic, or special.

*28. Certifying Officer. An individual appointed in writing to attest to the correctness of statements, facts, accounts, and amounts appearing on a voucher, and to certify that voucher for payment.

29. Commissioned Officer. Unless otherwise qualified, means a member of the Uniformed Services having rank or grade of second lieutenant, ensign, or above, either permanent or temporary, in any of the Uniformed Services.

30. Commuted Rations. The value of in-kind government subsistence (rations) converted to a cash equivalent payment.

31. Competent Orders. Orders issued by the Secretary concerned or such officer or officers as the Secretary may designate, to members of their respective Services or to members of other Services when such latter members are performing duty with a Service other than their own.

32. Continental United States. Unless otherwise qualified, means the 48 contiguous states and the District of Columbia.

33. Contingency Operation. Any military operation that:

a. Is designated by the Secretary of Defense as an operation in which members of the Armed Forces are or may become involved in military actions, operations, or hostilities against an enemy of the United States or against an opposing military force; or

b. Results in the call or order to, or retention on, active duty of members of the Uniformed Services under 10 U.S.C. sections ***671a***, ***688***, ***12302***, ***12304***, ***12305***, or ***12406***; ***chapter 15 of Title 10, U.S.C.***, or under any other provision of law during a war or national emergency declared by the President or the Congress.

34. Critical Specialty. A medical specialty that is manned at, or is projected within two fiscal years to be manned at, less than 95 percent of budget authorized allowance with fully qualified physicians.

35. Dependent. With respect to a member of a Uniformed Service, dependent means:

a. Spouse.

b. Unmarried child under the age of 21, including an adopted child or a stepchild, but not after the divorce of the member from the stepchild's natural parent.

c. An unmarried illegitimate child under the age of 21 provided the parentage on the part of the member is established by court order, by a signed statement of parentage submitted by the member or, in the case of a female member, the birth certificate showing the member as the natural mother of the child.

d. An unmarried child under the age of 21 who has been placed in the member's home by a local, state, or foreign government placement agency or a government-approved adoption agency as a part of a normal adoption process, provided the member produces a document from such agency establishing the fact of relationship and the effective date of relationship.

e. An unmarried child who is at least 21 years of age but under 23 years of age who is enrolled in a full-time course of study at an educational institution approved by the Secretary concerned when the member demonstrates in a statement listing the child's income and expenses that the child is in fact dependent on the member for over one half of the child's support.

f. An unmarried child, 21 years of age or older, who is incapable of self-support because of a mental or physical incapacity and who is in fact dependent upon the member for more than one half of the incapacitated child's support.

g. A parent, including a stepparent, parent by adoption, or any person who has stood in loco parentis at any time for a continuous period of at least five years before the member's 21st birthday, or a parent, a stepparent, or adopted parent of the member's spouse, any of whose dependency on the member has been determined in accordance with the rules and regulations established by the Secretary concerned.

h. Effective July 1, 1994, a ward, who is an unmarried person who meets each of the following criteria:

1. A court of competent jurisdiction in the United States, Puerto Rico, or a possession of the United States has placed the person in the custody of the member either permanently or for a period which lasts at least 12 months from the date of the order.

2. The person must be:

(a) Under 21 years of age.

(b) At least 21 years of age, but under 23 years of age who meets the criteria for a student set forth in definition #35 line e.

(c) Incapable of self-support because of a mental or physical incapacity that occurred while the person was considered a dependent ward of the member.

3. The person must be dependent upon the member for over one half of the person's support.

4. The person must reside with the member unless separated either by the necessity of Military Service, to receive institutional care as a result of disability or incapacitation, or under such other circumstances as the Secretary concerned may by prescribe.

5. The person may not be a dependent of any member under any other part of this definition.

6. The person is considered to be in the same class of dependents as a member's other children for the purpose of determining entitlement.

36. Desertion. Absence without leave with intent to remain away permanently.

37. Designated Applicant (ROTC). A student at an institution where a unit of the SROTC is established who did not participate in the SROTC program during the first two academic years, but desires to participate in the advance portion of the program during the two remaining academic years (or three remaining years in an approved 5-year program) and possesses all other qualifications.

*38. Disbursing Officer. A military member or a civilian employee of a DoD Component designated to disburse monies and render accounts according to laws and regulations governing the disbursement of public money. Disbursing Officers must be U. S. citizens.

*39. Dual Status. Enlisted members of the Navy or Marine Corps Reserve on duty as temporary officers under ***10 U.S.C. 5596***.

40. Duty Station. The place at which the member is assigned for regular duty; also, the place at which the member performs an assigned duty.

41. Enforced Separation. Involuntary separation of the member from dependents as a result of official orders.

42. Enlisted Member. A person enlisted, enrolled, or conscripted into a Military Service.

43. Enlistee. A person who has voluntarily enlisted for military service.

44. Enlistment

a. A voluntary entrance into military service under enlisted status, as distinguished from induction through Selective Service.

b. A period of time, contractual or prescribed by law, which enlisted members serve between enrollment and discharge.

45. Entitlement. The legal right to receive items of pay and/or allowances.

46 Erroneous Payment. A payment of pay and/or allowances to a member to which he/she is not entitled.

47. Excess Leave. Leave granted in excess of that accrued or advanced.

48. Exigencies of the Service. Urgent demands of a Military Service.

49. Expiration of Term of Service. The end of a required or contracted period of service.

50 Extension of Enlistment. Contracted agreement which extends an enlisted member's current enlistment for a stated period beyond normal expiration of that enlistment.

51. Federal Insurance Contribution Act (FICA). The federal statute that requires the withholding of tax from salaries of employees covered by the Social Security Act and the payment of employer's tax by federal agencies.

52. Field Duty. Serving with troops participating in maneuvers, war games, field exercises, or similar types of operations, and

a. The member is subsisted in a government mess or with an organization drawing field rations, and is quartered in accommodations normally associated with field exercises, or

b. Students are participating in survival training and forage for subsistence and improvise their own shelter. Members furnished quarters and subsistence obtained by contract may also be considered as performing field duty when so declared by competent official.

53. Financial Organizations. Any bank, savings bank, savings and loan association or similar institution, or federal or state chartered credit union.

54. Flag Officer. A Navy term for an officer comparable to Army, Air Force, and Marine Corps general officer.

55. Fleet Reserve or Fleet Marine Corps Reserve. A component of the Regular service to which members may be transferred and released from active duty after obtaining 20 or more years of active Federal service.

56. Flight Requirement. The number of hours or minutes of flying time required to qualify for entitlement to incentive pay for a specific period of time.

57. Flying Status. The status of a member who is required by orders to participate in frequent and regular aerial flights.

58. Former Captive. A member who was held in a captive status.

59. Full-Time National Guard Duty. Training or other duty, other than inactive duty, performed by a member of the Army or Air National Guard of the United States in the member's status as a member of the National Guard of a state or territory, the Commonwealth of Puerto Rico, or the District of Columbia under Title 32 U.S.C. ***316***, ***502***, ***503***, ***504***, or ***505***, for which the member is entitled to (or has waived entitlement to) pay from the United States.

60. Fully Qualified. A physician that has completed a residency training program or is board certified or board eligible in a medical specialty and, if involved with independent patient care, is credentialed to practice medicine in that specialty by a credentialing authority.

61. Government Mess. A dining facility supported wholly with appropriated funds that provide meals or rations to military members subsisted in-kind or sold at food cost. The term includes the following activities: general mess, wardroom mess, officer's mess, chief petty officer's mess, field mess, dining hall, dining activity, dining facility, mess hall, galley, field kitchen, flight kitchen, or similar terms used to describe dining facilities funded totally by appropriated funds. It does not include activities operated with non-appropriated funds such as officer's club, enlisted club, squadron mess, organized mess, or similar terms except when those activities provide meals or rations under contract or agreement with the applicable operating and food costs borne by appropriated funds.

62. Government Quarters or Housing Facilities. Includes the following:

a. Any sleeping accommodations or family-type housing owned or leased by the United States Government.

b. Lodgings or other quarters obtained by United States Government contract.

c. Dormitories or similar facilities operated by cost-plus-a-fixed-fee contractors.

d. Any sleeping or housing facilities furnished by a foreign government on behalf of the United States Government.

e. Transient facilities such as guest houses, hostess houses, and hotel-type accommodations. (Accommodations built and operated by nonappropriated fund activities are considered to be rental quarters for the purpose of BAH eligibility.) Payment of service charges for laundering of linens, janitorial services, etc., has no effect on whether the facilities are considered government quarters or housing facilities.

f. Quarters in a state-owned National Guard camp.

63. He, His, Him. "He," "his," and "him" include the terms "she," "her" and "hers."

*64. Home. The place recorded as home of record when the member was ordered to active duty.

65. Inactive Duty Training

a. Duty prescribed for members of a Reserve Component by the Secretary concerned.

b. Special additional duties authorized for members of a Reserve Component by an authority designated by the Secretary concerned and performed by them on a voluntary basis in connection with prescribed training or maintenance activities of the units to which they are assigned.

c. This term also includes duties in a. and b. when performed by members of the National Guard. Such duties include:

(1) Unit training assemblies.

(2) Training or other duty the member is required to perform, with or without member's consent. This includes, but is not limited to, appropriate duty or equivalent training and additional flying training periods.

d. This term does not include work or study for a correspondence course of a Uniformed Service.

e. For pay purposes, inactive duty training must be performed under orders, cover a specific assignment, and have a prescribed time limit.

66. Inductee. One who is inducted.

67. Induction. The act of taking a person into any of the Armed Services of the United States without voluntary action on his or her part.

68. Initial Residency Training. That period of time in residency training before formal completion of an officer's first residency that qualifies the officer to take the specialty board, which qualifies the officer for board certification equivalency.

69. In Loco Parentis. A person who stood in place of the natural parent(s) to the Military Service member. (See also "Parent.")

70. Issue in-Kind. An issue in goods rather than in money.

71. Legal Process. The term legal process means any writ, order, summons, or other similar process in the nature of garnishment, which

a. Is issued by:

(1) A court of competent jurisdiction in any state, territory, or possession of the United States;

(2) A court of competent jurisdiction in any foreign country with which the United States has entered into an agreement which requires the United States to honor such process; or

(3) An authorized official pursuant to an order of such a court of competent jurisdiction or pursuant to state or local law, and

b. Is directed to, and the purpose of which is to compel, a governmental entity, which holds money which is otherwise payable to an individual, to make a payment from such money to another party in order to satisfy a legal obligation of such individual to provide child support or make alimony payments.

72. Lost Time. That period of time not included in determining cumulative years of service for all military purposes.

73. Medical Officer. An officer of the Medical Corps of the Army or the Navy or an officer of the Air Force designated as a medical officer who is on active duty under a call or order to active duty for a period of not less than 1 year.

74. Medical or Osteopathic Internship and Residency Training

a. Medical or Osteopathic Internship. The first year of graduate medical education, immediately following medical or osteopathic school, whether a formal internship or the first year of a residency. For the purposes of variable special pay, this includes the period during which the active duty medical corps officer is waiting to begin internship training as well as the period in which such an officer is awaiting separation because of failure to complete that training.

b. Medical or Osteopathic Residency. A formal program of medical or osteopathic specialty or subspecialty training.

75. Medical or Osteopathic Specialty. Any specialty for which there is an identifying specialty skill identifier number, a naval officer billet classification number, or an Air Force specialty code number.

76. Member. A person appointed or enlisted in, or conscripted into, a Uniformed Service. (Cadets or midshipmen of the Service academies are considered members only for the purpose of establishing entitlement under the provisions of ***Chapter 34***).

77. Member (ROTC). A student who is enrolled in the senior ROTC of an Armed Force, under ***chapter 103 of Title 10, U.S.C***.

78. Militia. Includes all able-bodied males at least 17 years of age, but under 45 years of age (or under 64 years of age and a former member of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps), who are U.S. citizens or who have declared the intention to become U.S. citizens, and female citizens who are commissioned officers of the National Guard.

79. Missing Status. Includes missing, missing in action, interned in a foreign country, captured, beleaguered, besieged by a hostile force, or detained in a foreign country against a member's will.

80. National Guard. The Army and the Air National Guard. The National Guard is that part of the organized militia of the 50 states, Puerto Rico, Guam, the Canal Zone, the Virgin Islands, and the District of Columbia, active and inactive, that is:

a. Either a land or an air force.

b. Trained, and has its officers appointed under the 16th clause of section 8, article I of the Constitution.

c. Organized, armed, and equipped, wholly or partly, at federal expense; and

d. Federally recognized.

The Army and the Air National Guard of the United States are subsets of the Army and the Air National Guard, respectively.

81. Nurse Corps Officer. An officer of the Nurse Corps of the Army or the Navy, or an officer of the Air Force designated as a nurse.

82. Officer. A commissioned or warrant officer.

83. Operational Flying Duty. Flying performed under competent orders by rated or designated members while serving in assignments in which basic flying skills normally are maintained in the performance of assigned duties as determined by the Secretary of the Military Department concerned, and flying performed by members in training that leads to the award of an aeronautical rating or designation.

84. Overpayment. An amount paid to a member which is in excess of that to which entitled.

85. Parachute Accident. An accident which results in injury to a qualified parachutist or parachute rigger, or to a member in training for such rating during a regular tour of duty. To be considered a parachute accident, the injury must occur while the member is on board an aircraft incident to assigned duties or as a result of jumping from, being thrown from, or being struck by an aircraft or any part or auxiliary thereof.

86. Parent. The natural father or mother, or father or mother through adoption. It also includes persons who have stood "in loco parentis" to a member. See also definition for "Dependent."

87. Permanent Change of Station. The assignment, detail, or transfer of a member or unit to a different duty station under competent orders which neither specify the duty as temporary, nor provide for further assignment to a new station, nor direct return to the old station. (For more detailed definition, see ***Volume 1, Joint Federal Travel Regulations, Appendix A1***.)

88. Permanent Duty Station. In general, the post of duty or official station to which member is assigned for permanent duty. (For more detailed definition, see ***Volume 1, Joint Federal Travel Regulations, Appendix A1***.)

89. Prisoner of War. A member who was/is held in captivity by another nation's government as a result of hostilities between that nation and the United States (whether or not by declaration of war).

90. Public Quarters. See "Government Quarters or Housing Facilities."

91. Punitive Discharge. A dishonorable or bad conduct discharge ordered as punishment under the Uniform Code of Military Justice.

92. Rations in-Kind. Meals or rations furnished by or on behalf of the government at no charge when Basic Allowance for Subsistence or commuted rations are not otherwise payable to a member in a pay status.

93. Ready Reserves. Units or individual Reservists liable for active duty under 10 U.S.C. ***12301*** or ***12302***.

94. Reenlistment Bonus. Special pay to an enlisted member who reenlists under provisions of ***37 U.S.C. 308***.

95. Reserve Components. The Army National Guard of the United States, Army Reserve, Naval Reserve, Marine Corps Reserve, Air National Guard of the United States, Air Force Reserve, Coast Guard Reserve, and the Reserve Corps of the Public Health Service.

96. Retired List. Any one of several lists of military members retired from the regular or Reserve Components of the Armed Forces.

97. Retired Reserves. Members of the Reserve Component of the Armed Forces who are or have been retired, or who have been transferred to the Retired Reserves upon their request, but are not necessarily eligible to begin receiving retired pay. Although in a retired status, Retired Reserves retain their status as Reserves.

98. Saved Pay. Special pay provisions that allow military members, under certain circumstances, to retain entitlement to amounts of pay and/or allowances authorized under prior laws or for a lower grade from which promoted.

99. Selected Reserves. That part of the Ready Reserves which consists of units and, as designated by the Secretary concerned, individual Reservists trained as prescribed in ***10 U.S.C. 10147(a)(1)***. Most Selected Reserve members are required to participate in a minimum of 48 scheduled drill or training periods annually and serve on active duty for training at least 14 days annually.

100. Separation. Discharge, release from active duty, retirement, death, or in the case of enlisted members, the date when they begin to serve on a voluntary extension of enlistment for any period of time.

101. Service Academy Cadet or Midshipman. A person in training at one of the Service academies to become a commissioned officer.

102. Statutory Limitations. The legal limits or restrictions as provided by law.

103. Stipend Payment. A fixed sum of money paid periodically for services or to defray expenses, especially payment to medical officers on duty at civilian medical facilities.

104. Temporary Officer Status. A member of the Navy or Marine Corps appointed a temporary officer under the provisions of ***10 U.S.C. 5596***.

105. Total Forfeiture. Forfeiture of all pay and allowances as punishment under the Uniform Code of Military Justice.

106. Uniformed Services. The Army, Navy, Marine Corps, Air Force, Coast Guard, Public Health Service and the commissioned corps of the Environmental Science Services Administration now known as the National Oceanic and Atmospheric Administration.

107. United States. The 48 contiguous states, the District of Columbia, and the states of Alaska and Hawaii.

108. Warrant Officer. A person who holds a commission or warrant in a warrant officer grade.

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 1
"BASIC PAY"

All changes are denoted by blue font

Substantive revisions are denoted by a * 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 *underlined, bold, italic, blue font*

The updated chapter supersedes the previously published version dated November 2011.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
010102.A.8	Clarified basic pay entitlement for United States University of Health Sciences personnel.	Update
010103.A.1	Clarified duty requirements by adding "inactive" duty for training for enlisted service requirements to receive O-1E, O-2E, or O-3E basic pay rates.	Update
010103.A.2	Deleted May 20, 1958 reference.	Update
010203.A.4.f.	Clarified save pay provisions by deleting Foreign Duty Pay reference.	Update
Table 1-7 Table 1-8 Table 1-9 Table 1-10	Updated the new basic pay rates effective January 1, 2012.	Update
Bibliography	Updated Executive Orders.	Update

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CHAPTER 1

BASIC PAY

0101 CREDITABLE SERVICE

010101. Service Which is Creditable

A. General

1. The several military pay and personnel systems use a variety of dates to determine various entitlements. Among them is the date that denotes how much service a member has for the purpose of determining longevity pay rates. The Army refers to this as the "pay entry basic date", the Navy and Marine Corps refer to this as the "pay entry base date", while the Air Force calls it simply the "pay date". This chapter will refer to this data element as the "basic pay date", which is defined as reflecting all service that is creditable towards longevity.

2. The member's servicing personnel office is responsible for providing, when necessary, a statement of service that can include the basic pay date, total active Federal military service date, total commissioned Federal military service date, and a variety of other dates, depending on the nature of the individual member's service. This regulation details only the computation of the basic pay date, since Military Service personnel regulations control the computation of all other dates.

B. Computation of Creditable Service. For most members who enter and serve on active duty without a break in service, the basic pay date is the date the member enters active or inactive service. If, however, there is a break in service, then the time between periods of service usually is not included. Also, there are statutory periods when service in a particular component may not be counted. Conversely, there are periods for which some members are given constructive service, even though they were not actually serving on active or inactive duty. Use the following guidance to compute the basic pay date when there has been a break in service of any kind or if there is a need to include constructive service.

C. Creditable Service Periods. Include active or inactive service in any of the following components without restriction:

1. Regular service in the Army, Air Force, Navy, Coast Guard, and Marine Corps.

2. Army, Naval, Marine Corps, Air Force, and Coast Guard Reserve.

3. Army of the United States (service without specification of component).

4. Army National Guard.

5. Army National Guard of the United States.

6. National Guard.

7. National Guard of the United States.

8. Air Force of the United States (service without specification of component).

9. Air National Guard.

10. Air National Guard of the United States.

11. Nurse Corps and Nurse Corps Reserve of the Public Health Service.

12. Public Health Service and Reserve Corps of the Public Health Service.

D. Other Creditable Service (with restrictions noted below and in subparagraph 010102.A.). Include the following periods of service:

1. Officer, deck officer, or junior engineer service in the National Oceanic and Atmospheric Administration, including similar periods of service in the former Corps of the Environmental Science Services Administration and the U.S. Coast and Geodetic Survey.

2. Service on a Military Service retired list, temporary disability retired list, or honorary retired list of any Uniformed Service, or service as a member of the Fleet Reserve or Fleet Marine Corps Reserve.

3. Any period of service during which a member is entitled to retired, retirement, or retainer pay from any Uniformed Service.

4. Service as a cadet or midshipman at a military academy is always creditable service for an enlisted member. See Table 1-1 to determine whether such service is creditable for commissioned and warrant officers.

5. Periods after December 11, 1941, when an enlisted member is retained after expiration of term of service of an Armed Force for medical care or hospitalization for disease or injury incident to service. Do not credit such periods of service if the underlying medical condition requiring medical care or hospitalization was due to the member's misconduct.

6. Service otherwise creditable that is performed before a member reaches the statutory age for enlistment, unless the enlistment contract was voided or invalidated for fraud.

7. Active service performed as a temporary member of the U.S. Coast Guard Reserve.

8. Service terminated by desertion or dishonorable discharge, unless the enlistment was fraudulent and was voided for that reason.

9. Periods of service when a member is detailed to and receiving pay and allowances from any other agency of the United States, even though accrual of military pay and allowances is suspended.

10. Service as a member of the Army, Navy, or Air Force Reserve Officers' Training Corps, provided the member has concurrent Selected Reserve (drilling status) for duty performed on or after August 1, 1979. Also, see subparagraph 010101.D.14.

11. Effective December 26, 1974, service as an aviation midshipman under the Act of August 13, 1946, 60 Statute 1057.

12. Service as an enlisted member in a Reserve Component, including Ready Reserve service (inactive and active) under the Delayed Entry (Enlistment) Program (DEP), before beginning active duty or an initial period of active duty for training, provided the Reserve enlistment was entered into before January 1, 1985. As of January 1, 1985, the following restrictions went into effect as and when stated.

a. For enlistments in a Reserve Component under ***10 United States Code (U.S.C.) 12103(b) or (d)***, including enlistments under a DEP, that were entered into between January 1, 1985, and November 28, 1989, the period served in the Reserve Component before beginning active duty or an initial period of active duty for training is not creditable.

b. For enlistments entered into on or after November 29, 1989:

(1). A period of enlisted service in a Reserve Component under ***10 U.S.C. 12103(b) or (d)***, including inactive service under a DEP, is creditable service only if the member performs inactive duty training before beginning active duty or an initial period of active duty for training.

(2). Service performed as an enlisted member in a Reserve Component under ***10 U.S.C. 513***, other than a period of active duty, is not creditable service.

13. Any period of service which was creditable under any Federal statute in effect on January 10, 1962.

14. Prior provisions of law excluded the Simultaneous Membership Program from creditable service for commissioned officers effective October 13, 1964. ***Public Law 104-201***, section 507, September 23, 1996, amended these provisions to provide service credit retroactive to August 1, 1979. These amendments, as referenced in subparagraph 010101.D.10, resulted in no increase in pay, retired pay, or retainer pay before the date of enactment, September 23, 1996. Service in the program for enlisted members who retain that status remains creditable under all provisions.

E. Constructive Service

1. Some medical and dental officers are entitled to extra credit for longevity purposes to reflect the time spent in medical or dental school. Medical and dental officers must meet one or more of the following criteria to be entitled to the constructive credit:

a. On or before September 15, 1981, the officer already had the constructive service credit; the credit is not lost if there is a break in service either before or after that date. This includes Public Health Service officers.

b. On September 14, 1981, the individual was enrolled either in the Armed Forces Health Professions Scholarship Program or the Uniformed Services University of Health Sciences (USUHS), completed that program, and was appointed as a medical or dental officer.

c. On September 14, 1981, the individual was participating in a program that credited years of service and led to an appointment as an officer in the Army, Navy, Air Force, or Marine Corps.

2. Medical and dental officers who meet the criteria in subparagraph 010101.E.1 are entitled to 4 years of constructive service credit. Also, those medical officers who have completed medical internship or its equivalent, or who entered military status while serving such an internship, are entitled to a fifth year of constructive service credit.

3. Where a member is entitled to service credit for a period covered by the constructive credit, reduce the constructive service credit by an amount equal to the actual service credit.

F. Examples

1. An individual completed dental school on June 11, 1977 and accepted commission as a dental officer on August 3, 1977. The member was credited with 4 years of constructive service and a basic pay date of August 3, 1973.

2. An individual completed a medical internship on June 30, 1979 and accepted a commission as a medical officer on August 11, 1979. The member was credited with 5 years of constructive service and a basic pay date of August 11, 1974.

3. An individual entered medical school in 1970 and accepted a commission on January 12, 1972. He graduated from medical school on June 10, 1974 and completed a civilian residency during the period from July 1, 1974 through June 30, 1975. Compute basic pay date as follows:

First, compute dual status period, which is the period of time between date of commission and date of graduation:

	YR	MO	DAY	
Graduated:	74	06	10	
Commission Date:	72	01	12	
Dual Status Period:	02	04	28+1	(inclusive day)

Then, compute constructive service credit, which is the 4 years constructive credit less the time already credited as commissioned service:

Maximum Constructive Service Credit:	03	11	30
Less Dual Status Time:	02	04	29
Constructive Credit:	01	07	01

The member's basic pay date was 1 year, 7 months, and 1 day before his commission date of January 12, 1972 or June 11, 1970.

4. The scenario is the same as in the previous subparagraph, except the member accepted a commission on July 12, 1974 after starting the internship. The member was entitled to 5 years of constructive service credit instead of 4 years.

	YR	MO	DAY	
Date Finished Internship:	75	06	30	
Commission Date:	74	07	12	
Dual Status Period:	00	11	18+1	(inclusive day)
Maximum Constructive Service Credit:	04	11	30	(5 years)
Less Dual Status Time:	00	11	19	
Constructive Credit:	04	00	11	

The member's basic pay date was 4 years, no months, and 11 days before his commission date, or July 1, 1970.

5. An officer, who had been commissioned on November 19, 1962, entered dental school on September 9, 1970 and graduated on May 28, 1974. To compute constructive service credit:

First, compute dual status.

	YR	MO	DAY	
Graduated:	74	05	28	
Started School:	70	09	09	
Dual Service:	03	08	19+1	(inclusive day)

Then, deduct the dual service from the 4-year constructive credit period to arrive at net constructive service credit.

	YR	MO	DAY	
Maximum Constructive Service Credit:	03	11	30	(4 years)
Less Dual Service:	03	08	20	
Constructive Credit:	00	03	10	

Change the member's basic pay date to 3 months and 10 days before the previous one (November 19, 1962) to August 10, 1962.

010102. Service Not Creditable

A. General. Do not use any service that is not listed as creditable service to compute a basic pay date. The following list includes a few types of service that are not creditable:

1. The time served in an enlistment that is terminated, voided, or invalidated as fraudulent.

2. The time served as a commissioned officer in the Philippine Army.

3. The constructive time authorized by the Act of December 28, 1945 (59 Stat. 664), for determining grade and eligibility for promotion.

4. The period of time a member was on the Emergency Officers' Retired List.

5. The time an individual was a member of a state, home, or territorial guard.

6. For commissioned officers, any period of service performed in the Reserve Officers' Training Corps after October 12, 1964 and prior to August 1, 1979, even if such member held concurrent Reserve status.

7. Time an individual was a member of the inactive National Guard. This does not apply to an individual who was a member of the National Guard Reserve and the National Guard of the United States. Time during which the individual had dual status, enlisted or commissioned, in the inactive National Guard and the National Guard of the United States is creditable.

* 8. The time, subsequent to September 14, 1981, a member serves while enrolled in the Armed Forces Health Professions Scholarship and Financial Assistance Programs, or while a student at the USUHS. Use any service creditable on the date of the officer's entry into USUHS to compute the officer's basic pay for longevity purposes while a USUHS student, not to exceed the maximum rate of O-1 pay in Table 1-7 or, if applicable, the maximum O-1E pay in Table 1-8, or the member's former pay grade as outlined in subparagraph 010203.A.3.

9. The time served in a Reserve Component before beginning active duty or an initial period of active duty for training for enlistment in a Reserve Component under ***10 U.S.C. 12103(b) or (d)*** entered into between January 1, 1985, and November 28, 1989.

10. For enlistments entered into on or after November 29, 1989:

a. A period of enlisted service in a Reserve Component under ***10 U.S.C. 12103(b) or (d)***, including inactive service under a DEP, if the member does not perform inactive duty training before beginning active duty or an initial period of active duty for training.

b. Service performed as an enlisted member in a Reserve Component under ***10 U.S.C. 513***, other than a period of active duty.

11. Prior provisions of law excluded the Simultaneous Membership Program from creditable service for commissioned officers effective October 13, 1964. ***Public Law 104-201***, section 507, September 23, 1996, amended those provisions to provide service credit retroactive to August 1, 1979. Those amendments, as referenced in subparagraph 010101.D.10, resulted in no increase in pay, retired pay, or retainer pay before the date of enactment, September 23, 1996. Service in the program for enlisted members who retained that status remained creditable under all provisions.

B. Effect of Lost Time Absence From Duty on Creditable Service

1. Prior to February 11, 1996, a commissioned or warrant officer was entitled to credit for every day in a commissioned or warrant status, without regard to absence of any kind, whether authorized or unauthorized, and including confinement prior to and during trial. In addition, absence during which a member was serving on active duty as an enlisted member was creditable if the enlisted member also held a commission as a Reserve officer. After February 10, 1996, a commissioned or warrant officer may not count the following periods of absence for any purpose other than that of computing length of service for basic pay:

a. Desertion.

b. Absence from organization, station, or duty for more than 1 day without proper authority, as determined by proper authority.

c. Confinement by military or civilian authorities for more than 1 day in connection with a trial, whether before, during, or after the trial.

d. The officer's inability for more than 1 day, as determined by competent authority, to perform assigned duties because of the officer's intemperate use of drugs or alcoholic liquor, or because of disease or injury resulting from the officer's misconduct.

2. See Table 1-2 to determine the creditability for absence while in an enlisted status.

010103. Active Enlisted and/or Warrant Officer Service for Members in Basic Pay Grades O-1E, O-2E, or O-3E

A. Service Counted

* 1. General. Commissioned officers with over 4 years of prior active service as an enlisted member, warrant officer, or combined service in both grades are entitled to count such service for purposes of computing basic pay for longevity purposes. Such prior service includes all active service, in either the Regular or Reserve Component or both (i.e., active duty for training in enlisted or warrant officer status, annual Reserve training duty, and full-time National Guard duty). Service on active duty or active and inactive duty for training for at least 4 years and 1 day satisfies the over 4 years of service requirement under this section. See subparagraph 010102.A.8 and applicable notes to Tables 1-7 and 1-8 for student entitlement to basic pay for longevity purposes while attending the USUHS.

* 2. Creditable Prior Enlisted Service. Commissioned officers in pay grades O-1, O-2, or O-3 who are credited with over 4 years (i.e., at least 4 years and 1 day) of prior active service as an enlisted member are entitled to the special rate of basic pay for pay grade O-1E, O-2E, or O-3E.

3. Creditable Prior Warrant Officer Service. Commissioned officers in pay grades O-1, O-2, or O-3 who are credited with over 4 years (i.e., at least 4 years and 1 day) of prior active service as a warrant officer are entitled to the special rate of basic pay for pay grade O-1E, O-2E, or O-3E.

4. Creditable Combined Prior Service. Effective October 1, 1993, commissioned officers in pay grades O-1, O-2, or O-3 who are credited with over 4 years (i.e., at least 4 years and 1 day) of combined prior active service as an enlisted member and warrant officer are entitled to the special rate of basic pay for pay grade O-1E, O-2E, or O-3E.

5. Creditable Service for Certain Reserve Commissioned Officers. Effective January 1, 2002, commissioned officers in pay grades O-1, O-2, and O-3 who are paid from funds appropriated for Reserve personnel and credited with 1,460 points for retirement computed under ***10 U.S.C. 12732(a)(2)*** service as a warrant officer and/or enlisted member are entitled to the special rate of basic pay for pay grade O-1E, O-2E, or O-3E.

6. Creditable Service for Certain Commissioned Officers. Effective November 24, 2003, the restriction that members must be paid from reserve appropriated funds to qualify for the special rate of basic pay for pay grades O-1E, O-2E, and O-3E based upon creditable service points is eliminated. Therefore, effective that date, commissioned officers in pay grades O-1 through O-3 with more than 1,460 points computed under ***10 U.S.C. 12732(a)(2)*** for service as a warrant officer and/or an enlisted member are entitled to the special rate of pay.

7. Leap Year. Reserve Component members who perform duty during a leap year earn a point for the extra day of duty in the month of February under ***10 U.S.C. 12732(a)(2)***. A leap year represents 1 year of service for basic pay purposes. Thus, the extra point does not qualify the member for having earned the equivalent of over 4 years of active service, and the member would not be eligible for the O-1E, O-2E, or O-3E rate of basic

pay. The member would have to serve more than 4 years of active service to qualify for the special rate of basic pay.

B. Service Not Counted. In computing active service, do not count:

1. Active service in a dual status (temporary officer-permanent enlisted) in the Navy or Marine Corps.

2. Service as a National Guard technician.

3. Except for periods of active duty service performed while a USUHS student, time served as a student at USUHS. See subparagraph 010102.A.8 and applicable notes to Tables 1-7 and 1-8.

010104 Computation of Creditable Service

A. Computing a Basic Pay Date

1. All basic pay date computations start from the date of the member's most recent entry on duty without a break in service. Use the following dates:

a. For enlisted members, the date of enlistment, but see subparagraphs 010101.D.13 and 010102.A.9 and 10, for service under a delayed entry program.

b. For officers, the date of acceptance of a commission. The date of acceptance for officers graduating from a Military Service academy is the date of graduation.

c. For officers entitled to count service as an acting assistant surgeon, intern, or hospital steward in the Public Health Service or the Public Health Marine Hospital Service, the date of acceptance of the appointment. Do not count service performed before that date.

2. After determining initial basic pay date, compute creditable service for all service prior to that date. Use the following to compute basic pay date. If the member had any periods of service during which there was lost time, then do not use those periods here. Instead, compute according to subparagraph 010104.A.3.

a. List beginning dates of service for each separate period of service, without changing any of them, then add them together.

b. List all ending dates. If the day is the 31st day of the month, then change it to 30. If the day is February 28 in a non-leap year, then change it to February 30 for computation purposes. If the day is February 29, then change it to February 30 for computation purposes. Do not change February 28 of a leap year to February 30. Then add all ending dates together.

c. Subtract the beginning day result from the ending day result.

d. For each noncontinuous period of service, add 1 day to account for inclusive days. Explanation: Any period of service is at least one day. If, for example, the member had one day of service on January 17, 1962, then the computation would look like this:

	YR	MO	DAY
Ending Day:	62	01	17
Less Beginning Day:	62	01	17
	00	00	00

It is necessary to add 1 day for inclusive days to avoid this erroneous answer.

e. Convert to full years, months, and days. The result is years of service creditable for pay purposes.

EXAMPLE:

Member served as follows:

	From:	To:
RA (enlisted)	Jan 1, 51	Feb 28, 54
AUS (Com)	Jun 1, 54	May 26, 61
AFUS (Com)	Aug 1, 63	Mar 31, 68
EASF (Com)	Apr 1, 68	Jun 4, 75

Beginning dates:			Ending Dates:		
YR	MO	DAY	YR	MO	DAY
51	01	01	54	02	30
54	06	01	61	05	26
63	08	01	75	06	04
168	15	03	190	13	60

Convert February 28, 1954 to February 30, 1954 since 1954 was not a leap year. Convert March 31, 1968 to March 30, 1968 since the 31st day of a month does not count as an ending date, though it would count as a beginning date. The period from August 1, 1963 through June 4, 1975 is continuous, so it is all included in the third line of the computation.

Subtract total of beginning dates from total of ending dates:

YR	MO	DAY	
190	13	60	(total of ending dates)
189	25	60	(borrowed 12 months from year column)
-168	15	03	
21	10	57	

Add 1 day for each of the 3 periods used in the computation. The result is 21 years, 10 months, and 60 days, which converts to exactly 22 years of creditable service.

3. Regarding computations involving lost time, if a member has lost time, then compute the creditable service for the period served separately, as shown below. Add the results to any creditable service computed separately under subparagraph 010104.A.2.

a. When there is a period of lost time that has not been made good, compute the lost time on a 30-day month basis; but, if the lost time begins on the 31st day of a month, then include that day as a lost day. Compute as follows:

Determine the years, months, and days of lost time and deduct that amount from the total service during the period.

Example 1: A member enlisted for 4 years on July 18, 1970 but was absent without leave (AWOL) from February 10, 1973 through March 16, 1973. The member received a hardship discharge on August 10, 1973 without making up the lost time. The member reenlisted February 20, 1975. Compute creditable service and basic pay date as follows:

First compute the lost time.

	YR	MO	DAY	
Ended AWOL:	73	03	16	
Began AWOL:	73	02	10	
Lost Time:	00	01	06+1	(inclusive day)

Then compute first period of service.

Discharged:	73	08	10	
Entered Active Duty:	70	07	18	
Subtotal:	03	00	22+1	(inclusive day)
Deduct Lost Time:	00	01	07	
Creditable Service:	02	11	16	

Subtract 2 years, 11 months, and 16 days from reenlistment date of February 20, 1975 to arrive at a new basic pay date of March 4, 1972.

b. A member who makes good the lost time does so on a day-to-day basis. When the member makes good lost time and completes the enlistment or contract period, compute the period of lost time on both a 30-day month basis and a day-to-day basis and use the result that is most to the member's advantage. To illustrate, if a member is AWOL on March 30 through April 1, it would be 3 days on the day-to-day basis but only 2 days on a 30-day month basis. Compute creditable service as follows (and separately from periods of service which do not have lost time):

First step: Compute total lost time on both a 30-day basis and a day-to-day basis. Convert the day-to-day basis computation to years, months, and days, and compare it to the computation on the 30-day basis. Discard the one which shows a higher total of days lost.

Second step: Compute the gross amount of service during the period by subtracting the entry date from the discharge date and adding 1 day for inclusive day.

Third step: Subtract the lost time from the result of the second step. If the result is at least as long as the enlistment contract, then use that amount. If the result is less than the enlistment contract, then increase it to equal the enlistment contract.

Fourth step: Add this creditable service to any other periods and use the total to figure the member's basic pay date.

Example 2: Assume the member in example 1 had not received a hardship discharge; instead, he or she had completed the enlistment contract, including making good the lost time. He made up the 35 days of lost time computed on a day-to-day basis. The days served to make good the lost time were July 18-31, 1974 (14 days) and August 1-21, 1974 (21 days).

When the member reenlists on February 20, 1975, compute creditable service as follows:

YR	MO	DAY	
74	08	21	(ending date of last period of service)
-70	07	18	(beginning date of last period of service)
04	01	03 +1	(inclusive day)

The result is 4 years, 1 month, and 4 days before deducting lost time. Note that the lost time computed on a 30-day month basis was 37 days, but was only 35 days when computed on a day-to-day basis. Subtract the 35 days lost time from the period of service computed above.

YR	MO	DAY
04	01	04
- 00	01	05
03	11	29 (total service)

The result is less than the enlistment contract of 4 years, but since the member completed the enlistment contract, he or she is entitled to credit for the entire 4 years. Set basic pay date at February 20, 1971, when the member reenlists on February 20, 1975.

Example 3: A member enlisted on July 18, 1970, for 4 years. She was AWOL from July 28, 1973 through September 3, 1973, which is 38 days on a day-to-day basis (July 28-31, 4 days; August 1-31, 31 days; and September 1-3, 3 days). She is discharged on August 24, 1974 after making good the 38 days of bad time by serving July 18-31 (14 days) and August 1-24 (24 days).

When she reenlists on February 20, 1975, compute prior service as follows:

YR	MO	DAY	
74	08	24	(ending date of last period of service)
-70	07	18	(beginning date of last period of service)
04	01	06+1	(inclusive day)

The result is 4 years, 1 month, and 7 days before deducting lost time.

Lost time on a day-to-day basis was 38 days. Lost time on a 30-day month basis is:

Jul 28-31, 1973	03 days
Aug 1-30, 1973	30 days
Sep 1-3, 1973	03 days
Total	36 days

Following the rule set out in step 2, above, deduct the lost time in the manner most beneficial to the member.

YR	MO	DAY	
04	01	07	(service before deducting lost time)
-00	01	06	(lost time)
04	00	01	

Set the basic pay date at February 19, 1971 when the member reenlists on February 20, 1975.

4. Adjusting basic pay date when member has lost time. Lost time does not change an officer's basic pay date (See paragraph 010102.B). When an enlisted person returns to duty after a period of lost time, add the number of days lost time to the member's basic pay date to reflect the lost time.

Example: An enlisted member with no prior service enlisted on July 18, 1973. He was AWOL from February 10, 1975 through March 16, 1975. When member returns to duty status, change his basic pay date as follows:

Compute lost time:

February 10-30	21 days
March 1-16	16 days
	37 days lost time

YR	MO	DAY	
73	07	18	(original basic pay date)
+00	01	07	
73	08	25	

The new basic pay date is August 25, 1973.

B. Procedure When Basic Pay Date Falls on February 29. When basic pay date falls on February 29, entitlement to longevity increases begins on March 1 in non-leap years and on February 29 in leap years.

0102 COMPUTATION OF PAY

010201. Basic Pay Entitlements

A. When Entitled to Basic Pay. The pay of Military Service members is prescribed by law. Current basic pay rates are contained in Tables 1-7, 1-8, 1-9, 1-10 and at the ***Defense Finance and Accounting Service website***. Members are entitled to receive pay according to their pay grades and years of service if they are:

1. On active duty in a pay status.

2. Not prohibited by law from receiving such pay.

B. Employment of Members in Another Capacity

1. Employment Under the Government

a. Unless otherwise provided by law (such as during the period a member is on terminal leave pending retirement, separation, or release from active duty under honorable conditions), a member may not be employed in another capacity by the government and receive pay; other than the pay and allowances that accrue by reason of the military status. A member may be employed, however, on a voluntary basis during off-duty hours in connection with nonappropriated fund activities.

b. Under agreements such as that between the Department of Defense and the Agency for International Development (AID) of the Department of State, military members may be detailed to agencies such as AID for certain types of service for specified periods. As provided in pertinent agreements, members so detailed are entitled to the pay and allowances of employees of the agency (AID foreign service personnel, in the case of that agency) holding comparable positions. Such members are paid by the agency in which service is performed, not by the Military Service involved.

2. Acceptance or Holding Civil Office

a. An officer of an Armed Force on active duty may not be employed on civil functions if the civil duties separate the member from the parent organization or interfere with the performance of military duties. This applies to employment on civil works or internal improvements, by an incorporated company, or as acting paymaster or disbursing agent of the Bureau of Indian Affairs.

b. Unless otherwise provided by law, an officer of a Regular Component of the Army, Navy, Air Force, or Marine Corps may not hold a civil office by election or appointment under the United States, a territory, possession, or state. Acceptance of such position terminates the officer's appointment and any further entitlement to receive pay and allowances whether or not the officer continues to fulfill the duties as an officer subsequent to accepting the office.

3. Medical Officers. Medical officers on active duty who receive any compensation or stipend payments for services they perform as interns or resident physicians in private or public institutions (state, county, municipal, or privately owned hospitals) receive such payments for the benefit of the United States. Collect these payments from medical officers for deposit to the U.S. Treasury. See ***Joint Federal Travel Regulations*** (JFTR), Volume I, Chapter 10 for entitlement to Basic Allowance for Housing (BAH), and ***Table 25-1***, rules 6 and 7, for Basic Allowance for Subsistence (BAS) payments.

C. Formal Acceptance of Appointment by Officers

1. Pay and allowances generally accrue from the date of acceptance of appointment as an officer. The normal method of acceptance is taking the oath of office. Commencement of travel in compliance with an order is considered acceptance for pay purposes, but payment will not be made until formal signing of the oath of office. See Table 1-3 for specifics and for graduates of the academies.

2. An officer need not take the oath of office upon promotion if service has been continuous since the last oath.

D. Restriction Against Dual Payments

1. A Reserve member who is called to active duty for more than 30 days in time of war or national emergency is entitled while on that active duty to the pay and allowances prescribed for active duty. Exception is authorized if the member is entitled to a pension, retired pay, or disability compensation for earlier military service, in an amount greater than that prescribed for active duty.

2. Except as prescribed in subparagraph 010201.D.1, a Reserve member who is entitled to payments for earlier military service, and is called to active duty and is entitled to pay, may elect to receive either:

a. The payments for the earlier military service.

b. If member specifically waives those payments, the pay and allowances authorized for the active duty.

E. Posthumous Promotions. Members may be promoted posthumously. The amount of bonus, gratuity, pay, or allowances is not changed by these promotions. This payment restriction does not apply to promotions of members while in a missing status where a determination by the Secretary of the Military Department concerned is subsequently made that the member died before the date of the promotion.

010202. Computing Monthly Pay

A. Monthly Pay

1. Service of 30 Days or More. Compute monthly compensation as if each month had 30 days. When service begins on an intermediate day of the month, pay for the

actual number of days served during that calendar month, but only through the 30th day of that month. If active military service begins on the 31st day of any month, then compensation does not accrue for that day. Any person who enters active service during February and serves until the end of the month is entitled to the pay for 1 month (30 days), less the prorated amount for the number of days expired before entry on duty. If the service ends before the last day of February, then pay the member only for the actual number of days served.

2. Service of Less Than 30 Days. Members of the Uniformed Services entitled to receive compensation for continuous periods of less than 1 month are entitled to pay and allowances for each day of the period at the rate of 1/30 of the monthly amount of such pay and allowances. Include the 31st day of a calendar month in the computation. Members who are obligated to serve on active duty for 30 days or more, but who were released before performing such active duty for at least 30 days, are entitled to receive pay and allowances on a day-to-day basis.

B. Absence Without Pay

1. Deduct 1/30 of 1 month's pay for each day's absence in a nonpay status.

2. No pay is lost for unauthorized absence on the 31st day of a month, except when it is the first day of absence or when the member is paid for the day under subparagraph 020201.B.

3. Absence in a nonpay status on the 28th of February in a non-leap year results in loss of pay for 3 days. If member is absent only on the 28th day of February in a leap year, then deduct the pay for 1 day for the 28th. If absence occurs on the 29th of February, then deduct pay for 2 days. When payment is made under subparagraph 010202.A.2, on the basis of each day actually served, deduct only for the actual period of unauthorized absence.

C. Annual Salary. Annual salary is divided into 12 equal installments. One installment represents the pay for each calendar month. The daily rate is 1/30 of the monthly rate. The above instructions for monthly pay also apply to annual salary.

D. Basic Pay Rates. Tables 1-7 through 1-10 contain monthly rates of basic pay.

010203. Saved Pay

A. Saved Pay and Allowances

1. Enlisted. An enlisted member who accepts an appointment as an officer will, following appointment, be paid the greater of:

a. The pay and allowances to which such member would be entitled if the member had remained in the last enlisted grade held before appointment as an officer and continued to receive increases in pay and allowances authorized for that grade.

b. The pay and allowances to which the member thereafter becomes entitled as an officer.

2. Warrant Officers. A warrant officer who accepts an appointment as a commissioned officer will, following appointment, be paid the greater of:

a. The pay and allowances to which the member thereafter becomes entitled as a commissioned officer.

b. The pay and allowances to which such member would be entitled if the member had remained in the last warrant officer grade held before appointment as a commissioned officer and continued to receive increases in pay and allowances authorized for that grade.

c. In the case of an officer who was formerly an enlisted member, the pay and allowances to which entitled, under subparagraph 010203.A.4.c, before appointment as an officer.

3. Prior Service Medical Students. Members selected to participate as a student at the USUHS or in the Health Professions Scholarship and Financial Assistance Program, who have prior active service in a pay grade with years of service greater than the rate of second lieutenant or ensign will be authorized saved pay for the basic pay rate of the former grade. The former basic pay rate will be increased on January 1 of each year by the average percentage increase authorized for that year. The member will continue to receive the former pay rate until the date, occurring before or after graduation or participation in the program, that the member's actual grade and years of service basic pay rate exceeds the former grade rate. This saved pay provision applies only to basic pay. The member's other pay entitlements will be paid at the member's actual grade and years of service.

4. Restrictions

a. Except for prior service medical students discussed in subparagraph 010203.A.3, a member entitled to saved pay is not authorized the pay for one grade and an allowance for another grade.

b. The saved pay amount may be reduced when the member loses entitlement to specific items; however, these specific items shall be included in saved pay if the member again qualifies for such items. (See subparagraph 010203.A.4.g.)

c. In the case of a temporary officer, a member is not entitled to an increase in saved pay because of a promotion to a higher grade.

d. BAH may be continued as an item of saved pay and will be paid whenever it is not forfeited because the member is assigned to government quarters.

e. For enlisted members, basic allowance for subsistence (BAS) is the alternative for subsistence in kind. Since officers are not authorized subsistence in kind, a member eligible for saved pay is entitled to the appropriate BAS rate (including the

"when permitted to mess separately rate" even when subsistence in kind otherwise would be provided or made available) under the conditions prevailing for enlisted members at their permanent station. Credit BAS at the "when permitted to mess separately rate" at all times except when the member would otherwise be entitled to a different rate. (See ***Chapter 25, subparagraph 250102.C.***)

* f. For appointments accepted before January 6, 2006, special duty assignment pay, incentive pay for hazardous duty, special pay for diving duty, special pay for sea duty, and hardship duty pay may be retained as an item of saved pay only for as long as the member continues to perform the duty and would be eligible to receive payment had the member remained in the former status.

g. For appointments accepted on or after January 6, 2006, in determining the amount of the pay and allowances of a grade formerly held by an officer who was an enlisted member and accepted an appointment as an officer, the following special and incentive pays may be considered only so long as the officer continues to perform the duty that creates the entitlement to, or eligibility for, that pay and would otherwise be eligible to receive that pay in the former grade:

(1) Incentive pay for hazardous duty under ***37 U.S.C. 301***.

(2) Submarine duty pay under ***37 U.S.C. 301c***.

(3) Special pay for diving duty under ***37 U.S.C. 304***.

(4) Hardship duty pay under ***37 U.S.C. 305***.

(5) Career sea pay under ***37 U.S.C. 305a***.

(6) Special pay for service as a member of a Weapons of Mass Destruction Civil Support Team under ***37 U.S.C. 305b***.

(7) Assignment incentive pay under ***37 U.S.C. 307a***.

(8) Special pay for duty subject to hostile fire or imminent danger under ***37 U.S.C. 310***.

(9) Special pay or bonus for an extension of duty at a designated overseas location under ***37 U.S.C. 314***.

(10) Foreign language proficiency pay under ***37 U.S.C. 316***.

(11) Critical skill retention bonus under ***37 U.S.C. 355***.

h. The enlisted cash clothing allowances prescribed in ***Chapter 29*** may not be included in the saved pay computation if the officer is entitled to the initial uniform allowance prescribed in ***Chapter 30, section 3002***.

i. Family Separation Allowance for Housing (FSH) may be continued as an item of saved pay under the same conditions as BAH (See subparagraph 010203.A.4.c). If the member was entitled to FSH due to enforced separation from the member's family at the time of appointment, then the allowance may be included in the computation of saved pay until entitlement ends. FSH may be reinstated for future periods if the member again qualifies for FSH due to enforced separation from the family. Similarly, other items of overseas station allowance and/or special or incentive pay may be reinstated if a member again qualifies for them.

j. Effective January 6, 2006, the following special and incentive pays are dependent on a member being in an enlisted status and may not be considered in determining the amount of the pay and allowances of a grade formerly held by an officer:

(1) Special duty assignment pay under ***37 U.S.C. 307***.

(2) Reenlistment bonus under ***37 U.S.C. 308***.

(3) Enlistment bonus under ***37 U.S.C. 309***.

(4) Career enlisted flyer incentive pay under ***37 U.S.C. 320***.

5. Breaks in Service. A break in service (e.g. released from active duty, discharged) does not disqualify an officer for the saved pay and allowances entitlements of this section.

010204. Increased Basic Pay During Period of Service Essential to Public Interest

A. Entitlement to Increased Basic Pay. This section applies only to enlisted members of the Regular Navy or Marine Corps, or Naval or Marine Corps Reserve, whose enlistments expire while serving on a naval vessel in foreign waters.

1. Retention in Service. Such members may be retained on active duty until the naval vessel returns to the continental United States (CONUS) if the period of retention is determined "service essential to the public interests." The senior officer present afloat makes this determination.

2. Pay and Allowances. During the period of retention, except in time of war, members are entitled to regular pay and allowances, plus a 25-percent increase in the basic pay, to which they were entitled on the day before the period of retention began.

B. Members Not Eligible for Increase

1. Enlisted members are not entitled to the increased basic pay if retained on active duty after expiration of enlistment:

a. At shore stations.

b. On ships on duty in waters in or around possessions and territories of the United States.

c. On ships on duty in ports or waters within the sovereign jurisdiction of the United States.

d. Due to lack of transportation.

e. Merely because it is desirable to continue their services, or some benefit may be derived therefrom.

2. A member of the Naval Reserve or Marine Corps Reserve is not entitled to the 25-percent increase while retained beyond period of obligated service, as distinguished from normal date of expiration of enlistment.

C. Restrictions in Use. Do not use the 25-percent increase in computing:

1. Cash settlement for unused leave on discharge.

2. Physical disability or temporary disability retired pay.

3. Disability severance pay.

4. Reenlistment bonus.

D. Termination of Increase in Basic Pay

1. The 25-percent increase in basic pay continues through:

a. Date of discharge, if the member is discharged within 30 days after arrival in CONUS.

b. Date of transfer to a hospital for treatment.

2. See Table 1-5, rule 19 for the date of termination of normal pay and allowances.

010205. Allowable Travel Time for Reserve Members Called To or Released From Active Duty

A. Pay and Allowances Entitlement for Allowable Travel Time

1. Reserve members called to active duty are entitled to active duty pay and allowances for time allowed for necessary travel from:

a. Home to a first duty station.

b. Last duty station to home (except when released from active duty for retirement, or dismissal, when discharged, or upon resignation).

2. Pay and allowances for allowable travel time is an earned entitlement. The payment for the return home may be made upon the member's release from such duty without regard to actual performance of the travel. If the member dies after payment, but before payment would otherwise be due, then no part of the payment will be recovered by the United States.

B. Terms and Special Conditions

1. Allowable travel time is considered active duty for all purposes normally ascribed to active duty. The computation of allowable travel time, whether actual or constructive will:

a. For periods of active duty of 30 days or less, be based upon the rules contained in Table 1-6.

b. For periods of active duty of more than 30 days, be based upon the rules and provisions of the ***JFTR***, Volume I, Chapter 10.

2. A member of a Reserve Component is entitled to active duty pay and allowances for allowable travel time, if any, when:

a. Ordered to perform active duty training (ADT).

b. Performing authorized inactive duty training (IDT) immediately before or after ADT at or near the same site.

c. Receiving orders which direct performance of necessary travel to and from the ADT site immediately before and after combined ADT/IDT. The travel date will be specified in the active duty orders. Full retirement point credit is earned for the period of IDT performed.

0103 ABSENCE FROM DUTY, EFFECT ON PAY, AND ALLOWANCES

010301. Authorized Leave

A. Authority. All Military Service members on active duty for 30 consecutive days or more are entitled to accrue leave under applicable Military Service leave regulations. While on authorized leave they are entitled to full pay and allowances except as otherwise provided in Table 1-11.

B. Applicable Service Leave Regulations. Applicable Military Service leave regulations are:

1. Army. ***AR 600-8-10***.

2. Navy. ***MILPERSMAN***.

3. Air Force. ***AFI 36-3003***.

4. Marine Corps. ***MCO 1050.3J***.

C. Pay and Allowances During Leave

1. Entitlement. See Table 1-11.

2. Full Pay and Allowances Defined. This term means (includes) the following:

a. Basic pay.

b. Special pays.

c. Incentive pay for hazardous duty.

d. Basic allowance for subsistence (enlisted leave rations).

e. Basic allowance for housing.

f. Personal money allowances.

g. Clothing maintenance allowances.

h. Family separation allowances.

i. Station allowances. (See ***JFTR***, Volume 1, Chapter 9.)

D. Advance Leave Carryover or Change to Excess Leave (Effective November 14, 1986)

1. When Carryover Allowed. Members may elect to carry all or part of an advance leave balance over to a new term of service when discharged for the purpose of:

a. Reenlisting within 24 hours of discharge or extending an enlistment; or

b. Accepting an appointment as a warrant or commissioned officer of the Armed Forces. Carryover will not exceed the number of days or fraction of days the member will accrue in the new enlistment or term of service or 30 days, whichever is less.

Example 1: A member's current term of service ends April 30, 1987. The member reenlists for 6 years on March 1, 1987 and has a 5.0-day advance leave balance. The 5.0-day advance leave balance can be carried into the new term of service.

Example 2: A member's current term of service ends September 30, 1987. On May 1, 1987, the member agrees to serve a 12-month extension and has a 12.5-day advance leave balance which will be offset by leave accrual through September 30, 1987. Between May 1, 1987 and September 30, 1987, the member was charged for 30 days of leave. When the extension became operative (October 1, 1987), the member could elect to carry the 30.0-day advance leave balance into the new term of service (12-month extension).

2. Excess Leave. Advance leave becomes excess leave and requires collection of pay and allowances under the following conditions:

a. Discharge for the purpose of reenlisting, extending an enlistment, or accepting a warrant or commission, and advance leave exceeds 30 days.

b. Advance leave balance exceeds that which will accrue in the new enlistment or term of service (for example, enlistment or extension(s)), including when an agreement to extend is cancelled by the Military Service. If an agreement to extend is cancelled by the member for the purpose of immediate reenlistment, then collect the advance under subparagraph 010301.D.2.a, if applicable.

c. Relief from active duty.

d. Appointment as a cadet or midshipman at a Service academy.

e. Death.

f. Return from a period of leave that was in excess of the number of days of leave and fractions thereof member will accrue before the normal expiration of current enlistment or term of active service. The term of an extension(s) will be considered when determining the normal expiration of current enlistment or term of active service. Extension(s) will be considered from the date the member agrees to the extension(s). Excess leave properly charged before the date a member extends a term of service (reenlistment, appointment or agrees to extend voluntarily or is involuntarily extended) will not be affected and under no circumstances will pay and allowances previously collected be refunded. (See subparagraph 010301.E. when it is known at the time leave is granted that the member will be in excess leave status.)

Example 3: A member's current term of service ended on March 31, 1988. The member reenlisted for 6 years on January 1, 1987 and had a 35.5-day advance leave balance. The member carried 30.0 days of advance leave into the new term of service. The remaining 5.5-day advance leave balance changed to excess leave and required immediate collection of pay and allowances. Subparagraph 010301.E. applies.

Example 4: Same as example 2, except that the member took 34 days of leave between May 1, 1987 and September 30, 1987. Since a maximum of 30.0 days of advance leave could be carried into the new term of service (12-month extension), immediate collection of pay and allowances for the remaining 4.0 days was required when the leave was used. Subparagraph 010301.E, applies.

3. Amount to be Collected. Compute collection under subparagraph 010301.D.2. on the basis of pay and allowances actually received by the member during the period of leave involved.

E. Pay and Allowances During Excess Leave. Members on excess leave are not entitled to pay and allowances, except as provided by paragraph ***U10422-C, chapter 10, JFTR***. Apply the above as follows:

1. When the complete period of leave is granted as excess leave, pay and allowance accrual will be stopped beginning with the first day of leave.

2. When a portion of the leave is granted as advance leave and a portion granted as excess leave, pay and allowance accrual will be stopped beginning with the first day of excess leave. Members in an excess leave are considered to have a rate of pay.

F. Leave Pending Review of Certain Court-Martial Convictions. Under regulations prescribed by the Secretary of the Military Department concerned, members sentenced to unsuspended dismissal or unsuspended dishonorable or bad conduct discharge by court-martial may be required to take leave pending review of their conviction as provided by ***Article 76a, Uniform Code of Military Justice*** (UCMJ).

1. Such leave shall be charged against any accrued leave to the member's credit on the day before the day such leave begins unless the member elects to be paid for accrued leave under subparagraph ***Chapter 35, 50101.C***.

a. If the member does not elect to be paid for accrued leave or does not have sufficient accrued leave to cover the total period of leave required to be taken, then the leave not covered by accrued leave shall be charged as excess leave.

b. If the member elects to be paid for accrued leave, then the entire period of leave shall be charged as excess leave and pay and allowances will not accrue for such period except under the provisions of subparagraph 010301.F.2.

2. A member required to take leave under ***Article 76a, UCMJ***, whose sentence by court-martial to dismissal or dishonorable or bad-conduct discharge is set aside or disapproved on appellate review, shall accrue pay and allowances for the period of leave charged as excess leave (except for any day of accrued leave for which the member has been paid under subparagraph 010301.F.1.b), unless a rehearing or new trial is ordered and dismissal or dishonorable or bad-conduct discharge results from the rehearing or new trial and such dismissal or discharge is later executed.

a. Computation of Payment. The amount of gross pay and allowances accrued under this subparagraph shall be reduced by the total gross income from wages, salaries, tips, other personal service income, unemployment compensation, and public assistance benefits from any government agency during the period the member is deemed to have accrued gross pay and allowances. The total gross income described above, however, cannot reduce the amount of gross pay and allowances to the extent that the member becomes indebted to the government.

(1) Approved Sentence Does Not Include Reduction. Pay and allowances under this section will be paid in the pay grade held by the member on the day before the day on which the court-martial sentence was approved by the convening authority.

(2) Approved Sentence Includes Reductions. If the pay grade of the member was reduced to a lower grade as a result of the court-martial sentence and the reduction has not been set aside, disapproved, or otherwise vacated, then pay and allowances accrued under this paragraph will be paid at the lower pay grade.

b. Time of Payment

(1) Payment shall be made within 60 days from the date of the order setting aside or disapproving the sentence by court-martial to a dismissal or a dishonorable or bad-conduct discharge if no rehearing or new trial has been ordered.

(2) Payment shall be made within 180 days from the date of the order setting aside or disapproving the sentence by court-martial to a dismissal or a dishonorable or bad-conduct discharge if a rehearing or new trial has been ordered but charges have not been referred to a rehearing or new trial within 120 days from the date of that order.

(3) If a rehearing or new trial has been ordered, and a dismissal or a dishonorable or bad-conduct discharge is not included in the result of the rehearing or new trial, then payment shall be made within 60 days of the date of the announcement of the result of such rehearing or new trial.

(4) If a rehearing or new trial has been ordered, and a dismissal for a dishonorable or bad-conduct discharge is included as the result of such rehearing or new trial, but such dismissal or discharge is not later executed, then payment shall be made within 60 days of the date of the order which set aside, disapproved, or otherwise vacated such dismissal or discharge.

(5) If a member who is entitled to be paid under this section fails to provide sufficient information in a timely manner regarding his/her income when such information is requested under subparagraph 010301.F.3, then the periods of time prescribed in this paragraph shall be extended until 30 days after the date on which the member provides the requested information.

3. In all cases where payment must be made under subparagraph 010301.F.2, the member solely is responsible for providing the information as to sources and amounts of income received by the member during periods of required appellate leave. Pay will be computed only on the basis of a written record. Information as to sources and amounts of income should include, at a minimum, copies of all pertinent income tax returns, employer statements of income earned from wages, salaries, tips, and documentation of other personal service income. In cases where the member has been unemployed, the required information shall include affidavits or written evidence of lack of employment and documentation to verify the duration of unemployment compensation and public assistance benefits received from any government agency.

010302. Unauthorized Absence and Other Lost Time

A. Effect on Pay and Allowances. The types of unauthorized absence and other lost time and their effect on pay and allowances are shown in Table 1-12. (Compute for forfeitures of pay and allowances as instructed in subparagraph 010202.B.)

B. Unauthorized Absence and Desertion

1. Determination by Court-Martial. A member found guilty of unauthorized absence by a court-martial forfeits pay and allowances for the period of absence. An acquittal (or disapproval by the reviewing authority, in case of conviction) affects only the disciplinary aspects of the absence. It does not prevent an administrative determination that the member was absent without leave.

2. Administrative Determination of Unauthorized Absence. When a member is in an unauthorized absence status, an administrative determination must be made as to whether the absence was unavoidable. Table 1-13 contains rules for determining whether the absence was unavoidable. If it is not excused as unavoidable, then the member (including one mentally incompetent) forfeits pay and allowances for the period of absence. This applies even though a court-martial finds the member not guilty of a charge of unauthorized absence, or when a finding of guilty has been disapproved by the reviewing authority.

3. Discharge for Desertion. A discharge for desertion is conclusive evidence of desertion for purpose of forfeiture of pay, even in the absence of trial by court-martial.

4. Dropped From Rolls. A commissioned officer of the Army or Air Force who is dropped from the rolls by the President for absence without authority for 3 months forfeits all pay due or to become due. Pay and allowances due at the time the officer is dropped from the rolls, however, will be used to satisfy debts due the United States and its instrumentalities.

5. Disposition of Forfeitures as a Result of Desertion. When an enlisted member, warrant officer, or limited duty officer forfeits pay as a result of desertion, deposit the gross amount of such forfeited pay to the Armed Forces Retirement Home Trust Fund. Do not, however, deposit this pay beyond the expiration of term of enlistment for enlisted members.

C. Computing Periods of Unauthorized Absence. Unauthorized absence of 24 consecutive hours or less does not affect pay or allowances. This applies even though the absence involves parts of 2 days. When the period of unauthorized absence exceeds 24 consecutive hours, use Table 1-14 to determine the first and last day of the period of absence.

D. Absence in the Hands of Civil Authorities

1. General. Pay the member all pay and allowances earned through the day before the first day of unauthorized absence. If the member is delivered to civil authorities by military authorities, then he or she is entitled to all pay and allowances earned

through the day prior to the date of such delivery. For entitlement to pay and allowances during confinement, see Table 1-12, rules 4, 5, and 6.

2. Finding of Insanity. An administrative determination under the rules contained in Table 1-13 must be made as to whether the absence was unavoidable when a member is found not guilty by reason of insanity by a civil court and transferred to a mental institution for an indefinite period of time. Table 1-12 contains rules for determining the effect of the absence on pay and allowances.

3. Work Release Program. In some states and local jurisdictions, a person convicted and sentenced to a term of civil confinement may be released from the confinement facility to the cognizance of an employer during the normal workday. Work release, job rehabilitation, or employment retention programs of this type generally are conducted for the purpose of providing prisoners a means to continue support of their dependents and to demonstrate that they are capable of self-rehabilitation. When members are paroled to military authorities under a "work release" or similar program, they are entitled to pay and allowances for each day of full duty performed commensurate with their grade and military specialty.

E. Absence Due to Disease

1. When Pay Is Forfeited. See Table 1-12, rule 3.

2. When Pay Is Not Forfeited. Pay is not forfeited for absence from duty caused by:

a. An injury.

b. A disease, except under Table 1-12, rule 3.

c. Simple drunkenness, if not coupled with chronic alcoholism or intemperate use of habit-forming drugs.

d. Venereal disease, whether or not due to misconduct.

3. Personal Expense Money. A member whose pay is forfeited under Table 1-12, rule 3 for more than 1 month is entitled to $5 for personal expenses for each full month that he or she forfeits pay. This payment will be made even though the member is indebted to the United States. The term "full month" is the period from a date in 1 month through the preceding date in the following month. For example, July 3 through August 2 is 1 month.

F. Military Confinement. Pay and allowances accrue to a member in military confinement except when:

1. Confined by military authorities, for civil authorities. See Table 1-12, rules 6 and 8.

2. Pay and allowances are forfeited by court-martial sentence. See ***Chapter 48*** and Table 1-12, rule 10.

3. The term of enlistment expires. See subparagraph 010302.G.

G. Term of Enlistment Expires

1. General. Pay and allowances accrue to a member upon return to a full-duty status. Full duty is attained when a member not in confinement is assigned useful and productive duties (as opposed to duties prescribed by regulations for confinement facilities) on a full-time basis which are not inconsistent with the grade, length of service, and military occupational specialty (MOS). While placement in the same MOS is not essential, the decision to place a member in that MOS or to assign the member available duties consistent with the grade and service rests with the appropriate military commander.

2. Absentee Returned to Military Control. An absentee who surrenders or is apprehended after a term of enlistment has expired is not entitled to pay and allowances until restored to a full-duty status for the purpose of making good the lost time. While held in retention, a member may be assigned duties as prescribed by regulations governing detained prisoners without being returned to full-duty status.

3. Enlistment Expires Before Trial. An enlisted member retained in the Military Service for the purpose of trial by court-martial is not entitled to pay for any period after expiration of the enlistment unless acquitted or the charges are dismissed, or the member is retained in or restored to a full-duty status.

4. Confined Awaiting Trial by Court-Martial. If a member is confined awaiting court-martial trial when the enlistment expires, then pay and allowances end on the date the enlistment expires. If the member is acquitted when tried, then pay and allowances accrue until discharge.

5. Confined Serving Court-Martial Sentence. If a member is confined serving court-martial sentence when the enlistment expires, then pay and allowances end on the date the enlistment expires unless the sentence is completely overturned or set aside as specified in ***section 4809***. Pay and allowances will not accrue again until the date the member is restored to a full-duty status.

6. Confined While in a Status of Being Held in the Service to Make Up Lost Time. If confined while in a status of being held in the Military Service to make up lost time, then an enlisted member continues in a pay status, except to the extent that pay may be forfeited by court-martial, the same as during the regular enlistment period. This pay status terminates if the member is in confinement on the date the normal term of service as extended to make up lost time would have expired, even if restored to duty at a later date.

7. Confinement Deferred or Prisoner Restored to Duty. A prisoner in a nonpay status is entitled to pay and allowances when service of sentence to confinement is deferred or the member is restored to a full-duty status. The date restored to duty is the date the member reported present for duty.

8. Absentee Confined Upon Return to Military Control. An enlisted member whose term of enlistment has expired while in a status of absence without leave or desertion is not entitled to pay and allowances upon return to military control while confined awaiting trial and disposition of the case, if the conviction becomes final and the member has not been returned to a full-duty status. A member, however, who is returned to military control and restored to full duty for the purpose of making good the lost time before being confined to await trial, continues in a pay status except to the extent that pay may be forfeited by court-martial, the same as during the regular enlistment period. This pay status terminates if the member is in confinement on the date the normal term of service as extended to make up lost time would have expired, even if he or she is restored to duty at a later date.

9. Confined Under Sentence of Death. The pay and allowances of a member serving in confinement under sentence of death and pending completion of the appellate review of the record of trial do not accrue after the expiration of the enlistment.

10. Appellate Review of Court-Martial Sentence. A confined member who is pending appellate review of his or her court-martial sentence is not entitled to pay and allowances after expiration of term of enlistment, unless the conviction is completely overturned or set aside.

H. Reserve Officer Absent From Duty. A Reserve officer whose term of active service expires while confined as a result of court-martial action continues to be entitled to pay and allowances, except when forfeited under an approved sentence of a court-martial or a period of service is terminated by proper orders.

0104 PAYMENT IN CASES OF VOID, VOIDABLE, OR REJECTED ENLISTMENTS OR INDUCTIONS

010401. Voidability of Contract. A fraudulent contract of enlistment or induction is not void but is voidable at the option of the government. When the government becomes aware of the fraud, it may void the contract or waive the objection and allow the contract to stand. (See Table 1-15.)

010402. Fraudulent Enlistments – Pay and Allowances. Members under investigation or determined to be serving in fraudulent enlistments are due pay and allowances for periods shown in Table 1-15.

010403. Donations and Travel Payments. See ***Chapter 35***.

010404. Disbursing Officer Entitled to Credit. A disbursing officer is entitled to credit for proper payments to a member who fraudulently enlisted if payments were made without the knowledge of the fraud and before the government rescinded the contract.

010405. Failure to Discover Physical Condition of Enlistee or Inductee. Failure to discover that the physical condition of an enlistee or inductee was such as would warrant rejection for military service does not deprive member of right to pay and allowances or of the status of being entitled to basic pay. (See Table 1-15.)

SERVICE AS CADET OR MIDSHIPMAN – OFFICERS

RULE	A **When a member currently serving as an officer has had service as a cadet or midshipman in**	B **to which appointed**	C **and member**	D **then the period involved is**
1	any of the military academies		held no concurrent enlisted and/or Reserve status	not creditable.
2		after June 25, 1956	had an enlistment contract or period of obligated service that was not terminated	
3		as a permanent midshipman before June 26, 1956		
4			concurrently retained a commission or warrant in the Army or Air Force Reserve	creditable.
5		on or after January 1, 1953	concurrently retained a commission or warrant in the Naval Reserve	
6		before June 26, 1956	concurrently held an enlisted status in the Army or Air Force Reserve	

Table 1-1. Service as Cadet or Midshipman - Officers

ABSENCE FROM DUTY IN ENLISTED STATUS

RULE	A When the absence is	B and	C then the period of absence is
1	authorized leave or authorized excess leave		creditable.
2	unauthorized absence of more than 1 day (24 consecutive hours) (including detention of Army or Air Force members by or for civil authorities)	is administratively excused as unavoidable	
3		is not administratively excused as unavoidable	not creditable (note 1).
4	civil detention of a Navy or Marine Corps member	occurred before July 24, 1956, and the member was not acquitted or released without trial, and without making restitution	
5		occurred on or after July 24, 1956, and the member was absent under sentence or awaiting (and during) trial which resulted in conviction (note 2)	
6	inability to perform duty for more than 1 day (24 consecutive hours) because of intemperate use of alcohol or drugs, or disease or injury resulting from misconduct		
7	desertion		
8	because of confinement for more than 1 day (24 consecutive hours) while awaiting trial (if the trial results in conviction) or confinement as the result of a court-martial sentence (note 3)	the member was a member of the Army or Air Force	
9	absence of a Navy or Marine Corps member because of confinement of more than 1 day (24 consecutive hours) while awaiting trial (if the trial results in conviction) or confinement as the result of a court-martial sentence	the confinement occurred on or after July 24, 1956 (note 4)	
10		the confinement occurred before July 24, 1956	(note 4).

NOTES:

1. Prior to February 11, 1996, absence during which a member was serving on active duty as an enlisted member and was also a Reserve officer is creditable. After February 10, 1996, a commissioned or warrant officer may not count the periods of absence for any purpose other than for computing length of service for basic pay. Also, see subparagraph 010102.B.
2. If the member is released without trial or acquitted, or if conviction is set aside on legal grounds (as distinguished from clemency), then the period of absence is creditable. If the member is released upon agreement to make restitution or is later convicted by court-martial on the same facts, then the period of absence is not creditable.
3. Period spent in confinement is creditable when the member is acquitted or the sentence is set aside or disapproved.
4. The period of absence is not creditable only if the confinement was under general court-martial sentence and/or while waiting (and during) trial which resulted in a sentence by a general court-martial to confinement and total loss of pay and allowances.

Table 1-2. Absence From Duty in Enlisted Status

WHEN ACTIVE DUTY PAY BEGINS

RULE	AA When a person is	B in the	C and	D then active duty pay and allowances begin on:	E are authorized for:
1	originally appointed as a permanent officer	Regular Army, Navy, Marine Corps, or Air Force (note 1)		date of formal acceptance of appointment (see subparagraph 010201.C.).	
2	an enlisted member temporarily appointed to a warrant or commissioned officer grade	Navy or Marine Corps			
3	an enlisted member or warrant officer on active duty appointed to a commissioned officer grade under ***10 U.S.C. 12201***	Reserve	continues on active duty in that commissioned officer grade		
4	enlisted, reenlisted, or inducted	Regular Army, Navy, Marine Corps, or Air Force		date of enlistment, reenlistment, or induction.	
5	service academy graduate commissioned as a second lieutenant or ensign	Regular Army or Air Force		date of graduation (note 2).	
6		Regular Navy or Marine Corps		date of formal acceptance of appointment.	
7	Reserve or retired member called or recalled to active duty	Army, Navy, Marine Corps, or Air Force		date member necessarily complies with active duty order (note 3).	
8	AUS or USAF without component temporary officer called to active duty	Army or Air Force		date member necessarily complies with active duty orders (note 3).	
9	Reserve or retired member ordered to active duty to take a physical examination incident to being ordered to active duty for more than 30 days	Navy, Marine Corps, Army, or Air Force			period of the examination, and allowable travel time in connection therewith (notes 3, 5, 6, and 7).
10	ARNG or ANG member called into Federal service	Army or Air Force	the period of Federal service is 30 days or less	date of reporting at place of rendezvous.	
11			the period of Federal service is more than 30 days or an indefinite period	date member necessarily complies with active duty orders (notes 3 and 4).	

Table 1-3. When Active Duty Pay Begins

WHEN ACTIVE DUTY PAY BEGINS

RULE	AA	B	C	D	E
				then active duty pay and allowances	
	When a person is	in the	and	begin on:	are authorized for:
12	a separated Service academy cadet required to serve a period of enlisted active duty	Regular Army, Navy, Marine Corps, or Air Force		date following date of approval of cadet's separation from the academy.	

NOTES:

1. Original appointments include officers appointed from warrant officer, enlisted member, or civilian status.
2. Pay accrues from date of graduation, even though appointment is issued and accepted at later date.
3. See paragraph 010205 of this chapter and Table 1-6 for allowable travel time to include in computation. Pay and allowances do not accrue if the member begins travel or reports earlier than the travel time necessary to comply with the active duty orders.
4. Pay status does not begin if the ARNG or ANG member is unable to respond to the call to active duty because of illness or other reason.
5. If member passes the physical examination, then pay and allowances accrue for travel time to first duty station when later ordered to active duty for more than 30 days.
6. If the member fails the physical examination, then pay and allowances accrue for period required for the examination and travel time to and from the examination.
7. If the member is ordered to active duty solely to take a physical examination, not incident to being ordered to active duty, then active duty pay and allowances do not accrue.

Table 1-3. When Active Duty Pay Begins (Continued)

INCREASES IN PAY ON PROMOTION OR RESTORATION OF GRADE					
RULE	**A**	**B**	**C**	**D**	**E**
	When member is a(n)	**and action is**	**in the**	**and**	**then effective date of increase in pay and allowances is**
1	officer	designation of special assignment under ***10 U.S.C. 601(a)***	Army, Air Force, or Marine Corps as General or Lt General; or Navy as Admiral or Vice Admiral		date officer assumes the designated duty (note 1).
2	Reserve officer not on the active duty list	promotion to grade above O-2	Navy or Marine Corps		date officer becomes eligible for promotion to the higher grade.
3		promotion to grade O-2			date of rank.
4	officer	promotion to grade above O-1	Uniformed Services		effective date of the promotion.
5	Reserve officer on active duty (other than for training) (but not on the active duty list)	permanent promotion to a higher Reserve grade	Army or Air Force	officer is ordered to serve on active duty in the higher permanent Reserve grade	effective date of orders to serve on active duty in the higher permanent Reserve grade (note 2).
6				officer is serving on active duty and assigned to a position requiring a grade equal to or higher than the grade to which promoted	effective date of orders or letter announcing promotion (note 3).
7		temporary promotion to a higher Reserve grade			effective date of orders announcing promotion; or date shown in special orders confirming verbal orders.
8	enlisted member	advancement in rank or rating	Navy	effective date is specified in the letter authorizing the advance	effective date is stated, or date of the letter, whichever is later (note 4).
9				effective date is not stated in letter	date advance was actually effected, but not before date member's commander receives the authority (note 4).
10			Marine Corps	effective date is specified in the directive authorizing the advance	effective date as stated in the directive or date of the directive, whichever is later (note 4).

Table 1-4. Increases in Pay on Promotion or Restoration of Grade

INCREASES IN PAY ON PROMOTION OR RESTORATION OF GRADE					
RULE	A	B	C	D	E
	When member is a(n)	**and action is**	**in the**	**and**	**then effective date of increase in pay and allowances is**
11	enlisted member	advancement in rank or rating	Marine Corps	promotion is not effected by directive	date certificate of appointment is signed by issuing authority (note 4).
12		appointment or promotion to a higher grade	Army or Air Force		1. date cited in orders, or date of orders, whichever is later (note 5); or 2. date of oral appointment or promotion, if later confirmed in writing (note 4).
13		restoration of former grade		reason for reduction was non-judicial punishment	may be retroactive to date of reduction.
14				reason for reduction was inefficiency	date of restoration orders.

NOTES:

1. If the officer's assignment is terminated because of:
   a. Assignment to another position also designated a special assignment, the officer will continue to draw the pay rate of the terminated assignment through the day before assuming the new position.
   b. Hospitalization, the officer will continue to draw the pay rate of the terminated assignment for the full period of hospitalization, but for not more than 180 days.
   c. Retirement, the officer will continue to draw the pay rate of the terminated position through the day before retirement, but for not more than 90 days.
2. A retroactive amendment of active duty orders is authority to serve in the higher grade from date of the amendment only. Increased pay and allowances are authorized from that date. Such orders do not create entitlement to increased pay and allowances for the retroactive period.
3. A retroactive promotion date is to be used only for consideration of seniority and time in grade for future promotions. Such orders do not create entitlement to increased pay and allowances for the period between the eligibility date for promotion and the effective date of the promotion order or letter. The effective date of promotion for purposes of entitlement to increased pay and allowances must not be earlier than the date the officer is assigned to a position requiring a grade equal to or higher than the grade to which promoted.
4. An appointment, promotion, or advancement to a higher grade with an effective date beyond the expiration date of the current enlistment and which is contingent upon the member's extension of enlistment or reenlistment, entitles the member to increased pay and allowances from the effective date of extension or reenlistment, whichever is later. Payment for the higher rank or rating is not authorized for a period prior to date of current enlistment.
5. This restriction does not prevent payment to enlisted members for retroactive promotions or advancements that are made pursuant to ***10 U.S.C. 1552(a)(2)*** (retroactive promotion or advancement without decision of the Board for Correction of Military Records), effective October 23, 1992.

Table 1-4. Increases in Pay on Promotion or Restoration of Grade (Continued)

TERMINATION OR REDUCTION OF ACTIVE DUTY PAY AND ALLOWANCES					
RULE	A	B	C	D	E
	If member is in the	**and status is an**	**and action is**	**and reason for retention is**	**then pay and allowances are authorized through date**
1	Regular Army, Navy, Marine Corps, or Air Force	officer holding permanent appointment	resignation, discharge, or dismissal		1. shown as official date of separation in official notice; or 2. officer receives official notice, if no official date of separation is shown (note 1).
2		officer holding temporary appointment or promotion	discharge or dismissal from permanent status		of termination of appointment.
3			resignation		
4			transfer to Fleet Reserve, or Fleet Marine Corps Reserve (note 2)		before date placed on the retired list.
5			involuntary retirement under Officer Personnel Act of 1947		
6			retirement on last day of month after month member completed 30 years of active service		
7			retirement, other than as shown in rules 5 and 6; includes physical disability retirement		
8			permanent appointment as an officer		before date of acceptance of permanent appointment.
9			termination of appointment for any other reason		of termination of appointment.
10	Army, Navy, Marine Corps, or Air Force Reserve	officer or enlisted member	release from active duty		of allowable travel time after release (see Table 1-6).
11			release from active duty for retirement		before date placed on retired list.
12			discharge, dismissal, or a resignation		shown in official separation notice, or date member receives official notice of separation.
13	Army, Navy, Marine Corps, or Air Force	enlisted member	retirement (including physical disability retirement)		before date placed on retired list.
14			transfer to Fleet Reserve or Fleet Marine Corps Reserve		of transfer.
15			discharge		of discharge (note 3).

Table 1-5. Termination or Reduction of Active Duty Pay and Allowances

TERMINATION OR REDUCTION OF ACTIVE DUTY PAY AND ALLOWANCES					
RULE	A	B	C	D	E
	If member is in the	and status is an	and action is	and reason for retention is	then pay and allowances are authorized through date
16	Army, Navy, Marine Corps, or Air Force	enlisted member	retention in service after expiration of term of service (note 4)	convenience of the government	of the period of retention.
17				to make good lost time	of the period of retention, if retained in full duty status or if authorized to perform duty.
18				probation after confinement	of the probational period, if duty is performed during such period.
19				medical care or hospitalization (with member's consent)	of release from medical care or hospitalization (note 5).
20				service is essential to public interest (section 0204, this chapter)	of discharge (note 6).
21				court-martial action	see subparagraph 010302.G.
22			demotion (administrative)		before date of demotion orders at the higher rate; and at the reduced rate on and after date of demotion orders.
23		officer or enlisted member	death		of death.
24			revoking a promotion (erroneous promotion through administrative error)		before date of discovery at the higher rate; at the reduced rate on or after date of discovery (note 7).
25			retirement	late delivery of retirement orders	retirement orders are delivered or member is notified that retirement orders were issued.

NOTES:

1. Discharge orders do not of themselves relieve the government of its obligation to an officer. The officer must have received actual or constructive notice by the effective date, unless the officer willfully avoids notice of separation. If kept in Military Service without fault, in ignorance of an order of dismissal, then the officer is entitled to all salaries and benefits of the office. If held in Military Service under orders after the date shown in separation orders, then the officer is entitled to pay if there is nothing in the records showing non-entitlement.
2. A member who reverts from a temporary officer appointment to a permanent enlisted or warrant officer grade is entitled, if otherwise proper, to the active duty pay and allowances of the temporary officer grade through and including the date of reversion.
3. Includes discharge for underage enlistment. Does not include discharge for fraudulent contract of enlistment. (See section 0104.)
4. A member whose enlistment is extended involuntarily by law comes under rule 15, not rules 16-21.
5. If medical care or hospitalization was due to member's misconduct, then pay and allowances terminate on date of expiration of term of Military Service.
6. See subparagraph 010204.E. for date of termination of the 25 percent increase in basic pay.
7. An erroneous promotion is later voided by revoking promotion orders (certificates of appointment or other documents used by the Military Service concerned to administratively effect promotions) from the original effective date. Payment of the pay and allowances of the higher grade through the date prior to the date of discovery is contingent, in each case, upon an administrative determination of the commander that service performed while serving in the higher grade may be regarded as service performed in a "de facto" status, that is, the member was promoted by competent authority and performed duties of the higher grade. (See procedural regulations of the Military Service concerned.)

Table 1-5. Termination or Reduction of Active Duty Pay and Allowances (Continued)

ALLOWABLE TRAVEL TIME,TRAVEL BETWEEN PLACES WITHIN THE UNITED STATES				
RULE	**A**	**B**	**C**	**D**
	If order to active duty is for	**and travel by (note 1)**	**then travel time allowed is**	**using (notes 3 and 4).**
1	30 days or less	all transportation is reasonably available	computed on the basis of air transportation (not more than 1 day for travel between places within the continental United States) (note 2)	actual commercial air schedules, and including the actual or estimated time to travel to and from air terminal(s) (but not more than 2 hours for each trip).
2		air transportation is not reasonably available for entire travel	computed as if actually performed by public surface transportation	actual schedules of fastest available mode.

NOTES:

1. When the air terminal is within 50 miles of the active duty station and direct or connecting flights are obtainable within 50 miles of the place from which ordered to active duty.
2. Additional time may be allowed when there is an actual delay in air travel. The delay must have been due to reasons beyond the control of the member, such as mechanical failure, adverse weather conditions, excess passenger load, cancelled flights, illness of other passengers, or other circumstances.
3. Travel is not expected to start or end between midnight and 0600.
4. Travel days will not exceed the computed travel time. In the computation of travel time, use existing commercial schedules to determine the latest departure time that would permit arrival at the duty station on the reporting date and hour. On release from active duty, use earliest schedule after release which would permit arrival home by fastest available means, without regard to actual performance of travel. A member of a Reserve Component who:
   a. is ordered to perform active duty training (ADT);
   b. performs authorized inactive duty training (IDT) immediately before or after ADT at or near the same site; and
   c. receives orders which direct performance of necessary travel to and from the ADT site immediately before and after combined ADT/IDT is entitled to active duty pay and allowances for allowable travel time per subparagraph 010205.B. The travel date will be specified in the active duty orders. Full retirement point credit is earned for the period of IDT performed.

Table 1-6. Allowable Travel Time – Travel Between Places Within the United States

MONTHLY RATES OF BASIC PAY – COMMISSIONED OFFICERS, ACADEMY CADETS AND MIDSHIPMEN AND ROTC MEMBERS (note 1) - EFFECTIVE JANUARY 1, 2012 (NOTES 1 TO 6)											
Cumulative Years of Service											
Pay Grade (note 1)	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18
O-10											
O-9											
O-8	9683.10	10000.20	10210.80	10,269.60	10,532.40	10,971.00	11,073.30	11,489.70	11,609.10	11,968.20	12,487.80
O-7	8045.70	8419.80	8592.60	8,730.00	8,979.00	9,225.00	9,509.40	9,792.90	10,077.30	10,971.00	11,725.50
O-6	5963.40	6551.70	6981.30	6,981.30	7,008.00	7,308.60	7,348.20	7,348.20	7,765.80	8,504.10	8,937.60
O-5	4971.30	5600.40	5988.00	6,061.20	6,303.00	6,447.60	6,765.90	6,999.30	7,301.10	7,763.10	7,982.40
O-4	4289.40	4965.60	5296.80	5,370.60	5,678.10	6,007.80	6,418.50	6,738.30	6,960.60	7,088.10	7,161.90
O-3	3771.30	4275.30	4614.60	5,031.00	5,271.90	5,536.50	5,707.80	5,988.90	6,135.60	6,135.60	6,135.60
O-2	3258.60	3711.30	4274.40	4,418.70	4,509.60	4,509.60	4,509.60	4,509.60	4,509.60	4,509.60	4,509.60
O-1	2828.40	2943.90	3558.60	3,558.60	3,558.60	3,558.60	3,558.60	3,558.60	3,558.60	3,558.60	3,558.60

MONTHLY RATES OF BASIC PAY – continued											
Cumulative Years of Service											
Pay Grade (note 1)	Over 20	Over 22	Over 24	Over 26	Over 28	Over 30	Over 32	Over 34	Over 36	Over 38	Over 40
O-10	15,647.10	15,723.30	16,050.60	16,620.00	16,620.00	17,451.00	17,451.00	18,323.40	18,323.40	19,239.90	19,239.90
O-9	13,685.10	13,882.50	14,167.20	14,664.00	14,664.00	15,397.50	15,397.50	16,167.60	16,167.60	16,975.80	16,975.80
O-8	12,966.60	13,286.40	13,286.40	13,286.40	13,286.40	13,618.80	13,618.80	13,959.30	13,959.30	13,959.30	13,959.30
O-7	11,725.50	11,725.50	11,725.50	11,785.20	11,785.20	12,021.00	12,021.00	12,021.00	12,021.00	12,021.00	12,021.00
O-6	9,370.50	9,617.10	9,866.70	10,350.60	10,350.60	10,557.30	10,557.30	10,557.30	10,557.30	10,557.30	10,557.30
O-5	8,199.30	8,446.20	8,446.20	8,446.20	8,446.20	8,446.20	8,446.20	8,446.20	8,446.20	8,446.20	8,446.20
O-4	7,161.90	7,161.90	7,161.90	7,161.90	7,161.90	7,161.90	7,161.90	7,161.90	7,161.90	7,161.90	7,161.90
O-3	6,135.60	6,135.60	6,135.60	6,135.60	6,135.60	6,135.60	6,135.60	6,135.60	6,135.60	6,135.60	6,135.60
O-2	4,509.60	4,509.60	4,509.60	4,509.60	4,509.60	4,509.60	4,509.60	4,509.60	4,509.60	4,509.60	4,509.60
O-1	3,558.60	3,558.60	3,558.60	3,558.60	3,558.60	3,558.60	3,558.60	3,558.60	3,558.60	3,558.60	3,558.60

NOTES:

1. Basic pay rate for Academy Cadets/Midshipmen and ROTC members/applicants is $990.00.
2. Basic pay for pay grades O-7 through O-10 is limited to the rate of basic pay for Level II of the Executive Schedule, which is $14,975.10. Basic pay for pay grades O-6 and below is limited to the rate of basic pay for Level V of the Executive Schedule, which is $12,141.60.
3. Basic pay, regardless of years of service, while serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Commandant of the Marine Corps, Chief of Staff of the Air Force, or commander of a unified or specified combatant command (as defined in ***10 U.S.C. 161(c)***) is $20,587.80. However, the basic pay is limited to the rate of basic pay for Level II of the Executive Schedule, which is $14,975.10.
4. O-1, O-2, and O-3 rates do not apply to commissioned officers who have been credited with over 4 years (i.e., at least 4 years and 1 day) of active duty service as an enlisted member or as a warrant officer or as both an enlisted member and a warrant officer.
5. These rates or, when applicable, the O-1E rates in Table 1-8 apply during periods of active service while as a student of the Uniformed Services University of Health Sciences. Also see subparagraphs 010102.A.8.
6. For rank titles, see ***Comparable Grades***.

***Table 1-7. Monthly Rates of Basic Pay – Commissioned Officers, Academy Cadets and Midshipmen and ROTC Members - Effective January 1, 2012**

MONTHLY RATES OF BASIC PAY – COMMISSIONED OFFICERS CREDITED WITH OVER 4 YEARS OF ACTIVE DUTY ENLISTED AND/OR WARRANT OFFICER SERVICE – EFFECTIVE JANUARY 1, 2012 (NOTES 1 TO 3)								
	Cumulative Years of Service (note 2)							
Pay Grade	**Over 4**	**Over 6**	**Over 8**	**Over 10**	**Over 12**	**Over 14**	**Over 16**	**Over 18**
O-3E	5,031.00	5,271.90	5,536.50	5,707.80	5,988.90	6,226.20	6,362.40	6,548.10
O-2E	4,418.70	4,509.60	4,653.30	4,895.70	5,082.90	5,222.40	5,222.40	5,222.40
O-1E (note 3)	3,558.60	3,800.10	3,940.80	4,084.50	4,225.50	4,418.70	4,418.70	4,418.70

NOTES:

1. Basic pay is limited to the rate of basic pay for Level V of the Executive Schedule, which is $12,141.60.
2. Creditable service to be taken into account for purposes of this table is active service as an enlisted member or as a warrant officer or as both an enlisted member and a warrant officer, in the case of a commissioned officer on active duty who is paid from funds appropriated for active-duty personnel; or a commissioned officer on active Guard and Reserve duty. Effective November 24, 2003, creditable service to be taken into account for purposes of this table in the case of a commissioned officer is service as an enlisted member or as a warrant officer, or as both an enlisted member and a warrant officer, for which more than 1,460 points have been credited to the officer for the purposes of ***title 10, U.S.C. section 12732(a)(2)***.
3. These rates do not apply to students of the USUHS who do not have over 4 years (i.e., at least 4 years and 1 day) of active duty service as an enlisted member or as a warrant officer or as both an enlisted member and a warrant officer. See Table 1-7 for applicable rates. USUHS students with over 4 years of prior enlisted and/or warrant officer service are entitled to the O-1E rate of basic pay in this table during such active duty periods. Also see subparagraphs 010102.A.8.

***Table 1-8. Monthly Rates of Basic Pay – Commissioned Officers Credited With Over 4 Years of Active Duty Enlisted and/or Warrant Officer Service - Effective January 1, 2012**

MONTHLY RATES OF BASIC PAY – WARRANT OFFICERS - EFFECTIVE JANUARY 1, 2012 (NOTE)											
Cumulative Years of Service											
Pay Grade (note 1)	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18
W-5											
W-4	3,897.60	4,192.50	4,312.80	4,431.30	4,635.00	4,836.90	5,040.90	5,348.70	5,618.10	5,874.30	6,084.00
W-3	3,558.90	3,707.40	3,859.50	3,909.30	4,068.90	4,382.70	4,709.10	4,862.70	5,040.60	5,224.20	5,553.60
W-2	3,149.40	3,447.30	3,539.10	3,602.10	3,806.40	4,123.80	4,281.00	4,436.10	4,625.40	4,773.30	4,907.40
W-1	2,764.50	3,061.80	3,141.90	3,311.10	3,511.20	3,805.80	3,943.50	4,135.50	4,324.80	4,473.60	4,610.70

MONTHLY RATES OF BASIC PAY – continued											
Cumulative Years of Service											
Pay Grade (note 1)	Over 20	Over 22	Over 24	Over 26	Over 28	Over 30	Over 32	Over 34	Over 36	Over 38	Over 40
W-5	6,930.00	7,281.60	7,543.50	7,833.30	7,833.30	8,225.40	8,225.40	8,636.40	8,636.40	9,068.70	9,068.70
W-4	6,288.60	6,589.20	6,836.10	7,117.80	7,117.80	7,260.00	7,260.00	7,260.00	7,260.00	7,260.00	7,260.00
W-3	5,776.20	5,909.40	6,051.00	6,243.30	6,243.30	6,243.30	6,243.30	6,243.30	6,243.30	6,243.30	6,243.30
W-2	5,067.60	5,173.20	5,256.90	5,256.90	5,256.90	5,256.90	5,256.90	5,256.90	5,256.90	5,256.90	5,256.90
W-1	4,776.90	4,776.90	4,776.90	4,776.90	4,776.90	4,776.90	4,776.90	4,776.90	4,776.90	4,776.90	4,776.90

NOTE:
Basic pay is limited to the rate of basic pay for Level V of the Executive Schedule which is $12,141.60.

***Table 1-9. Monthly Rates of Basic Pay – Warrant Officers - Effective January 1, 2012**

MONTHLY RATES OF BASIC PAY – ENLISTED MEMBERS – EFFECTIVE JANUARY 1, 2012 (NOTES 1 TO 5)											
	Cumulative Years of Service										
Pay Grade (note 1)	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18
E-9							4,708.80	4,815.60	4,950.00	5,108.10	5,267.70
E-8						3,854.70	4,025.10	4,130.70	4,257.30	4,394.40	4,641.60
E-7	2,679.60	2,924.70	3,036.60	3,185.10	3,300.90	3,499.80	3,611.70	3,810.90	3,976.20	4,089.00	4,209.30
E-6	2,317.80	2,550.30	2,662.80	2,772.30	2,886.30	3,143.10	3,243.30	3,436.80	3,496.20	3,539.40	3,589.80
E-5	2,123.40	2,265.90	2,375.40	2,487.60	2,662.20	2,845.20	2,994.60	3,012.90	3,012.90	3,012.90	3,012.90
E-4	1,946.70	2,046.30	2,157.30	2,266.50	2,363.10	2,363.10	2,363.10	2,363.10	2,363.10	2,363.10	2,363.10
E-3	1,757.40	1,868.10	1,981.20	1,981.20	1,981.20	1,981.20	1,981.20	1,981.20	1,981.20	1,981.20	1,981.20
E-2	1,671.30	1,671.30	1,671.30	1,671.30	1,671.30	1,671.30	1,671.30	1,671.30	1,671.30	1,671.30	1,671.30
E-1 (note 4)	1491.00										
E-1 (note 5)	1,378.80										

MONTHLY RATES OF BASIC PAY – continued											
	Cumulative Years of Service										
Pay Grade (note 1)	Over 20	Over 22	Over 24	Over 26	Over 28	Over 30	Over 32	Over 34	Over 36	Over 38	Over 40
E-9	5,523.60	5,739.60	5,967.30	6,315.30	6,315.30	6,630.60	6,630.60	6,962.40	6,962.40	7,311.00	7,311.00
E-8	4,766.70	4,980.00	5,098.20	5,389.50	5,389.50	5,497.80	5,497.80	5,497.80	5,497.80	5,497.80	5,497.80
E-7	4,256.10	4,412.40	4,496.40	4,815.90	4,815.90	4,815.90	4,815.90	4,815.90	4,815.90	4,815.90	4,815.90
E-6	3,589.80	3,589.80	3,589.80	3,589.80	3,589.80	3,589.80	3,589.80	3,589.80	3,589.80	3,589.80	3,589.80
E-5	3,012.90	3,012.90	3,012.90	3,012.90	3,012.90	3,012.90	3,012.90	3,012.90	3,012.90	3,012.90	3,012.90
E-4	2,363.10	2,363.10	2,363.10	2,363.10	2,363.10	2,363.10	2,363.10	2,363.10	2,363.10	2,363.10	2,363.10
E-3	1,981.20	1,981.20	1,981.20	1,981.20	1,981.20	1,981.20	1,981.20	1,981.20	1,981.20	1,981.20	1,981.20
E-2	1,671.30	1,671.30	1,671.30	1,671.30	1,671.30	1,671.30	1,671.30	1,671.30	1,671.30	1,671.30	1,671.30
E-1 (note 4)	1,491.00										
E-1 (note 5)											

NOTES:

1. For rank titles, see ***Comparable Grades***.
2. Basic pay for senior enlisted member (grade E-9) is $7,609.50 regardless of years of service while serving as:
   a. Sergeant Major of the Army or Marine Corps.
   b. Master Chief Petty Officer of the Navy or Coast Guard.
   c. Chief Master Sergeant of the Air Force.
   d. Senior Enlisted Advisor of the Chairman, Joint Chiefs of Staff

   If a member is placed on terminal leave pending retirement immediately following the completion of service as the senior enlisted member of a Military Department, then the member is entitled to the higher senior enlisted pay rate $7,609.50 up to a maximum of 60 days. If a member is hospitalized, and during or immediately before such hospitalization, completed service as the senior enlisted member of that Military Department's Armed Force, then the member shall continue to be entitled, for not more than 180 days while so hospitalized, to the rate of basic pay authorized for a senior enlisted member.
3. Basic pay is limited to the rate of basic pay for Level V of the Executive Schedule, which is $12,141.60.
4. Must have 4 months of active duty or more.
5. Must have under 4 months of active duty.

*Table 1-10. Monthly Rates of Basic Pay – Enlisted Members - Effective January 1, 2012

AUTHORIZED ABSENCE – EFFECT ON PAY AND ALLOWANCES

RULE	A When member is absent from duty	B and	C then the member is	D and the period of absence is
1	on authorized leave	such leave is: a. ordinary accrued leave b. emergency leave c. reenlistment leave d. delay en route	entitled to otherwise proper credit of full pay and allowances during the period of absence	charged as leave.
2		in advance of that accrued		charged against leave as it accrues (note 1).
3		such leave is: a. graduation leave b. sick or convalescent leave c. pass or liberty d. proceed time		not chargeable against leave.
4	at home on PCS orders awaiting final action on physical evaluation board proceedings		entitled to pay and allowances as follows: a. basic pay b. special pay (if a health professional officer) c. BAS officers and enlisted (note 2) d. BAH (note 3) e. clothing maintenance allowance	chargeable to leave to the extent possible (note 4).
5	on excess leave		not entitled to pay and allowances except BAH as provided in ***paragraph U10422-C, chapter 10, JFTR*** (note 5)	not chargeable to accrued leave (note 6).
6	on authorized educational leave of absence not to exceed 2 years		entitled to basic pay (member is not entitled to BAH, BAS, or any other pay and allowance to which member might otherwise be entitled for period of leave of absence)	not chargeable to accrued leave.
7	on authorized rest and recuperative absence for not more than 30 days for extending duty under sections ***1401 to 1403***		entitled to otherwise proper credit of full pay and allowances during the period of absence (note 7)	not chargeable to accrued leave.

NOTES:

1. See subparagraph 010301.D. for collection requirements when advance leave is changed to excess leave.
2. Enlisted members are entitled to BAS at the rate shown in subparagraph ***250103.B*** except for days of leave specifically authorized by the PCS orders. Pay BAS at the rate shown in subparagraph ***250103.C.1*** for the PCS order-authorized leave period.
3. Members without dependents are entitled to BAH as prescribed in Table 1-5, rules 20 and 21.

Table 1-11. Authorized Absence - Effect on Pay and Allowances

4. A negative leave balance which existed prior to the member being ordered home continues until separation or retirement and will be collected as excess leave.
5. A member separating effective Mar 1 whose separation leave period through February 28 (or through February 29 during leap year) results in excess leave is not entitled to pay and allowances for February 29 and 30 (or for February 30 during leap year). These days are not considered days of excess leave; however, the member is considered to be in a nonpay status through February 30. See subparagraph 010202.B.
6. Under ***DoDI 1327.06***, "Leave and Liberty Policy and Procedures", a member does not accrue leave during periods of excess leave (here referred to as "nonaccrual"). Computation of the number of days involved in an excess leave balance which accounts for this nonaccrual may result in a total which includes a fraction. Effective with leave taken on or after Feb 1, 1987, the total is not rounded to eliminate the fraction when pay and allowances are collected for excess leave. The fractional one-half day is considered to occur on the first day of the excess leave involved. Collect pay and allowances for the number of days, to include fractional days, according to subparagraph 010301.D. or 010301.E.
7. Member is not entitled to special pay under ***section 1402***.

Table 1-11. Authorized Absence - Effect on Pay and Allowances (Continued)

UNAUTHORIZED ABSENCE AND OTHER LOST TIME – EFFECT ON PAY AND ALLOWANCES			
RULE	**A**	**B**	**C**
	When member is absent from duty	**and**	**then the member**
1	without authority (AWOL) or over leave, delays en route, pass or liberty	the absence is excused as unavoidable	is entitled to otherwise proper credits of pay and allowances (note 1).
2		the absence is not excused as unavoidable	is not entitled to pay and allowances (note 2).
3	for more than 24 consecutive hours as a result of a disease	the disease is caused by and immediately follows intemperate use of alcoholic liquors or habit-forming drugs	is entitled to allowances but not to basic pay, special, or incentive pay (note 3).
4	in confinement by civil authorities	is being detained as a witness before a civil court	is entitled to otherwise proper credits of pay and allowances.
5		the absence is excused as unavoidable (see Table 1-13)	
6		the absence is not excused as unavoidable (see Table 1-13)	is not entitled to pay and allowances, except for that part of the period that is covered by authorized leave, liberty, or pass (note 4).
7	in confinement by military authorities for a foreign civil offense	is not considered "constructively absent" from duty (note 5)	is entitled to otherwise proper credits of pay and allowances.
8		is considered "constructively absent" from duty (note 6)	is not entitled to pay and allowances except for that part of the period that is covered by authorized leave, unless the absence is excused as unavoidable (see Table 1-13).
9	in military confinement (other than for civil authorities)	is awaiting trial by court-martial or serving a sentence of confinement which did not include a forfeiture of pay	is entitled to otherwise proper credits of pay and allowances.
10		is serving a court-martial sentence which includes a forfeiture of pay and allowances	is entitled to pay and allowances accruing before the date the sentence was approved by the convening authority and to any unforfeited pay and allowances accruing after that date.
11	as a deserter	is found guilty of deserting by court-martial or is administratively discharged for desertion or dies prior to return to military control or while awaiting trial by court-martial for the charge of desertion	forfeits all pay and allowances including that due on the first day of desertion (note 7).
12	without authority for 3 months while serving as an Army or Air Force officer	is dropped from the rolls by the President	forfeits all pay and allowances due or to become due (note 7).

NOTES:

1. Enlisted members are entitled to BAS at the rate prescribed when permission to ration separately is granted unless they were subsisted at government expense.
2. See ***JFTR***, Volume I, Chapter 10, for entitlement to basic allowance for housing in a non-pay status. See ***Chapter 10*** for entitlement to hostile fire/imminent danger pay which is payable in full for each month in which qualification is made.

Table 1-12. Unauthorized Absence and Other Lost Time - Effect on Pay and Allowances

3. A member is not entitled to pay or allowances for period of hospitalization after expiration of enlistment.

4. A member is not entitled to pay and allowances if granted a pass or liberty to serve civil confinement.
5. In any case where the commander of the military installation retains the discretionary authority to decide to incarcerate a member (or to merely restrict to the duty station and assign to perform useful and productive duties on a full-time basis), such member will not be considered as being "constructively absent" for the purposes of entitlement to pay and allowances.
6. Under existing DoD policy and Status of Forces Agreements, the United States Commander always retains discretionary authority to incarcerate or restrict a Military Service member to the installation when such a member is pending civil charges, even in cases where incarceration or restriction is requested by foreign authorities. Such member is not considered as being "constructively absent" for the purpose of entitlement to pay and allowances.
7 Pay and allowances due on date of desertion and on date an officer was dropped from the rolls will be used to satisfy debts due the United States and its instrumentalities.

Table 1-12. Unauthorized Absence and Other Lost Time – Effect on Pay and Allowances (Continued)

RULES FOR DETERMINING WHETHER ABSENCE IS UNAVOIDABLE

RULE	A When member is absent from duty	B and	C and	D then absence may
1	in confinement by civil authorities or by military authorities for civil authorities	is tried and acquitted		be excused as unavoidable.
2		charges are dismissed or member is released (or dies) without trial	it is clear that arrest and detention were not due to member's misconduct	
3		is released without trial upon agreement to make restitution or reparation for the alleged offense	the commander determines that absence was not due to member's misconduct	
4		is admitted to bail and trial is postponed indefinitely	it is apparent that the case will not be prosecuted	
5		was released because the case was discontinued by the prosecutor or plaintiff or because the jury failed to agree		
6		is tried and convicted		not be excused as unavoidable.
7		is released under bond (not in a full-duty status) pending appeal of the case to a higher court	the appeal does not result in acquittal	
8		is discharged because of imprisonment or conviction by a civil court		
9		confinement is due to failure to obey a decree of a civil court		
10	in confinement by civil authorities	is tried and found not guilty by reason of insanity	is transferred to a state mental institution	be excused as unavoidable.
11	without authority (AWOL) or over leave	the absence could not have been avoided by the member or by military authorities	the absence was not due to member’s misconduct	be excused as unavoidable.
12	over pass or liberty	the absence could not have been avoided by the member or by military authorities	the absence was not due to member’s misconduct	be excused as unavoidable.
13		the absence could have been prevented by member or by military authorities		not be excused as unavoidable.

Table 1-13. Rules for Determining Whether Absence Is Unavoidable

COMPUTING PERIODS OF UNAUTHORIZED ABSENCE

RULE	A When a member	B and he/she is in the	C and the hour of expiration of leave, pass, or liberty, or authorized travel	D and the member	E then
1	leaves the post of duty, place of service, or organization without authority	Army, Air Force, Navy or Marine Corps		remains absent more than 24 consecutive hours	the day of departure will be counted as the first day of unauthorized absence.
2	fails to report to the organization or post of duty on the last day of authorized leave, pass, or liberty, or authorized travel time	Navy, or Marine Corps	is before 2400 hours as specified in leave orders	does not report on or before the specified hour of the following day	the last day of leave, pass, or liberty, or authorized travel time is the first day of unauthorized absence.
3			is 2400 hours as specified in leave orders		the day following the last day of leave, pass, or liberty, or authorized travel time is the first day of unauthorized absence.
4	fails to report to the organization or post of duty on the last day of authorized leave, pass, or liberty		is not specified in leave orders	does not report before normal duty hours of the following day (note)	the day following the last day of leave, pass, or liberty is the first day of unauthorized absence.
5		Army or Air Force			
6	fails to report to the organization or post of duty by 2400 hours on the last day of authorized travel time	Army, Air Force, Navy, or Marine Corps	is not specified in orders		the day following the last day of authorized travel time is the first day of unauthorized absence.
7	is AWOL			returns to the place of duty, or organization, or otherwise to the jurisdiction of the Armed Forces	the day before the member's return is the last day of unauthorized absence.

NOTE:
The unauthorized absence begins at the normal duty hour. No unauthorized absence exists unless the member remains absent for more than 24 hours after the beginning of the normal duty hour.

Table 1-14. Computing Periods of Unauthorized Absence

VOID, VOIDABLE, OR REJECTED ENLISTMENTS OR INDUCTIONS — PAY AND ALLOWANCES			
RULE	A	B	C
	When an individual	and	then pay and allowances
1	is under investigation for a fraudulent enlistment or induction		will continue to be paid until a determination of fraud is made.
2	is determined to be serving under a fraudulent enlistment or induction; or enlists in the Army or Air Force before 17 (male) or 18 (female), and the government discovers the defect after the member reaches minimum age; or enlists in the Army or Air Force while 17 (male), 18, 19, or 20 (female), without parent's or guardian's consent	the government neither voids the enlistment or induction nor waives the fraud (or defect)	are suspended (including unpaid pay and allowances) from the date the disbursing officer is notified of the determination of fraud until the government either voids the enlistment or induction, or allows it to stand.
3		the government voids the enlistment or induction	will not be paid (note 1).
4		the government waives the fraud (or defect)	continue and the service is as valid as that of any other member.
5	enlists in the Army or Air Force before 17 (male) or 18 (female), and the government discovers the defect before the member reaches minimum age		do not accrue between date of notification to disbursing officer and date of discharge (note 1).
6	enlists in the Army or Air Force while 17 (male) or while 18, 19, 20 (female), without parent's or guardian's consent	is discharged upon application of parent or guardian	accrue to include the date of discharge or release.
7	enlists in the Navy or Marine Corps while under the minimum statutory age (17) (male), or while under the minimum statutory age (18) or administrative age (21) (female)		
8	was judicially declared to have been mentally incompetent before entry on active duty	is released from military control for such reason	do not accrue for any part of the period involved (note 2).
9	was not judicially declared to be mentally incompetent before entry on active duty but is later found to have been mentally incompetent at the time of entry on active duty		accrue from the time of entry on active duty until release from military control.
10	enlisted or inducted into the Military Service is discovered by Military Service medical authorities to have been medically unfit for induction at the time of entrance into the Military Service		accrue from the time of entry on active duty through the date of release from military control.

NOTES:
1. Individual retains amounts received before disbursing officer is notified, if otherwise proper.
2. Individual retains amounts received while performing active duty before release from military control.

Table 1-15. Void, Voidable, or Rejected Enlistments or Inductions – Pay and Allowances

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SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 2
"REPAYMENT OF UNEARNED PORTION OF BONUSES AND OTHER BENEFITS"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Verified hyperlinks, format, and references.	Update
All	Added paragraphs titles for clarity.	Update
020203.A 020203.B 020203.C 020203.D 020203.E	Changed from paragraphs to subparagraphs.	Update

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CHAPTER 2

REPAYMENT OF UNEARNED PORTION OF BONUSES AND OTHER BENEFITS

0201 GENERAL PROVISIONS

* 020101. Entitlement. A member of the uniformed services who enters into a written agreement with specified service conditions for receipt of a bonus, special or incentive pay, educational benefits, stipend, or similar payment (hereinafter referred to as "pay or benefit"), is entitled to the full amount of the pay or benefit if the member fulfills the conditions of that pay or benefit. If the member fails to fulfill the service conditions specified in the written agreement for the pay or benefit, then the pay or benefit may be terminated and the member may be required to repay an amount equal to the unearned portion of the pay or benefit. Such repayment will be pursued unless the member's failure to fulfill specified service conditions is due to circumstances determined reasonably beyond the member's control. Conditions under which repayment will not be sought are set forth in section 0202.

* 020102. Procedures. The Secretary of the Military Department concerned may establish, by regulation, procedures for determining the amount of the repayment required. Service regulations shall apply the rules in Table 2-1 for disposition of unearned portions of bonuses, special pay, educational benefits, or stipends.

* 020103. Definition. The term "service," as used in this chapter, refers to an obligation willingly undertaken by a member of the uniformed services in exchange for a pay or benefit offered by the Secretary of Defense or the Secretary of the Military Department concerned (or designee) under one or more of the following circumstances:

A. Remain on active duty or in an active status in a Reserve Component.

B. Perform duty in a specified skill, with or without a specified qualification or credential.

C. Perform duty at a specified location.

D. Perform duty for a specified period of time.

* 020104. Bankruptcy. An obligation to repay the United States is, for all purposes, a debt owed to the United States. A discharge in bankruptcy under ***Title 11, United States Code (U.S.C.)*** does not discharge a person from such debt if the discharge order is entered less than 5 years after:

A. The date of the termination of the agreement or contract on which the debt is based; or

B. The date of the termination of the service on which the debt is based, in the absence of such agreement or contract.

*0202 REPAYMENT AND NON-REPAYMENT CONDITIONS

* 020201. Conditions Under Which Repayment Will Be Sought. When the conditions of a written agreement are not fulfilled and repayment is determined appropriate, the member will be required to repay the United States the unearned portion of the pay or benefit. In cases other than death of a member, the Secretary of the Military Department concerned will advise the Defense Finance and Accounting Service of the disposition of any unearned portion of a pay or benefit.

* 020202. Delegation of Authority. The Secretary of the Military Department concerned may, through regulation, delegate the authority to make repayment determinations consistent with the criteria set forth in section 0202, but not below the O-6 or equivalent level. If delegated, then the Military Departments will specify the level and the scope of the authorized delegation in implementing regulations.

* 020203. Conditions Under Which Repayment Will Not Be Sought. As a general rule, repayment action will not be pursued in situations in which the member's inability to fulfill specified service conditions related to a pay or benefit is due to circumstances determined reasonably beyond the member's control. Payment of any unpaid portion of the pay or benefit will be subject to the rules in Table 2-1, which in appropriate circumstances provide discretion to the Secretary of the Military Department concerned to pay unearned portions based on case-by-case determinations.

* A. Repayment will not be sought and any remaining unpaid portion of a pay or benefit due to a member under a written agreement that existed at the time of the member's death, which was not the result of the member's misconduct, is payable as a lump sum in the settlement of the decedent's final military pay entitlements.

* B. Repayment will not be sought and any remaining unpaid portion of a pay or benefit due to a member under a written agreement shall be paid at the time of separation or retirement for a disability described under ***10 U.S.C., chapter 61*** that was incurred in the line of duty in a combat zone designated by the President of the United States or the Secretary of Defense, or in combat-related operation designated by the Secretary of Defense, and/or for a combat-related disability, as defined under ***10 U.S.C. 1413a(e)***. In such case, any remaining unpaid portion of a pay or benefit due to a member shall be paid to the member upon separation from service. Repayment will be sought and any unpaid balances may not be paid to members who incur a disability because of their misconduct, as defined in ***10 U.S.C. 1207***. In all other instances involving a member's separation for medical reasons not falling under ***10 U.S.C., chapter 61*** which were not the result of the member's misconduct, the Secretary of the Military Department concerned has the discretion to determine whether to require repayment of the unearned portion of the pay or benefit, or to pay an unpaid balance of a pay or benefit.

* C. Subject to the enlistment authorities under ***10 U.S.C.*** and ***37 U.S.C.***, and the relevant regulations of the Secretary of the Military Department concerned, a member who was paid a bonus or special pay for a period of enlistment in a Military Department, who is discharged for immediate reenlistment or appointment in a Military Department for which no bonus or special pay is paid, may be considered to have completed the full term of service specified in the former enlistment contract, provided the term of the latter reenlistment or appointment includes the remaining period of service from the former enlistment. The member's enlistment bonus or special pay entitlements will be addressed prior to discharge from a Military Department.

* D. Repayment will not be sought and the Secretary of the Military Department concerned will not pay any remaining unpaid portion of a pay or benefit under the following circumstances, unless the Secretary of the Military Department concerned makes a determination under subparagraph 020203.E:

1. The member's employment in another military specialty or assignment rotation is directed;

2. The member's military specialty or assignment is phased out or eliminated;

3. The member's military specialty or assignment is otherwise affected by force structure or other mission-essential requirements; or

4. The member is separated from service under a hardship separation or sole survivor discharge.

* E. Under all other circumstances, the Secretary of the Military Department concerned has the discretion to, at some point in the process, render a case-by-case determination that the member's repayment of, or the Military Department's full payment of an unpaid portion of, a pay or benefit is appropriate based on one or more of the following:

1. contrary to a personnel policy or management objective,

2. against equity and good conscience, or

3. contrary to the best interest of the United States.

DISPOSITION OF UNEARNED PORTIONS OF BONUSES, SPECIAL PAY, EDUCATIONAL BENEFITS, OR STIPENDS					
	A	**B**	**C**	**D**	**E**
RULE	**If a member under a written agreement for a pay or benefit**	**and**	**then repayment of the unearned portion of the pay of benefit**	**and**	**any unpaid portion of the bonus, special pay or student loan repayment under *Title 10* or *Title 37* United States Codes (U.S.C.)**
1	Dies, through no misconduct of the member		will not be sought		will be paid in the member's final pay
2	Incurs an injury or illness, through no misconduct of the member, that precludes the member from fulfilling the service conditions specified in the written agreement	the member is separated or retired for disability under ***10 U.S.C., chapter 61***.	will not be sought	if such separation or retirement is for a disability incurred in the line of duty in a combat zone designated by the President or the Secretary of Defense or in a combat-related operation designated by the Secretary of Defense, and/or involves a combat-related disability as defined in ***10 U.S.C. 1413a(e)***	will be paid to the member upon separation
3		the member is separated, other than as described in Rule 2, for medical reasons as a result of an injury or illness	will not be sought, unless the Secretary of the Military Department concerned determines that repayment of the unearned portion is appropriate due to a personnel policy or management objective, equity or good conscience, or it is in the best interest of the United States		will not be paid, unless the Secretary of the Military Department concerned makes a determination consistent with Rule 9, Column E.
4		the member continues in service in another capacity	will not be sought if the Secretary of the Military Department concerned determines that to recoup the unearned portion would be contrary to a personnel policy or management objective, against equity or good conscience, or contrary to the best interest of the United States		will not be paid, unless the Secretary of the Military Department concerned makes a determination consistent with Rule 9, Column E.

Table 2-1. Disposition of Unearned Portions of Bonuses, Special Pay, Educational Benefits, or Stipends

DISPOSITION OF UNEARNED PORTIONS OF BONUSES, SPECIAL PAY, EDUCATIONAL BENEFITS, OR STIPENDS (continued)					
	A	**B**	**C**	**D**	**E**
RULE	**If a member under a written agreement for a pay or benefit**	**and**	**then repayment of the unearned portion of the pay of benefit**	**and**	**any unpaid portion of the bonus, special pay or student loan repayment under *Title 10* or *Title 37* United States Codes (U.S.C.)**
5	Is an enlisted member paid a bonus or special pay and is discharged for immediate reenlistment or appointment in a Military Department for which no bonus or special pay is paid	the term of the latter reenlistment or appointment includes the remaining period of service from the former enlistment	will not be sought if the Secretary of the Military Department concerned determines that to recoup the unearned portion would be contrary to a personnel policy or management objective, against equity or good conscience, or contrary to the best interest of the United States		will not be paid unless the Secretary of the Military Department concerned makes a determination consistent with Rule 9, Column E. *(In this case, the member may be considered to have completed the full term of service on the former enlistment contract.)*
6	Is directed by the Service concerned to transfer into another military specialty or assignment rotation		will not be sought		will not be paid, unless the Secretary of the Military Department concerned makes a determination consistent with Rule 9, Column E.
7	Is in a military occupational specialty or assignment that is phased out or eliminated, or otherwise affected by a force structure or other mission essential requirement		will not be sought		will not be paid, unless the Secretary of the Military Department concerned makes a determination consistent with Rule 9, Column E.
8	Is separated from service under a hardship separation, or a sole survivor discharge		will not be sought		will not be paid, unless the Secretary of the Military Department concerned makes a determination consistent with Rule 9, Column E.

Table 2-1. Disposition of Unearned Portions of Bonuses, Special Pay, Educational Benefits, or Stipends (continued)

DISPOSITION OF UNEARNED PORTIONS OF BONUSES, SPECIAL PAY, EDUCATIONAL BENEFITS, OR STIPENDS (continued)					
	A	**B**	**C**	**D**	**E**
RULE	**If a member under a written agreement for a pay or benefit**	**and**	**then repayment of the unearned portion of the pay of benefit**	**and**	**any unpaid portion of the bonus, special pay or student loan repayment under *Title 10* or *Title 37* United States Codes (U.S.C.)**
9	Does not fulfill the service conditions for the pay or benefit under any other circumstances		will be sought, unless the Secretary of the Military Department concerned, at some point in the process makes a case-by-case determination that to require repayment of an unearned portion of the pay or benefit would be contrary to a personnel policy or management objective, against equity or good conscience, or contrary to the best interest of the United States		will not be paid unless the Secretary of the Military Department concerned, at some point in the process, makes a case-by-case determination that to refrain from paying an unpaid portion of the pay, benefit or student loan would be contrary to a personnel policy or management objective, against equity or good conscience, or it is in the best interest of the United States.

Table 2-1. Disposition of Unearned Portions of Bonuses, Special Pay, Educational Benefits, or Stipends (continued)

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SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 3
"SPECIAL PAY - OFFICERS ONLY"

All changes are denoted in blue font.

Substantive revisions are denoted by a * 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 *underlined, bold, italic, blue font*.

This updated chapter supersedes the previously published version dated May 2011.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
030101.D	Duration of Authority for Nuclear Power Accession Bonus extended to December 31, 2012.	Update
030102.E	Duration of Authority for Nuclear Qualified Officer Extending Period of Active Service extended to December 31, 2012.	Update
030103.B.2	Duration of Authority for Nuclear Career Annual Incentive Bonus extended to December 31, 2012.	Update
030606	Duration of Authority for Accession Bonus extended for Officer Candidates to December 31, 2012.	Update
030707	Duration of Authority for Accession Bonus for New Officers in Critical Skills extended to December 31, 2012.	Update
030807	Duration of Authority for Retention Incentive for Critical Military Skills extended to December 31, 2012.	Update
030908	Duration of Authority for Incentive Bonus: Transfer Between Armed Forces extended to December 31, 2012.	Update
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030101. Nuclear Power Accession Bonus Program

A. Eligibility

1. Nuclear Officer Accession Bonus. An accession bonus is payable to officers or prospective officers who are selected for officer Naval nuclear propulsion training and execute a written agreement to participate in a program of training for duty in connection with the supervision, operation, and maintenance of Naval nuclear propulsion plants.

2. Nuclear Career Accession Bonus. Officers who are on active duty and who successfully complete the nuclear propulsion training program leading to qualification for duty in connection with the supervision, operation, and maintenance of Naval nuclear propulsion plants are entitled to payment of an accession bonus upon successful completion of the nuclear propulsion training program.

B. Payment. The bonus rates and effective dates for this program are contained in ***OPNAVINST 7220.11C***, dated July 7, 2009.

C. Repayment. An officer who receives an accession bonus and does not commence or complete satisfactorily the nuclear power training will be subject to the repayment provisions of ***Chapter 2***.

* D. Duration of Authority. Unless otherwise authorized by the Congress, the provisions of this section shall be effective only in the case of officers who, on or before December 31, 2012, have been accepted for training for duty in connection with the supervision, operation, and maintenance of Naval nuclear propulsion plants.

030102. Nuclear Qualified Officer Extending Period of Active Service (Continuation Pay)

A. Entitlement. The Secretary of the Navy may pay Nuclear Officer Continuation Pay (COPAY) to nuclear-qualified officers who agree to remain on active duty for an additional 3, 4, 5, 6, or 7 years beyond their existing service obligation.

B. Eligibility. Officers who meet the criteria as defined in ***OPNAVINST 7220.11C***, dated July 7, 2009, are eligible to receive COPAY upon acceptance of their written agreement to remain on active duty in connection with supervision, operation, and maintenance of naval nuclear propulsion plants with the Secretary of the Navy.

C. Payment. The amount payable shall not exceed $30,000 for each year of the active service agreement. Rates and effective dates are contained in the governing regulation, ***OPNAVINST 7220.11C***, dated July 7, 2009.

D. Repayment. An officer who does not complete the period of active duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants that the officer agreed to serve will be subject to the repayment provisions of ***Chapter 2***.

* E. Duration of Authority. Unless otherwise authorized by the Congress, the provisions of this section shall be effective only in the case of officers who, on or before December 31, 2012, execute the required written agreement to remain in active service.

030103. Nuclear Career Annual Incentive Bonus

A. Entitlement. The Secretary of the Navy may pay Nuclear Career Annual Incentive Bonus (AIB) to nuclear-trained and nuclear-qualified officers who are on active duty and who complete their initial service requirement, and to nuclear-trained and nuclear-qualified limited duty and warrant officers who serve in an assignment with duties in connection with direct supervision, operation, or maintenance of naval nuclear propulsion plants.

B. Eligibility

1. Only officers in pay grades W-2 through W-5 and O-1 through O-6 are eligible for AIB. Officers serving in a period of obligated service associated with paragraph 030102 are not eligible for AIB during that period of their obligated service.

* 2. In order to be eligible for an annual bonus for any nuclear service year, a technically qualified officer must have been on active duty on the last day of that nuclear service year. For the purpose of this section, a "nuclear service year" is any fiscal year beginning before December 31, 2012.

C. Payment. The annual amount payable to all eligible officers on active duty shall not exceed $22,000. Rates and payment procedures are contained in the governing regulation, ***OPNAVINST 7220.11C***, dated July 7, 2009.

NOTE: An officer of the naval service who is not on active duty on the last day of a nuclear service year may be paid a bonus on a pro rata basis, if otherwise qualified, unless termination of active duty or loss of technical qualifications was voluntary or was the result of his own misconduct.

0302 SPECIAL PAY FOR OFFICERS SERVING IN POSITIONS OF UNUSUAL RESPONSIBILITY AND OF A CRITICAL NATURE

030201. Entitlement. The Secretary concerned, may designate positions of unusual responsibility that are of a critical nature to an Armed Force under his or her jurisdiction and authorize special pay to officers performing the duties of such a position. Officers serving in a

designated position and entitled to the basic pay for active duty or compensation for inactive duty in grade 0-6 and below are entitled to this special pay. This special pay will be referred to as responsibility pay.

030202. Rates Payable. The monthly rates of responsibility pay are:

Pay Grade	Amount
0-6	$150
0-5	$100
0-4 and below	$50

030203. Authorized Payees. Subject to other entitlement conditions and restrictions, officers are entitled to responsibility pay while serving as a commanding officer or commander of a unit listed in directives issued under the authority of the Secretary concerned. Responsibility pay will continue to accrue while on temporary duty, leave, or similar temporary absences from duty where there is no permanent relief. Responsibility pay accrues from the date the assignment begins through the date the assignment ends.

030204. Restrictions. Responsibility pay is not authorized for:

A. Officers temporarily in command.

B. Officers assigned in designated "Officer in Charge" billets unless specifically designated in directives issued under the authority of the Secretary concerned.

C. More than one officer per designated billet, except for the dates of assumption of and relief from command.

0303 SPECIAL PAY: WARFARE OFFICERS EXTENDING PERIOD OF ACTIVE DUTY

030301. Defined. The term ''special warfare officer'' means an officer of a uniformed service who is;

A. Qualified for a military occupational specialty or designator identified by the Secretary of the Military Department concerned, as a special warfare military occupational specialty or designator, and

B. Serving in a position for which that specialty or designator is authorized.

030302. Retention Bonus Authorized. A special warfare officer who meets the eligibility requirements specified in paragraph 030303, and who executes a written agreement to remain on active duty in special warfare service for at least 1 year, may upon the acceptance of the agreement by the Secretary of the Military Department concerned, be paid a retention bonus as provided in this section.

030303. Eligibility. A special warfare officer may apply to enter into an agreement if the officer:

A. Is in pay grade O–3, or is in pay grade O–4 and is not on a list of officers recommended for promotion, at the time the officer applies to enter into the agreement; and

B. Has completed at least 6, but not more than 14, years of active commissioned service; and

C. Has completed any service commitment incurred to be commissioned as an officer.

030304. Amount. The amount of a retention bonus paid under this section may not be more than $15,000 for each year covered by the agreement.

030305. Payment Methods. Upon acceptance of an agreement by the Secretary of the Military Department concerned, the total amount payable pursuant to the agreement becomes fixed. The amount of the retention bonus may be paid as follows:

A. The Secretary of the Military Department concerned may make a lump-sum payment equal to half the total amount payable under the agreement. The balance of the bonus amount will be paid in equal annual installments on the anniversary of the acceptance of the agreement.

B. The Secretary of the Military Department concerned may make graduated annual payments. The first payment is payable at the time the agreement is accepted by the Secretary and subsequent payments are payable on the anniversary of the acceptance of the agreement.

030306. Additional Pay. A retention bonus paid under this section is in addition to any other pay and allowances to which an officer is entitled.

030307. Repayment. An officer who, having entered into a written agreement under this section and having received all or part of a bonus under this section, does not complete the period of active duty in special warfare service as specified in the agreement will be subject to the repayment provisions of ***Chapter 2***.

0304 SURFACE WARFARE OFFICER CONTINUATION PAY

030401. Eligibility. In this section, the term ‘‘eligible surface warfare officer’’ means an officer of the Regular Navy or Navy Reserve on active duty who:

A. Is qualified and serving as a surface warfare officer;

B. Has been selected for assignment as a department head on a surface vessel; and

C. Has completed any service commitment incurred through the officer's original commissioning program or is within 1 year of completing such commitment.

030402. Special Pay Authorized. An eligible surface warfare officer who executes a written agreement to remain on active duty to complete one or more tours of duty to which the officer may be ordered as a department head on a surface vessel may upon the acceptance of the agreement by the Secretary of the Navy be paid an amount not to exceed $50,000.

030403. Payment Methods. Upon acceptance of the written agreement by the Secretary of the Navy, the total amount payable pursuant to the agreement becomes fixed. The Secretary will prepare an implementation plan specifying the amount of each installment payment under the agreement and the times for payment of the installments.

030404. Additional Pay. Any amount paid under this section is in addition to any other pay and allowances to which an officer is entitled.

030405. Repayment. An officer who, having entered into a written agreement under section 0304 and having received all or part of a bonus under this section, does not complete the period of active duty as a department head on a surface vessel, as specified in the agreement, will be subject to the repayment provisions of ***Chapter 2***.

0305 JUDGE ADVOCATE CONTINUATION PAY

030501. Eligibility. The term ''eligible judge advocate'' means an officer of the Armed Forces on full-time active duty who:

A. Is qualified and serving as a judge advocate as defined in ***Title 10, United States Code (U.S.C.) section 801***; and

B. Has completed the active duty service obligation incurred through the officer's original commissioning program; or

C. In the case of an officer detailed under ***10 U.S.C. 2004*** or ***14 U.S.C. 470***, the active duty service obligation incurred as part of that detail.

030502. Special Pay Authorized. An eligible judge advocate who executes a written agreement to remain on active duty for a period of obligated service specified in the agreement may, upon the acceptance of the agreement by the Secretary of the Military Department concerned, be paid continuation pay under this section. The total amount paid to an officer under one or more agreements under this section may not exceed $60,000.

030503. Payment Methods. Upon acceptance of an agreement by the Secretary of the Military Department concerned, the total amount payable pursuant to the agreement becomes fixed. The Secretary of the Military Department concerned, will prepare an implementation plan specifying the amount of each installment payment under the agreement and the times for payment of the installments.

030504. Additional Pay. Any amount paid to an officer under this section is in addition to any other pay and allowances to which the officer is entitled.

030505. Repayment. An officer who has entered into a written agreement, and has received all or part of the amount payable under the agreement but who does not complete the total period of active duty specified in the agreement, will be subject to the repayment provisions of ***Chapter 2***.

0306 ACCESSION BONUS FOR OFFICER CANDIDATES

030601. Authorization. Under regulations prescribed by the Secretary of the Military Department concerned, a person who executes a written agreement may be paid an accession bonus under this section upon acceptance of the agreement by the Secretary of the Military Department concerned.

030602. Amount. The amount of an accession bonus may not exceed $8,000.

030603. Eligibility. A written agreement referred to in paragraph 030601 is a written agreement by a person to:

A. Complete officer candidate school; and

B. Accept a commission or appointment as an officer of the Armed Forces; and

C. Serve on active duty as a commissioned officer for a period specified in the agreement.

030604. Payment Method. Upon acceptance of a written agreement by the Secretary of the Military Department concerned, the total amount of the accession bonus payable under the agreement becomes fixed. The agreement will specify whether the accession bonus will be paid in a lump sum or installments.

030605. Repayment. A person who, having received all or part of the bonus under a written agreement and does not complete the total period of active duty as a commissioned officer as specified in such agreement, will be subject to the repayment provisions of ***Chapter 2***.

* 030606. Duration of Authority. Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2012.

0307 ACCESSION BONUS FOR NEW OFFICER IN CRITICAL SKILLS

030701. Authorization. A person who executes a written agreement to accept a commission or an appointment as an officer of the Armed Forces and serve on active duty in a designated critical officer skill for the period specified in the agreement may be paid an

accession bonus in an amount determined by the Secretary of the Military Department concerned.

030702. Eligibility. The Secretary of the Military Department concerned, will designate the critical officer skills. A skill may be designated as a critical officer skill for an Armed Force under this subsection if:

A. In order to meet requirements of the Armed Force, it is critical for the Armed Force to have a sufficient number of officers who are qualified in that skill, and

B. In order to mitigate a current or projected significant shortage of personnel in the Armed Force who are qualified in that skill, it is critical to access into that Armed Force in sufficient numbers persons who are qualified in that skill or are to be trained in that skill.

030703. Amount. The amount of an accession bonus may not exceed $60,000.

030704. Payment Method. Upon acceptance of a written agreement by the Secretary of the Military Department concerned, the total amount of the accession bonus payable under the agreement becomes fixed. The agreement will specify whether the accession bonus will be paid by the Secretary of the Military Department concerned in a lump sum or installments.

030705. Relation To Other Accession Bonus Authority. An individual may not receive an accession bonus under this section and section ***37 U.S.C. 302d***, ***302h***, ***302j***, or ***312b*** for the same period of service.

030706. Repayment. A person who having received all or part of the bonus under a written agreement and does not complete the total period of active duty as a commissioned officer as specified in such agreement, will be subject to the repayment provisions of ***Chapter 2***.

* 030707. Duration of Authority. Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2012.

0308 RETENTION INCENTIVE FOR CRITICAL MILITARY SKILLS

030801. Authorization. An officer serving on active duty (in a regular Component or in an active status in a reserve Component), who is qualified in a critical military skill designated; or accepts an assignment to a high-priority unit, may be paid a retention bonus as provided if the officer executes a written agreement to remain on active duty for at least 1 year.

030802. Eligibility. The Secretary of Defense, and the Secretary of Homeland Security with respect to the Coast Guard when it is not operating as a service in the Navy may designate a critical military skill or designate a unit as a high-priority unit regarding which a retention bonus will be provided to a member of the Armed Forces who agrees to accept an assignment to the unit.

030803. Payment Methods. A bonus under this section may be paid in a single lump sum or in periodic installments.

030804. Amount. An officer may enter into an agreement more than once to receive a bonus under this section; however, an officer may not receive a total of more than $200,000 (or $100,000 in the case of a Reserve Component officer) in payments under this section. This limitation on the total bonus payments does not apply with respect to an officer who is assigned duties as a health care professional.

030805. Relationship to Other Incentives. A retention bonus paid under this section is in addition to any other pay and allowances to which a member is entitled.

030806. Repayment. An officer who having received all or part of the bonus under a written agreement and fails to remain qualified in the critical military skill or to satisfy the other eligibility criteria for which the bonus was paid, will be subject to the repayment provisions of ***Chapter 2***.

030807. Duration of Authority. Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2012.

0309 INCENTIVE BONUS: TRANSFER BETWEEN ARMED FORCES

030901. Authorization. A bonus may be paid to an eligible officer of a regular Component or reserve Component of an Armed Force who executes a written agreement to:

A. Transfer from such regular Component or Reserve Component to a regular Component or Reserve Component of another Armed Force, and

B. To serve pursuant to such agreement for a period of not less than 3 years in the Component to which transferred.

030902. Eligibility. An officer is eligible to enter into an agreement to transfer if, as of the date of the agreement, the officer is eligible to continue in service in a regular or Reserve Component of the Armed Forces, and has fulfilled the requirements for transfer to the Component of the Armed Force that are established by the Secretary of the Military Department having jurisdiction over such Armed Force.

030903. Limitation. An officer may enter into an agreement to transfer to a regular Component or Reserve Component of another Armed Force only if the Secretary having jurisdiction over such Armed Force determines that there is shortage of trained and qualified personnel in such Component.

030904. Amount and Payment of Bonus. The bonus amount may not exceed $10,000. The bonus will be paid by the Secretary of the Military Department concerned having jurisdiction of the Armed Force to which the member to be paid the bonus is transferring. The Secretary of the Military Department concerned paying the bonus will:

A. Disburse the bonus to the officer in one lump sum when the transfer for which the bonus is paid is approved by the chief personnel officer of the Armed Force to which the member is transferring; or

B. Make annual installments in such amounts as may be determined by the Secretary of the Military Department concerned paying the bonus.

030905. Relationship to Other Pay and Allowances. A bonus paid to an officer under section 0310 is in addition to any other pay and allowances to which the member is entitled.

030906. Repayment. An officer who having received all or part of the bonus under a written agreement fails to satisfy the service or eligibility requirements, will be subject to the repayment provisions of ***Chapter 2***.

030907. Regulations. The Secretaries of the Military Department concerned, will prescribe regulations to carry out this section. Regulations prescribed by the Secretary of the Military Department concerned, under this subsection will be subject to the approval of the Secretary of Defense.

* 030908. Duration of Authority. Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2012.

0310 ARMY REFERRAL BONUS

See ***Chapter 9, section 0904*** for guidance.

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030101 – Nuclear Power Accession Bonus Program
37 U.S.C. 312b(c)
* Public Law 112-81, section 613 (2), December 31, 2011
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37 U.S.C. 312
ASD(FMP) Memo, June 29, 1999
37 U.S.C. 312(f)
* Public Law 112-81, section 613 (1), December 31, 2011
OPNAVINST 7220.11C, July 7, 2009

030103 – Nuclear Career Annual Incentive Bonus
37 U.S.C 312c(d)
* Public Law 112-81, section 613 (3), December 31, 2011
NAVADMIN 164/05 DTG 182025Z JUL 05
OPNAVINST 7220.11C, July 7, 2009

0302 – SPECIAL PAY FOR OFFICERS SERVING IN POSITIONS OF UNUSUAL RESPONSIBILITY AND OF A CRITICAL NATURE
37 U.S.C. 306

0303 – SPECIAL PAY: WARFARE OFFICERS EXTENDING PERIOD OF ACTIVE DUTY
37 U.S.C. 318

0304 – SURFACE WARFARE OFFICERS CONTINUATION PAY
37 U.S.C. 319

0305 – JUDGE ADVOCATE CONTINUATION PAY
37 U.S.C. 321

0306 – ACCESSION BONUS FOR OFFICER CANDIDATES
37 U.S.C. 330
Public Law 112-81, section 615 (8), December 31, 2011

0307 – ACCESSION BONUS FOR NEW OFFICERS IN CRITICAL SKILLS
37 U.S.C. 324
Public Law 112-81, section 615 (5), December 31, 2011

0308 – RETENTION INCENTIVE FOR CRITICAL MILITARY SKILLS
37 U.S.C. 355
Public Law 112-81, section 614 (9), December 31, 2011

0309 – INCENTIVE BONUS: TRANSFER BETWEEN ARMED FORCES
37 U.S.C. 327
Public Law 112-81, section 615 (7), December 31, 2011

0310 – ARMY REFERRAL BONUS
10 U.S.C. 3252

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 5
"SPECIAL PAY AND BONUSES FOR MEDICAL AND OTHER HEALTH PROFESSIONS OFFICERS"

All changes are denoted in blue font.

Substantive revisions are denoted by a * 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 *underlined, bold, italic, blue font*.

This updated chapter supersedes the previously published version dated July 2011.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
050107.A	Inserted Army Medical Special Pay Plan hyperlink.	Add
050905	Extended Duration of Authority for Accession Bonus Medical Officers in Critically Short Wartime Specialties to December 31, 2012.	Update
051005	Extended Duration of Authority for Special Pay Selected Reserve Health Care Professionals in Critically Short Wartime Specialties to December 31, 2012.	Update
051205	Extended Duration of Authority for Special Pay Health Profession Officers (HPO) Accession Bonus to December 31, 2012.	Update
051306	Extended Duration of Authority for Special Pay Health Profession Officers (HPO) Incentive Pay to December 31, 2012.	Update
051406	Extended Duration of Authority for Special Pay Health Profession Officers (HPO) Retention Bonus to December 31, 2012.	Update
051506	Extended Duration of Authority for Special Pay Health Profession Officers (HPO) Board Certification Pay to December 31, 2012.	Update
Bibliography	Updated public laws.	Update

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* Bibliography

CHAPTER 5

SPECIAL PAY AND BONUSES FOR MEDICAL AND OTHER HEALTH PROFESSIONS OFFICERS

0501 GENERAL PROVISIONS

050101. Medical Corps Officer. A Medical Corps Officer is defined as an officer of the Medical Corps of the Army or Navy or an officer of the Air Force designated as a medical officer, who is on active duty under a call or order to active duty for a period of not less than 1 year.

050102. Creditable Service. For Medical Corps Officers this includes periods of internship and residency while not active duty, provided such training was completed successfully, or if such training was terminated or interrupted as the result of military operational requirements. Also includes all periods of active service in the Medical Corps of the Army or Navy, as an officer of the Air Force designated as a medical officer, or as medical officer of the Public Health Service. Internship or residency in a foreign medical facility that is not acceptable under the credentialing criteria of an American medical or osteopathic specialty examining board may not be included in the computation of creditable service.

050103. Subspecialties. The subspecialties listed in Tables 5-1 and 5-2 are grouped for pay purposes into the following categories:

A. Subspecialty Category I. This category includes cardio-thoracic surgery, colon and rectal surgery, oncology surgery, pediatric surgery, plastic surgery, organ transplant, trauma/critical care surgery, vascular surgery and fellowship trained orthopedic surgeons.

B. Subspecialty Category II. This category includes nuclear medicine physicians.

C. Subspecialty Category III. This category includes Internal Medicine and Pediatric fellowship trained physicians in: allergy/immunology, nephrology, hematology/oncology, and neonatology.

D. Subspecialty Category IV. This category includes all internal medicine/pediatric subspecialties not listed in Subspecialty Category I or III or listed separately in Tables 5-1 and/or 5-2.

E. Subspecialty Category V. This category includes physicians who are fellowship trained in otolaryngology, obstetrics/gynecology, and urology.

050104. Residency. Residency is defined as the stage of Graduate Medical Education training recognized by the Accreditation Council for Graduate Medical Education (ACGME). During this stage a physician practices medicine under the supervision of fully licensed physicians.

050105. Specialty. A branch of medical science whereas the product of a structured educational experience in the field of medical practice following the completion of medical school that meets the ACGME program requirements in that field of medicine. (Specific medical specialty for which there is an Army area of concentration identifier, or identifying specialty skill identifier number, a Naval Officer Billet Classification number, or an Air Force Specialty Code.)

050106. Repayment. The Secretary of the Military Department concerned may terminate at any time an officer's entitlement to special pays as defined in sections 0502, 0503, and 0505. If such entitlement is terminated, then the officer concerned will be subject to the repayment provisions of ***Chapter 2***.

050107. References

* A. Army: ***Army Medical Corps Special Pay Plan***.

B. Navy: ***OPNAVINST 7220.17*** and ***Annual FY Medical Special Pay Plan NAVADMIN***.

C. Air Force: ***Air Force Medical Officer Special Pay Plan***.

0502 MULTIYEAR SPECIAL PAY (MSP)

050201. Authorization. A medical officer who executes a written agreement to remain on active duty for 2, 3, or 4 years after completion of any other active duty service commitment may, upon acceptance of the written agreement by the Secretary of the Military Department concerned, be paid a retention bonus.

050202. Entitlement. Subject to acceptance by the Secretary of the Military Department concerned, a medical officer with an existing MSP contract may terminate that contract to enter into a new MSP contract with an equal or longer obligation at the MSP annual rate in effect at the time of execution of the new MSP contract. Any unearned portion of the terminated contract will be recouped.

050203. Rates Payable. Annual payment amounts for multiyear contracts will be in the amounts indicated in Table 5-1. Officers may be paid at the rate for any one specialty for which they are currently credentialed, but the MSP and Incentive Special Pay (ISP) specialty must be the same.

050204. Eligibility Criteria. To be eligible for MSP under this section a medical officer must:

A. Be below the grade of O-7 and:

B. Have a current, valid, unrestricted license or approved waiver; and

C. Have completed all Active Duty service commitment incurred for medical education and training, or has at least 8 years of creditable service; and

D. Have completed initial residency training or is scheduled to complete initial residency training before October 1 of the fiscal year in which the officer enters into an agreement; and

E. Execute a written agreement to remain on active duty for 2, 3, or 4 years that is accepted by the Secretary of the Military Department concerned.

NOTE: Based on Service unique requirements, the Secretary concerned may decline to offer MSP to any specialty that is otherwise eligible or restrict the length of an MSP contract for a specialty to less than 4 years.

050205. Service Obligation. Active duty service obligations for MSP will be established as follows:

A. The officer must sign a written agreement to stay on active duty for either 2, 3, or 4 years, as applicable. The duration of the agreement will determine the amount payable.

B. Active Duty Service Obligations (ADSO) for education and training and previous MSP agreements will be served before serving the ADSO for MSP.

C. When no education and training ADSO exists at the time of an MSP agreement execution, the ADSO for MSP is served concurrently with the MSP agreement period. In addition, if the MSP agreement is entered into prior to the start date of fellowship training and the fellowship training period is less than the MSP ADSO, the ADSO may be served concurrently with the fellowship training and training ADSO. However, if the MSP agreement is executed on or after the start date of the fellowship training, the physician is obligated for the full fellowship period and the MSP ADSO will begin one day after the fellowship ADSO is completed.

D. Obligation for Additional Special Pay (ASP) and ISP may be served concurrently with any other service obligation.

0503 INCENTIVE SPECIAL PAY (ISP)

050301. Eligibility Criteria. To be eligible for ISP under this section, a medical officer must:

A. Be below the grade of O-7; and

B. Have a current, valid, unrestricted license or approved wavier; and

C. Have completed specialty qualification before October 1 of the fiscal year in which the officer enters into an agreement (except for cases listed in paragraph 050304); and

D. Execute a written agreement to remain on active duty for a period of not less than 1-year beginning on the date the officer accepts the award of ISP; and

E. Be currently credentialed and privileged at a military treatment facility in the specialty for which ISP is to be paid, subject to acceptance by the Secretary of the Military Department concerned.

050302. Rates Payable. Annual ISP payments for contracts beginning on or after October 1, 2011, will be in the amounts indicated in Table 5-2. Unless otherwise listed, sub-specialties of the primary specialty are included with the primary specialty.

050303. Entitlement

A. Subject to acceptance by the Secretary of the Military Department concerned, a medical officer eligible for (but not under an MSP agreement) may enter into a new 1-year agreement at the 1-year rate listed in Table 5-2. To receive the multiyear ISP rate listed in Table 5-2 while eligible for MSP, an MSP contract must be executed. If the officer is not eligible for MSP due to a training obligation, then the 1-year ISP rate without MSP listed in Table 5-2 applies. Termination of a current ISP contract prior to its expiration can only be accomplished in conjunction with execution of a new MSP contract.

B. The Secretary of the Military Department concerned may approve recommendations for ISP payments to fully qualified physicians assigned to positions requiring a substantial portion of time performing military unique duties under adverse conditions or in remote locations outside of the continental United States or that preclude the ability to spend appropriate time in a clinical setting.

C. Medical Corps officers who enter an MSP contract at the rates stated in Table 5-1 may enter an ISP contract during fiscal year 2012 at the amount listed in Table 5-2 for the same specialty as stated on the MSP contract. The officer would continue ISP eligibility at that rate for each active year of the MSP contract. Should future reassessments cause an increase to the ISP rate for a specialty, the officer may take advantage of that increase only by signing a new MSP contract (at the annual rate in effect at the time the new contract is signed) with an equal or longer obligation.

050304. Limitation. ISP will not be paid during the same fiscal year in which the qualifying residency training is completed. If the qualifying training is completed out of cycle (at a time prior to the end of June) and it is not the fault of the medical officer, the Surgeons General are delegated the authority to grant ISP during the same fiscal year in which the qualifying residency is completed. The effective date for ISP will be calculated from the completion of the qualifying training plus 3 months. This keeps all medical officers eligible for ISP consistent in how their eligibility date is calculated.

0504 VARIABLE SPECIAL PAY (VSP)

050401. Entitlement. An officer who is an officer of the Medical Corps of the Army, the Navy, or an officer of the Air Force designated as a medical officer and who is on active duty under a call or order to active duty for a period of not less than 1 year is entitled to Variable Special Pay (VSP).

050402. Rates Payable. VSP monthly rates are shown in Table 5-3.

0505 ADDITIONAL SPECIAL PAY (ASP)

050501. Entitlement. An officer who is entitled to VSP under section 0504 and who has a current, valid, unrestricted license or approved wavier is entitled to Additional Special Pay (ASP).

050502. Eligibility. An officer may not be paid ASP for any 12-month period unless the officer first executes a written agreement under which the officer agrees to remain on active duty for a period not less than 1-year beginning the date the officer accepts the award of ASP.

050503. Rate Payable. The ASP amount payable will be $15,000 for each 12-month period during which the officer is not undergoing medical internship or initial residency training.

NOTE: Physicians who have just completed internship training, but who are not presently in initial residency training are also eligible with evidence of having successfully completed all three parts of the national licensing exam and submission of an application for licensure pending review and approval by a State licensing board.

0506 BOARD CERTIFIED PAY (BCP)

050601. Entitlement. An officer who is entitled to VSP under section 0504 and who has a current, valid, unrestricted license or approved waiver and is board certified in accordance with the ***Department of Defense (DoD) Instruction (DoDI) 6000.13*** is entitled to Board Certified Pay (BCP).

050602. Rates Payable. BCP monthly rates are shown in Table 5-4.

050603. Waiver.

A. Medical officers eligible for BCP who are unable to schedule or complete board certification examinations because of assigned duty in support of a contingency operations may be eligible for BCP if the otherwise eligible officer:

1. Has completed all other requirements for board certification, including all residency training; and

2. Successfully completes all required certification examinations within 180 days after release from assigned duty in support of a contingency operation.

B. The period for completion of board certification or recertification requirements is 180-day period beginning on the date on which the member is released from the duty to which the member was assigned in support of a contingency operation. The Secretary of Defense may extend the 180-day period as appropriate. Certification must be obtained before the medical officer receives payment.

0507 DIPLOMATE PAY FOR PSYCHOLOGISTS AND BOARD CERTIFICATION PAY FOR NON-PHYSICIAN HEALTHCARE PROVIDERS

050701. Eligibility. The Secretary concerned may authorize the payment of Diplomate Pay for Psychologists and Non-Physician Healthcare Provider Board Certification Pay (NPBCP) to an officer who:

A. Is an officer in the Army, Navy, or Air Force designated as a psychologist or Non-Physician Healthcare Provider;

B. Is a healthcare provider in a clinical specialty that is privilegeable;

C. Has a post-baccalaureate degree in the officer's clinical specialty;

D. Is certified by a professional board in the officer's clinical specialty; and

E. Is in one of the following fields:

1. Audiology/Speech pathology,

2. Biochemistry,

3. Dietitians,

4. Occupational Therapy,

5. Physical Therapy,

6. Physician Assistant,

7. Podiatry,

8. Psychology,

9. Public Health Officers,

10. Medical Physicists, or

11. Social Work.

050702. Rates Payable. NPBCP monthly rates are shown in Table 5-5.

050703. Restriction. An officer may not receive Diplomate Pay for Psychologists and Board Certification Pay for Non-Physician Healthcare Providers and the entitlements contained in section 0515 for the same activity, skill or period of service.

050704. Waiver

A. Psychologists and Non-Physician Healthcare Providers eligible for NPBCP who are unable to schedule or complete board certification examinations because of assigned duty in support of a contingency operations may be eligible for NPBCP if the otherwise eligible officer:

1. Has completed all other requirements for board certification, including all residency training; and

2. Successfully completes all required certification examinations within 180 days after release from assigned duty in support of a contingency operation.

B. The period for completion of board certification or recertification requirements is 180-day period beginning on the date on which the member is released from the duty to which the member was assigned in support of a contingency operation. The Secretary of Defense may extend the 180-day period as appropriate. Certification must be obtained before the Psychologists and Non-Physician Healthcare Providers receive payment.

0508 SPECIAL PAY: RESERVE, RECALLED, OR RETAINED HEALTH CARE OFFICERS

050801. Entitlement. A Reserve medical officer described in paragraph 050101, and who has a current, valid, unrestricted license or approved wavier on active duty for less than 1 year is entitled to special pay at the monthly rate of $450 for each month of active duty for annual training, active duty for training, or active duty for special work. The amount will be prorated for periods less than 1-month. A member cannot receive any other type of medical pay under this provision.

050802. Active Duty for More than 30 Days but Less Than 1 Year, Other than Active Duty for Training. National Guard and Reserve medical officers who are called or ordered to active duty (other than training) for a period of more than 30 days, but less than 1 year, and have a current, valid, unrestricted license, are eligible to receive VSP, ASP, BCP and ISP at the rates established. Payments will be paid monthly, and amounts will be prorated for periods less than 1 month. National Guard and Reserve medical officers receiving ASP and ISP under this paragraph are not required to execute a written agreement to remain on active duty for at least 1 year. Reserve Component medical officers serving on active duty and receiving special pay under this paragraph are not entitled to the special pay under paragraph 050801.

050803. Active Duty of 1 Year or More. A National Guard and Reserve medical officer who is on active duty for other than training for 1 year or more or whose orders are amended to require continuous active duty for 1 year or more (from date of amendment) is eligible for the special pays provided in sections 0503, 0504, 0509, and 0510.

0509 ACCESSION BONUS: MEDICAL OFFICERS IN CRITICALLY SHORT WARTIME SPECIALTIES

050901. Eligibility. To be eligible for the Critically Short Wartime Specialty (CSWS) accession bonus, an individual must:

A. Be a graduate of an accredited school of medicine or osteopathy in a specialty designated by the Secretary of the Military Department concerned; and

B. Have a full and unrestricted license and be fully qualified to remain a licensed physician in a designated specialty; and

C. Be fully qualified for appointment as a commissioned officer in a Regular or Reserve Component of the Armed Forces; and

D. Execute a written agreement to accept a commission as an officer of the Medical Corps of the Army or the Navy, an officer of the Air Force designated as a medical officer and remain on active duty for a period of not less than 4 consecutive years; and

E. Have a CSWS designated specialty listed in Table 5-6; and

F. Maintain all licensing and specialty qualifications throughout the length of the written agreement.

050902. Limitation on Eligibility for Bonus. A medical officer may not be paid a bonus under paragraph 050901 when the officer:

A. Is already serving as a commissioned officer with a designated CSWS; or

B. No longer holds an appointment as a commissioned officer, but is otherwise qualified and eligible; or

C. Is in receipt of a bonus or special pay under ***Title 37, United States Code (U.S.C.), Chapter 5 Subchapter II*** for the same activity, skill or period of service; or

D. In exchange for an agreement to accept an appointment as an officer, received financial assistance from the DoD to pursue a course of study in medicine or osteopathy. This includes, but is not limited to, participants and former participants of the Armed Forces Health Professions Scholarship Program, Financial Assistance Program, and the Uniformed Services University of the Health Sciences.

050903. Amount of Bonus. Accession bonus rates are shown in Table 5-6.

050904. Repayment. A person who, after executing an agreement is not commissioned as an officer of the Armed Forces; does not become licensed as a doctor or osteopath, as the case may be; or does not complete the period of active duty in a specialty specified in the agreement, will be subject to the repayment provisions of ***Chapter 2***.

* 050905. Duration of Authority. Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2012.

0510 SPECIAL PAY: SELECTED RESERVE HEALTH CARE PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIALTIES

051001. Eligibility. To be eligible for the Special Pay Selected Reserve Health Care Professionals in Critically Short Wartime Specialty accession bonus, an individual must:

A. Be an officer in a health care profession,

B. Be a member of a reserve component of the Armed Forces,

C. Execute a written agreement under which the officer agrees to serve in the Selected Reserve of an Armed Force, for a period of not less than 1 year nor more than 3 years, beginning on the date the officer accepts the award of special pay, and

D. Be qualified in a specialty designated by regulations as a critically short wartime specialty.

051002. Eligible Officers. An officer referred to in 051001 is an officer in a health care profession who is qualified in a specialty designated by regulations as a critically short wartime specialty.

051003. Payment. The amount of special pay may not exceed the annual rate of $25,000, and will be paid annually at the beginning of each 12-month period for which the officer has agreed to serve.

051004. Repayment. An officer who does not complete the period of service in the Selected Reserve specified in the agreement entered into under paragraph 051001 will be subject to the repayment provisions of ***Chapter 2***.

* 051005. Duration of Authority. Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2012.

0511 EARLY CAREER INCENTIVE SPECIAL PAY (ECISP)

051101. Eligibility. An officer of the Medical Corps of the Army or Navy or an officer of the Air Force designated as a medical officer, who:

A. Is below the grade of O-7;

B. Has a current, valid, unrestricted license or approved waiver;

C. Is within 18 months of completing their medical education and training obligation;

D. Has completed initial residency training or is scheduled to complete initial residency training before September 30 of the fiscal year in which the officer enters into an agreement;

E. Executes a written agreement to remain on active duty for a period of not less than 4 years, beginning on the date for which the Early Career Incentive Special Pay (ECISP) is to be paid;

F. Is in a specialty designated by the Service Surgeon General as eligible for this pay;

G. Is currently credentialed and privileged at a military treatment facility in the specialty for which ECISP is to be paid;

H. Has completed specialty qualification before September 30 of the fiscal year in which the officer enters into an agreement, except for cases listed in subparagraph 051102.A.

051102. Limitations

A. ECISP shall not be paid for the same fiscal year in which the qualifying residency training is completed. If the qualifying training is completed out of cycle (at a time prior to the end of June) due to circumstances beyond the member's control, the Surgeons General are delegated the authority to waive the DoD policy and authorize ECISP during the same fiscal year in which the qualifying residency is completed. The effective date for ECISP shall be calculated from the completion of the qualifying training plus 3 months. This keeps all medical officers eligible for ECISP consistent in how their eligibility date is calculated.

B. ECISP recipients are not precluded from transitioning into the regular multiyear special pay program, (i.e. the coupled Multiyear Incentive Special Pay (MISP) and MSP for the same specialty once they are eligible to do so).

C. ECISP is a one-time offer, and once entered into an ECISP agreement, a recipient cannot terminate the ECISP agreement. If the individual becomes eligible for the coupled MISP and MSP program, then he or she can terminate the ECISP in order to enter into a coupled program that has an equal or longer obligation. The new active duty obligation (ADO) has to be at least as long as the time remaining on the original ECISP agreement.

D. An ECISP recipient cannot receive a regular ISP, MISP, or MSP in addition to ECISP. Officers on an ISP that meet eligibility requirements for ECISP may terminate the ISP and apply for ECISP.

051103. Amount. The annual ECISP amounts are shown in Table 5-7 for a 4-year agreement.

NOTE: The Secretary of the Military Department concerned may approve ECISP payments to fully qualified physicians assigned to positions requiring a substantial portion of time performing military unique duties under adverse conditions or in remote locations outside the continental United States, or that preclude the ability to spend appropriate time in a clinical setting.

051104. Repayment. An officer who fails to meet or maintain the eligibility requirement stated in paragraph 051101, will be subject to the repayment provisions of ***Chapter 2***.

0512 SPECIAL PAY: HEALTH PROFESSION OFFICERS (HPO) ACCESSION BONUS

051201. Authorization. The Secretary concerned may pay a Health Profession Officers (HPO) Accession Bonus to an eligible individual who signs a written agreement on or after November 1, 2008, to serve on active duty or in an active status in exchange for receiving an accession bonus. The accession bonus may be paid in a lump sum, in monthly payments, or in periodic installments, as determined by the Secretary concerned. Based on Service-unique requirements, the Secretary concerned may decline to offer an accession bonus to any specialty that is otherwise eligible or may restrict the length of an accession bonus contract for a specialty to less than 4 years.

051202. Eligibility. To be eligible for an accession bonus, an individual must:

A. Be a licensed clinical psychologist, licensed clinical social worker, physician assistant, or public health officer (Air Force only);

B. Be a graduate of an accredited school(s) in his or her clinical specialty;

C. Be fully qualified to hold a commission or appointment as a commissioned officer in an Active or Reserve Component;

D. Execute a written agreement to accept a commission or appointment as an HPO of the Army, the Navy, or the Air Force to serve on active duty or in an active duty status for a period of not less than 2 consecutive years. An individual who currently holds an appointment as an HPO in either the Active or Reserve Component is not eligible for an accession bonus. A former HPO who no longer holds an appointment or commission and is otherwise qualified and eligible must have been discharged from any uniformed service at least 24 months prior to execution of the written agreement to receive an accession bonus;

E. Have completed all mandatory service obligations, if financial assistance was received from DoD in order to pursue a course of study as an HPO. This includes, but is not limited to, participants and former participants of the Reserve Officers Training Corps, Armed Forces Health Professions Scholarship Program, and Financial Assistance Program; and

F. Possess an unrestricted license (or an approved waiver) and be qualified in the officer's specialty, if a clinical psychologist, clinical social worker or physician assistant.

051203. Amount. The accession bonus amounts are shown in Table 5-8.

051204. Repayment. An officer who fails to fulfill the service conditions specified in the written agreement for the accession bonus will be subject to the repayment provisions of ***Chapter 2***.

* 051205. Duration of Authority. Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2012.

NOTE: During the discharge of the service obligation associated with an accession bonus, individuals are eligible for Incentive Pay and Board Certification Pay. Any additional obligation incurred by these pays shall be served concurrently.

0513 SPECIAL PAY: HEALTH PROFESSION OFFICERS (HPO) INCENTIVE PAY

051301. Eligibility. To be eligible for Incentive Pay, an HPO must:

A. Be a licensed clinical psychologist, licensed clinical social worker, or physician assistant;

B. Have completed specialty qualification before October 1, 2008;

C. Sign a written agreement to remain on active duty or in an active status in the Selected Reserve of the Ready Reserve in a designated health profession specialty for a period of not less than 1 year beginning on the date the contract is signed; and

D. Be a Health Care Provider (HCP), possess an unrestricted license (or approved waiver), and be qualified in his or her specialty. Social workers, clinical psychologists and physician assistants have been designated as HCPs. Subject to acceptance by the Secretary concerned, a HCP must be currently credentialed and privileged at a military treatment facility in the specialty for which the incentive pay is to be paid. The Secretary concerned may also approve recommendations for incentive pay payments to fully qualified HCPs assigned to positions requiring a substantial portion of time performing military-unique duties under adverse conditions or in remote locations outside the United States, or that preclude the ability to spend appropriate time in a clinical setting.

051302. Amount. The monthly incentive pay is shown in Table 5-9. The HPO incentive pay must be paid in monthly installments.

051303. Agreement

A. Not Under Retention Bonus Agreement. Subject to acceptance by the Secretary concerned, an HPO who is eligible for, but not obligated under, an existing retention bonus agreement and who is no longer obligated under a previous incentive pay agreement, may enter into a new 1-year incentive pay agreement at the rate expressed in paragraph 051302. Incentive pay agreements must be for at least 1 year and cannot be prorated. Termination of a current incentive pay contract prior to its expiration can only be done in conjunction with execution of a new retention bonus contract.

B. Under Retention Bonus Agreement. HPOs who enter a retention bonus contract may also enter an incentive pay contract for the same specialty at the amount in paragraph 051302. HPOs who elect this option shall continue incentive pay eligibility at that rate for each active year of the retention bonus contract. Any renegotiation of either the retention bonus or incentive pay shall require signing a new retention bonus contract at the annual rate in effect at the time the new contract is signed with an equal or longer obligation.

051304. Completion of Qualifying Training. Incentive pay shall not be paid during the same fiscal year in which the qualifying training is completed. If the qualifying training is completed out of cycle (at a time prior to the end of June) and it is not the fault of the HPO, the Secretary concerned may authorize its Surgeon General to approve incentive pay during the same fiscal year in which the qualifying training is completed. The effective date of incentive pay shall be calculated from the completion of the qualifying training, plus 3 months.

051305. Repayment. An officer who fails to fulfill the service conditions specified in the written agreement for incentive pay will be subject to the repayment provisions of ***Chapter 2***.

* 051306. Duration of Authority. Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2012.

0514 SPECIAL PAY: HEALTH PROFESSION OFFICERS (HPO) RETENTION BONUS

051401. Eligibility. To be eligible for a retention bonus, an individual must:

A. Be a licensed clinical psychologist, licensed clinical social worker, physician assistant, or public health officer (Air Force only);

B. Be below the grade of O-7;

C. Have at least 8 years of creditable service as an officer in the respective specialty; or have completed any active-duty service commitment incurred for medical education and training; or have completed all active-duty service obligations for an accession bonus;

D. Have completed initial training before October 1, 2008;

E. Have signed a written agreement to remain on active duty as an HPO for a period of 2, 3, or 4 years that is accepted by the Secretary concerned; and

F. Have a current valid, unrestricted license or approved waiver and be credentialed and privileged, if a clinical psychologist, clinical social worker, or physician assistant.

051402. Prior Multiyear Pay. Subject to acceptance by the Secretary concerned, an HPO with an existing multiyear pay pursuant to ***Title 37, U.S.C., Chapter 5 Subchapter II*** or with a retention bonus contract may request termination of that contract to enter into a new retention bonus contract with an equal or longer obligation at the retention bonus annual rate in effect at the time of execution of the new retention bonus contract. The new obligation period shall not retroactively cover any portion or period that was executed under the old contract.

051403. Amounts. Annual payment amounts for retention bonus contracts are shown in Table 5-10. The retention bonus may be paid in a lump sum or periodic installments.

051404. Restriction. Based on Service-unique requirements, the Secretary concerned may decline to offer a retention bonus to any specialty that is otherwise eligible or may restrict the length of a retention bonus contract for a specialty to less than 4 years.

051405. Repayment. An officer who fails to fulfill the service conditions specified in the written agreement for the retention bonus will be subject to the repayment provisions of ***Chapter 2***.

* 051406. Duration of Authority. Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2012.

0515 SPECIAL PAY: HEALTH PROFESSION OFFICERS (HPO) BOARD CERTIFICATION PAY

051501. Eligibility. To be eligible for board certification pay, an officer must:

A. Be a licensed clinical psychologist, licensed clinical social worker, physician assistant, or public health officer (Air Force only);

B. Have a post-baccalaureate degree in his or her clinical specialty;

C. Be certified by a professional board in his or her clinical specialty;

D. Have a current valid unrestricted license or approved waiver, if a clinical psychologist, clinical social worker or physician assistant; and

E. Sign a written agreement to remain on active duty or in an active status in the selected reserves of the Ready Reserve in a designated health profession specialty for a period of not less than 1 year beginning on the date the contract is signed.

051502. Certification Interrupted by Contingency Operations

A. An HPO whose attainment of board certification is interrupted by contingency operations is eligible for retroactive board certification pay when:

1. Eligibility requirements in paragraph 051501 are met, and

2. The HPO completes the board certification or recertification requirements before the end of the 180-day period following deployment (or any time adjustment directed by the Secretary of Defense).

B. The retroactive board certification pay shall begin on the date on which the member was deployed in support of a contingency operation and shall end on the date of obtaining the certification or recertification, or 180 days post-deployment, whichever is shorter.

051503. Amount. The monthly Board Certification Pay is $500.00.

051504. Restriction. An officer may not receive HPO Board Certification Pay and the entitlements contained in section 0507 for the same activity, skill or period of service.

051505. Repayment. An officer who fails to fulfill the service conditions specified in the written agreement for board certification pay will be subject to the repayment provisions of ***Chapter 2***.

* 051506. Duration of Authority. Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2012.

MULTIYEAR SPECIAL PAY (MSP) FOR MEDICAL OFFICERS				
RULE	A	B		
		then multiyear special pay		
	If the medical officer's specialty is	for a 2 year contract is	for a 3 year contract is	for a 4 year contract is
1	Board Certified Aerospace Medicine	$13,000	$19,000	$25,000
2	Anesthesiology	$25,000	$40,000	$60,000
3	Cardiology-Adult/Pediatric	$21,000	$34,000	$51,000
4	Dermatology	$17,000	$25,000	$38,000
5	Emergency Medicine	$17,000	$26,000	$40,000
6	Family Practice	$17,000	$25,000	$38,000
7	Gastroenterology	$22,000	$33,000	$50,000
8	General Surgery	$25,000	$40,000	$60,000
9	Internal Medicine	$13,000	$23,000	$35,000
10	Neurology	$13,000	$19,000	$25,000
11	Neurosurgery	$25,000	$40,000	$60,000
12	OB/GYN	$17,000	$25,000	$35,000
13	Ophthalmology	$13,000	$19,000	$25,000
14	Orthopedics	$17,000	$33,000	$50,000
15	Otolaryngology	$17,000	$25,000	$33,000
16	Pathology	$13,000	$20,000	$30,000
17	Pediatrics	$13,000	$20,000	$30,000
18	Phys Med	$12,000	$13,000	$20,000
19	Prev/Occ Med	$13,000	$20,000	$30,000
20	Psychiatry	$17,000	$28,000	$43,000
21	Pulmonary/IM-Critical Care	$21,000	$31,000	$45,000
22	Radiology	$25,000	$40,000	$60,000
23	Subspecialty Category I	$23,000	$36,000	$55,000
24	Subspecialty Category II	$12,000	$18,000	$27,000
25	Subspecialty Category III	$12,000	$17,000	$25,000
26	Subspecialty Category IV	$13,000	$19,000	$25,000
27	Subspecialty Category V	$21,000	$31,000	$45,000
28	Urology	$20,000	$30,000	$45,000

Table 5-1. Multiyear Special Pay (MSP) for Medical Officers

INCENTIVE SPECIAL PAY (ISP) FOR MEDICAL OFFICERS			
RULE	A	B	
		then	
	If the medical officer's specialty is	one-year ISP Rate without MSP is (note)	one-year ISP rate to be paid with MSP
1	Board Certified Aerospace Medicine	$20,000	$20,000
2	Anesthesiology	$36,000	$50,000
3	Cardiology-Adult/Pediatric	$36,000	$41,000
4	Dermatology	$20,000	$20,000
5	Emergency Medicine	$26,000	$30,000
6	Family Practice	$20,000	$20,000
7	Gastroenterology	$26,000	$29,000
8	General Surgery	$29,000	$50,000
9	Internal Medicine	$20,000	$20,000
10	Neurology	$20,000	$20,000
11	Neurosurgery	$36,000	$60,000
12	OB/GYN	$31,000	$31,000
13	Ophthalmology	$28,000	$30,000
14	Orthopedics	$36,000	$50,000
15	Otolaryngology	$30,000	$35,000
16	Pathology	$20,000	$20,000
17	Pediatrics	$20,000	$20,000
18	Phys Med	$20,000	$20,000
19	Prev/Occ Med	$20,000	$20,000
20	Psychiatry	$20,000	$20,000
21	Pulmonary/IM-Critical Care	$23,000	$26,000
22	Radiology	$36,000	$42,000
23	Subspecialty Category I	$36,000	$57,000
24	Subspecialty Category II	$28,000	$28,000
25	Subspecialty Category III	$23,000	$26,000
26	Subspecialty Category IV	$20,000	$20,000
27	Subspecialty Category V	$36,000	$41,000
28	Urology	$28,000	$28,000

NOTE:
ISP rate for officers not MSP eligible still obligated for training or less than 8-years creditable service for, or MSP eligible but not executing an MSP, and all mobilized Reserve Component medical officers.

Table 5-2. Incentive Special Pay (ISP) for Medical Officers

VARIABLE SPECIAL PAY (VSP) FOR MEDICAL OFFICERS		
RULE	A	B
	If the officer is in the pay grade O-6 and below and is/has	then the monthly payable rate is
1	an intern	$100.00
2	less than 6 years of creditable service and is not an intern	$416.66
3	at least 6 but less than 8 years of creditable service	$1,000.00
4	at least 8 but less than 10 years of creditable service	$958.33
5	at least 10 but less than 12 years of creditable service	$916.66
6	at least 12 but less than 14 years of creditable service	$833.33
7	at least 14 but less than 18 years of creditable service	$750.00
8	at least 18 but less than 22 years of creditable service	$666.66
9	22 or more years of creditable service	$583.33

NOTE: If an officer is serving in a pay grade of O-7 and above, regardless of the years of creditable service, the monthly rate is $583.33.

Table 5-3. Variable Special Pay (VSP) for Medical Officers

BOARD CERTIFIED PAY (BCP) FOR MEDICAL OFFICERS		
RULE	A	B
	If the officer has	then the monthly payable rate is
1	less than 10 years of creditable service	$208.33
2	at least 10 but less than 12 years of creditable service	$291.66
3	at least 12 but less than 14 years of creditable service	$333.33
4	at least 14 but less than 18 years of creditable service	$416.66
5	18 or more years of creditable service	$500.00

Table 5-4. Board Certified Pay (BCP) for Medical Officers

DIPLOMATE PAY FOR PSYCHOLOGISTS AND BOARD CERTIFICATION PAY FOR NON-PHYSICIAN HEALTHCARE PROVIDERS		
RULE	**A**	**B**
	If the officer has	**then the monthly rate payable is**
1	less than 10 years of creditable service	$166.66
2	at least 10 but less than 12 years of creditable service	$208.33
3	at least 12 but less than 14 years of creditable service	$250.00
4	at least 14 but less than 18 years of creditable service	$333.33
5	18 or more years of creditable service	$416.66

NOTE: Creditable service, for purposes of NPBCP, is defined as all periods of active service after the officer was qualified in the healthcare provider specialty for which NPBCP is being received.

Table 5-5. Diplomate Pay for Psychologists and Board Certification Pay for Non-Physician Healthcare Providers

CRITICAL WARTIME SKILLS ACCESSION BONUS	
Medical Specialties	**Bonus Amount**
Anesthesia	$396,000
Neurosurgery	$400,000
Diagnostic Radiology	$364,000
General Surgery	$400,000
Vascular Surgery	$400,000
Pulmonary Medicine	$292,000
Orthopedics	$356,000
Otolaryngology	$252,000
Aerospace Medicine	$180,000
Emergency Medicine	$276,000
Family Practice	$252,000
Obstetrics/Gynecology	$240,000
Psychiatry	$272,000
Urology	$280,000
Internal Medicine	$240,000
Ophthalmology	$200,000
Preventive Medicine	$220,000
Pediatrics	$220,000

Table 5-6. Critical Wartime Skills Accession Bonus

EARLY CAREER INCENTIVE SPECIAL PAY (ECISP)	
Medical Specialties	**ECISP**
Adult Cardiology	$58,000
Anesthesiology	$69,000
Dermatology	$36,000
Emergency Medicine	$44,000
Family Practice	$36,000
Gastroenterology	$49,000
General Surgery	$69,000
Internal Medicine	$34,000
Neurology	$28,000
Neurosurgery	$75,000
Obstetrics/Gynecology	$41,000
Ophthalmology	$34,000
Orthopedics	$63,000
Otolaryngology	$43,000
Pathology	$31,000
Pediatrics	$31,000
Physical & Aerospace Medicine	$25,000
Preventive & Occupational Medicine	$31,000
Psychiatry	$39,000
Pulmonary & Critical Care	$44,000
Radiology	$64,000
Subspecialty Category I	$70,000
Subspecialty Category II	$34,000
Subspecialty Category III	$32,000
Subspecialty Category IV	$28,000
Subspecialty Category V	$54,000
Urology	$46,000

Table 5-7. Early Career Incentive Special Pay

Health Professions Officers (HPO) Accession Bonus		
HPO	3-Year Obligation	4-Year Obligation
Physician Assistant	$12,500	$15,000
Licensed Clinical Psychologist	$12,500	$15,000
Licensed Clinical Social Worker	$6,250	$7,500
Public Health Officer (Air Force)	$7,500	$10,000

Table 5-8. Health Professions Officers (HPO) Accession Bonus

Health Professions Officers (HPO) Monthly Incentive Pay		
HPO	Board Eligible	Fully Qualified
Physician Assistant	$416.67	$416.67
Licensed Clinical Psychologist	$416.67	$416.67
Licensed Clinical Social Worker	$0.00	$0.00
Public Health Officer (Air Force)	$416.67	$416.67

Table 5-9. Health Professions Officers (HPO) Monthly Incentive Pay

Health Professions Officers (HPO) Retention Bonus			
HPO	**2 Years**	**3 Years**	**4 Years**
Physician Assistant	$10,000	$15,000	$20,000
Licensed Clinical Psychologist	$10,000	$15,000	$20,000
Licensed Clinical Social Worker	$0	$0	$0
Public Health Officer (Air Force)	$5,000	$6,250	$7,500

Table 5-10. Health Professions Officers (HPO) Retention Bonus

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050802	37 U.S.C. 302f
	ASD(HA) Memo, September 30, 2010

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37 U.S.C. 302k
* Public Law 112-81, section 612 (7), December 31, 2011
ASD(HA) Memo, November 29, 2010

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* Public Law 112-81, section 612 (4), December 31, 2011

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* Public Law 112-81, section 614 (5), December 31, 2011

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SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 6
"SPECIAL PAYS FOR DENTAL OFFICERS"

All changes are denoted by blue font.

Substantive revisions are denoted by a * 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 *underlined, bold, italic, blue font*.

This updated chapter supersedes the previously published version May 2011.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
060103.A	Hyperlink inserted to Army Dental Corps Special Pay Plan.	Update
060203.C	Restriction for dual payments under sections 0602 and 0610 – 0612 inserted.	Add
060205	Duration of Authority extended for Accession Bonus to December 31, 2012.	Add
060303.C	Restriction for dual payments under sections 0603 and 0610 – 0612 inserted.	Add
060306	Duration of Authority extended for Critical Wartime Skills Accession Bonus to December 31, 2012.	Add
060401	General Eligibility Requirements updated to reflect current policy.	Update
060402	Dental Corps Officer Serving on Active Duty for 1-Year or more updated to reflect current policy.	Add
060403	Dental Corps Officer Serving on Active Duty for Less than 1-Year updated to reflect current policy.	Add
060402 Through 060406	Renumbered to 060404 through 060408.	Update
060501	General Eligibility Requirements updated to reflect current policy.	Update
060502	Dental Corps Officer Serving on Active Duty for 1-Year or more updated to reflect current policy.	Add
060503	Dental Corps Officer Serving on Active Duty for Less than 1-Year updated to reflect current policy.	Add
Former 060502	Renumbered to 060504.	Update

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 6
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PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
060601	Restriction for dual payments under sections 0606 and 0610 – 0612 inserted.	Add
060701	Restriction for dual payments under sections 0607 and 0610 – 0612 inserted.	Add
060703	Waiver of Board Certification Requirement When Certification Interrupted by Contingency Operation inserted.	Add
060802.G	Restriction for dual payments under sections 0608 and 0610 – 0612 inserted.	Add
060902	Restriction for dual payments under sections 0609 and 0610 – 0612 inserted.	Add
0610	Special Pay for General Dentists – Accession Bonus inserted.	Add
0611	Special Pay for General Dentists – Incentive Pay inserted.	Add
0612	Special Pay for General Dentists – Retention Bonus inserted.	Add
Bibliography	Statutes, public laws, and memorandums updated.	Add

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CHAPTER 6

SPECIAL PAYS FOR DENTAL OFFICERS

0601 GENERAL PROVISIONS

060101. Dental Corps Officer. A dental corps officer is an officer of the Dental Corps of the Army or Navy or an officer of the Air Force, designated as a dental officer, who is on active duty under a call or order to active duty for a period of not less than 1 year.

060102. Creditable Service. For purposes of this chapter, creditable service of an officer is computed by adding:

A. All periods, which the officer spent in dental internship or residency training during which, the officer was not on active duty; and

B. All periods of active service in the Dental Corps of the Army or Navy, as an officer of the Air Force designated as a dental officer, or as a dental officer of the Public Health Service.

060103. References. The following hyperlinks detail entitlements, policies, and procedures for Special Pay for Dental Officers for each service:

* A. Army: ***Army Dental Corps Special Pay Plan***.

B. Navy: ***OPNAVINST 7220.17*** and ***Annual Fiscal Year Dental Special Pay Plan NAVADMIN***.

C. Air Force: ***Air Force Dental Officer Special Pay Plan***.

0602 ACCESSION BONUS

060201. Authorization. The Secretary of the Military Department concerned may pay a Dental Officer Accession Bonus to an individual, who executes a written agreement to serve on active duty for a period of not less than 4 years, which is accepted by the Secretary of the Military Department concerned. The agreement will provide that, consistent with the needs of the Armed Service concerned, the person executing the agreement will be assigned to duty, for the period of obligated service covered by the agreement, as an officer of the Dental Corps of the Army or the Navy or an officer of the Air Force designated as a dental officer.

060202. Amount. The Secretary of the Military Department concerned may award an accession bonus to an eligible individual in an amount not to exceed $75,000. Eligible individuals who sign a written agreement, on or after October 1, 2008, to serve on Active Duty in exchange for receiving the accession bonus, are authorized to receive the bonus.

060203. Limitation on Eligibility. A person may not be paid a bonus under paragraph 060201 if:

A. The person, in exchange for an agreement to accept an appointment as an officer, received financial assistance from the Department of Defense (DoD) to pursue a course of study in dentistry;

B. The Secretary of the Military Department concerned determines that the person is not qualified to become and remain certified and licensed as a dentist; or

* C. The person receives pay under sections 0610 – 0612 for the same activity, skill, or period of service.

060204. Repayment. A person who, after signing an agreement under paragraph 060201, is not commissioned as an officer of the armed forces, does not become licensed as a dentist, or does not complete the period of active duty specified in the agreement shall be subject to the repayment provisions of ***Chapter 2***.

* 060205. Duration of Authority. No agreement under this section may be entered into after December 31, 2012, unless this bonus authority is extended by the Congress.

0603 CRITICAL WARTIME SKILLS ACCESSION BONUS

060301. Eligibility. In order to be eligible for a bonus under this section, a person must:

A. Be a graduate of an accredited dental school in a dental specialty listed on Table 6-1; and

B. Execute a written agreement to accept a commission as an officer of the Dental Corps of the Army or the Navy, or as an Air Force officer designated as a dental officer, to serve on active duty for a period of not less than 4 consecutive years.

060302. Amount. The Secretary of the Military Department concerned upon acceptance of the written agreement, may pay an accession bonus to an eligible person in an amount as specified in Table 6-1 for a 4-year obligation in accordance with his/her specialty.

060303. Limitation. A person may not be paid a bonus under this section if:

A. The person, in exchange for an agreement to accept an appointment as an officer, received financial assistance from the DoD to pursue a course of study in dentistry;

B. The Secretary of the Military Department concerned determines that the person is not qualified to become and remain certified as a dentist in a specialty designated by regulations as a critically short wartime specialty; or

* C. The person receives pay under sections 0610 – 0612 for the same activity, skill, or period of service.

060304. Coordination with Other Accession Bonus Authority

A. A person eligible to execute an agreement under either section 0602 or 0603 will elect under which authority to execute the agreement. A person may not execute an agreement under both sections 0602 and 0603.

B. A person eligible to execute an agreement under either section 0603 or 0608 will elect under which authority to execute the agreement. A person may not execute an agreement under both sections 0603 and 0608.

060305. Repayment. A person who, after signing an agreement under subparagraph 060301.B, is not commissioned as an officer of the armed forces, does not become licensed as a dentist, or does not complete the period of active duty specified in the agreement shall be subject to the repayment provisions of ***Chapter 2***.

* 060306. Duration of Authority. No agreement under this section may be entered into after December 31, 2012, unless this bonus authority is extended by the Congress.

0604 INCENTIVE SPECIAL PAY (ISP)

* 060401. General Eligibility Requirements. In order to be eligible for Incentive Special Pay (ISP), a person must:

A. Be a Dental Corps Officer who is an oral and maxillofacial surgeon;

B. Be below the grade of O-7;

C. Have a current, valid, and unrestricted license or approved waiver;

D. Have completed specialty qualification before October 1, of the fiscal year in which the officer enters into an agreement (except for cases listed in paragraph 060406);

E. Not receive pay under sections 0610 – 0612 for the same activity, skill or period of service; and

F. Meet the eligibility criteria of paragraph 060402 or 060403.

* 060402. Eligibility for Officers Serving on Active Duty for 1-Year or More. An officer on active duty under a call or order to active duty for a period of not less than 1-year is eligible for ISP if the officer executes a written agreement to remain on active duty for a period of 1 year or more beginning on the date the officer accepts the award of ISP.

* 060403. Eligibility for Officers Serving on Active Duty for Less than 1-Year. An officer is eligible for ISP if the officer is one of the following:

A. A reservist called to active duty for more than 30 days but less than 1 year, other than active duty for training;

B. An officer involuntarily retained on active duty under ***Title 10 United States Code (U.S.C.) 12305***;

C. A retired dental corps officer recalled to active duty for more than 30 days under ***10 U.S.C. 688***; or

D. An officer who voluntarily agrees to remain on active duty for less than 1 year at a time when:

1. Officers are involuntarily retained on active duty under ***10 U.S.C. 12305***; or

2. The Secretary of Defense determines that special circumstances justify the payment of special pay under ***37 U.S.C. 302f.***

NOTE: Subject to acceptance by the Secretary of the Military Department concerned, a dental officer must be currently credentialed and privileged at a military treatment facility in oral and maxillofacial surgery.

* 060404. Amount. A Dental Corps Officer who enters into a 1-year agreement beginning on or after October 1, 2010 will be paid an ISP of $30,000. Oral and Maxillofacial Surgeons who enter a Dental Officer Multiyear Retention Bonus (DOMRB) agreement for 2, 3, or 4 years shall be paid an annual ISP of $50,000 during the contracted period.

* 060405. Exception. The Secretary of the Military Department concerned may approve recommendations for ISP payments to fully qualified oral and maxillofacial surgeons assigned to positions requiring a substantial portion of time performing military-unique duties under adverse conditions or in remote outside the continental United States locations or that preclude the ability to spend appropriate time in a clinical setting.

* 060406. Limitations. ISP will not be paid during the same fiscal year in which the qualifying residency training is completed. If the qualifying training is completed out of cycle (at a time prior to the end of June), and it is not the fault of the officer, then the Surgeons General are delegated the authority to waive the DoD policy and grant ISP during the same fiscal year in which the qualifying residency is completed. The effective date for ISP will be calculated from the completion of the qualifying training plus 3 months. This keeps all dental officers eligible for ISP consistent with respect to how their eligibility date is calculated.

* 060407. Termination. The Secretary of the Military Department concerned will prescribe regulations to terminate an officer's entitlement to ISP. Reasons for termination may include, but are not necessarily limited to, the following:

A. Loss of privileges;

B. Court martial convictions;

C. Violations of the Uniform Code of Military Justice;

D. Failure to maintain a current unrestricted license; or

E. Reasons that are in the best interest of the Military Department concerned.

NOTE: If the entitlement to ISP is terminated, then the officer will be paid, on a pro-rata basis, the portion served up to the official date of the ruling of the adverse action that is the reason for termination.

* 060408. Repayment. An officer who does not complete the period of active duty specified in the agreement referenced in subparagraph 060401.D, shall be subject to the repayment provisions of ***Chapter 2***.

0605 VARIABLE SPECIAL PAY (VSP)

* 060501. General Eligibility Requirements. In order to be entitled to Variable Special Pay (VSP), an officer of the Dental Corps of the Army or the Navy or an officer of the Air Force designated as a dental officer must:

A. Possess a current, valid, and unrestricted license or approved waiver;

B. Not receive pay under sections 0610 – 0612 for the same activity, skill or period of service; and

C. Meet the eligibility criteria of paragraph 060502 or 060503.

* 060502. Eligibility for Officers Serving on Active Duty for 1-Year or More. An officer on active duty under a call or order to active duty for a period of not less than 1-year is eligible for VSP.

* 060503. Eligibility for Officers Serving on Active Duty for Less than 1-Year. An officer is eligible for VSP if the officer is one of the following:

A. A reservist called to active duty for more than 30 days but less than 1 year, other than active duty for training;

B. An officer involuntarily retained on active duty under ***10 U.S.C. 12305***;

C. A retired dental corps officer recalled to active duty for more than 30 days under ***10 U.S.C. 688***; or

D. An officer who voluntarily agrees to remain on active duty for less than 1 year at a time when:

1. Officers are involuntarily retained on active duty under ***10 U.S.C. 12305***; or

2. The Secretary of Defense determines that special circumstances justify the payment of special pay under ***37 U.S.C. 302f.***

* 060504. Rates Payable. The monthly VSP rates are contained in Table 6-2.

0606 ADDITIONAL SPECIAL PAY (ASP)

* 060601. Eligibility. An officer entitled to VSP under subparagraphs 060501.A and B and paragraph 060502 is entitled to Additional Special Pay (ASP) when the officer executes a written agreement to remain on active duty for a period of not less than 1 year, beginning on the date the officer accepts the award of ASP. An officer entitled to VSP under subparagraphs 060501 A. and B. and paragraph 060503 is not required to execute a written agreement to remain on active duty in order to be entitled to receive ASP.

NOTE: A General Dental Officer who receives pay under sections 0610 – 0612, is not authorized pay under section 0605 for the same activity, skill, or period of service.

060602. Rates. The ASP rates are contained in Table 6-3 and are paid annually at the beginning of the 12-month period for which the officer is entitled to such payment.

060603. Special Provisions. Subject to acceptance by the Secretary of the Military Department concerned a dental officer with an existing ASP service agreement may terminate that ASP agreement on or after the anniversary of his/her creditable service date to enter into a new 1-year ASP service agreement, if the new agreement results in a higher ASP rate due to the number of years served.

060604. Termination. The Secretary of the Military Department concerned will prescribe regulations to terminate an officer's entitlement to ASP. Reasons for termination may include, but are not necessarily limited to, the following:

A. Loss of privileges;

B. Court martial convictions;

C. Violations of the Uniform Code of Military Justice;

D. Failure to maintain a current unrestricted license; or

E. Reasons that are in the best interest of the Military Department concerned.

NOTE: If the entitlement to ASP is terminated, then the officer will be paid, on a pro-rata basis, the portion served up to the official date of the ruling of the adverse action that is the reason for termination.

060605. Repayment. An officer who does not complete the period of active duty specified in the agreement referenced in paragraph 060601, shall be subject to the repayment provisions of ***Chapter 2***.

0607 BOARD CERTIFICATION PAY (BCP)

* 060701. Eligibility. An officer entitled to VSP, as defined in paragraph 060501, who is board certified is entitled to Board Certification Pay (BCP). BCP will be paid monthly.

NOTE: A General Dental Officer who receives pay under sections 0610 – 0612, is not authorized pay under section 0607 for the same activity, skill, or period of service.

060702. Rates Payable. The monthly BCP rates are contained in Table 6-4.

* 060703. Waiver of Board Certification Requirement When Certification Interrupted by Contingency Operation.

A. If the Secretary of Defense determines that an officer is unable to schedule or complete certification or recertification because of duty in support of a contingency operation, that officer shall be paid BCP, beginning on the date the officer was assigned to duty in support of a contingency operation.

B. Unless extended by the Secretary of Defense, the completion of board certification or recertification requirements must be accomplished within 180 days from the date the officer returned from assignment in support of a contingency operation.

0608 DENTAL OFFICER MULTIYEAR RETENTION BONUS (DOMRB)

060801. Authorization. Dental Corps officers with a current, valid, and unrestricted license or approved waiver will be paid at the rates indicated for their specialty listed in Table 6-5 upon acceptance of the written agreement by the Secretary of the Military Department concerned. The amounts listed in Table 6-6 represent annual bonus payments to be paid on the anniversary date of the agreement.

060802. Eligibility Criteria. Eligibility criteria is satisfied by an officer of the Dental Corps of the Army or the Navy or an officer of the Air Force designated as a dental officer who:

A. Is below the pay grade of 0-7;

B. Has a current, valid, and unrestricted license or approved waiver;

C. Has at least 8 years of creditable service or has completed any active duty service commitment incurred for dental education and training;

D. Has completed initial residency training or will complete such training before October 1 of the fiscal year in which the officer enters into an agreement;

E. Executes a written agreement to remain on active duty for 2, 3, or 4 years that is accepted by the Secretary of the Military Department concerned;

F. Has at least one of the Dental Specialties listed in Table 6-5; and

* G. Does not receive pay under sections 0610 – 0612 for the same activity, skill or period of service.

NOTE: Based on Service unique requirements, the Secretary of the Military Department concerned may decline to offer a Dental Officer Multiyear Retention Bonus (DOMRB) to any eligible specialty or restrict the length of a DOMRB contract for a specialty to less than 4 years.

060803. Special Provisions. Subject to acceptance by the Secretary of the Military Department concerned, a dental officer with an existing DOMRB service agreement may terminate that agreement to enter into a new DOMRB service agreement at the annual rate in effect at the time of the execution of the new agreement. The length of the new DOMRB agreement period must be equal to or longer than the original obligation period specified in the DOMRB agreement being terminated. Any unearned portion of the terminated agreement will be recouped.

060804. Termination. The Secretary of the Military Department concerned will prescribe regulations to terminate an officer's entitlement to DOMRB. Reasons for termination may include, but are not necessarily limited to, the following:

A. Loss of privileges;

B. Court martial convictions;

C. Violations of the Uniform Code of Military Justice;

D. Failure to maintain a current unrestricted license; or

E. Reasons that are in the best interest of the Military Department concerned.

NOTE: If the entitlement to DOMRB is terminated, then the officer will be paid, on a pro-rata basis, the portion served up to the official date of the ruling of the adverse action that is the reason for termination.

060805. Repayment. An officer who does not complete the period of active duty specified in subparagraph 060802.E shall be subject to the repayment provisions of ***Chapter 2***.

060806. Coordination with Other Multiyear Accession Bonus Authority. A person eligible to execute an agreement under either section 0603 or 0608 will elect under which authority to execute the agreement. A person may not execute an agreement under both sections 0603 and 0608.

0609 SPECIAL PAY FOR ACTIVE DUTY OF RESERVE DENTAL OFFICERS

060901. Entitlement. A Reserve dental officer under a call or order to active duty for less than 1 year is entitled to special pay at the monthly rate of $350 a month for each month of active duty, including active duty in the form of annual training, active duty for training, and active duty for special work. The amount will be prorated for periods less than 1 month.

* 060902. Restrictions. A General Dental Officer who receives pay under sections 0610 – 0612, is not authorized pay under section 0609 for the same activity, skill, or period of service.

* 060903. Payments. Payments will be paid monthly, and amounts will be prorated for periods less than 1 month.

*0610 SPECIAL PAY FOR GENERAL DENTISTS – ACCESSION BONUS (AB)

061001. Eligibility. To be eligible for an Accession Bonus (AB), an individual must:

A. Be a graduate of an American Dental Association (ADA) accredited school of dentistry and possess a Doctor of Dental Surgery (DDS) or Doctor of Dental Medicine (DMD) degree;

B. Be fully qualified to hold a commission or appointment as a commissioned officer in an Active Component (will be appointed in the Dental Corps as a General Dentist);

C. Have a current, valid, unrestricted license or approved waiver;

D. Execute a written agreement to accept a commission or appointment as a dental officer of the Military Services to serve on active duty for a period of not less than 4 consecutive years. An individual who holds an appointment as a dental officer in either the Active or Reserve Component is not eligible for an AB. A former Dental Corps officer who no longer holds an appointment or commission and is otherwise qualified and eligible must have been discharged from any uniformed service at least 24 months prior to executing the written agreement to receive an AB;

E. At the time of commission or appointment, have completed all mandatory service obligations if financial assistance was received from the DoD in order to pursue a course of study as a dentist. This requirement applies to, but is not limited to, participants and former participants of the Reserve Officers Training Corps, Armed Forces Health Professions

Scholarship Program, Financial Assistance Program, and Uniformed Services University of the Health Sciences; and

F. Has not received the Accession Bonuses described in sections 0602 and 0603 for the same activity, skill or period of service.

061002. Amount. General Dentists are considered a Critically Short Wartime Specialty. General Dentists, who meet the conditions described in paragraph 061001, are eligible for an AB payable for written agreements in the amount of $37,500 per year of the contract for a 4-year obligation.

061003. Service Obligations. During the discharge of the service obligation associated with AB, individuals are not eligible for a retention bonus.

061004. Repayment. An officer who fails to fulfill the service conditions specified in the written agreement for the AB will be subject to the repayment provisions of ***Chapter 2***.

061005. Duration of Authority. Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2012.

*0611 SPECIAL PAY FOR GENERAL DENTISTS – INCENTIVE PAY (IP)

061101. Eligibility. A General Dentist is eligible for Incentive Pay (IP) if he or she:

A. Is serving as a General Dentist;

B. Executes a written agreement to remain on active duty beginning on the date the contract is executed:

1. For active duty for a period of not less than 1 year; or

2. For Reserve Component for a period of mobilization or Active Duty for Special Work exceeding 30 days;

C. Possesses an unrestricted license (or approved waiver), and is qualified as a General Dentist. Subject to acceptance by the Secretary of the Military Department concerned, a General Dentist must be currently credentialed and privileged at a military treatment facility as a General Dentist. The Secretary of the Military Department concerned may also approve recommendations for IP payments to General Dentists assigned to positions requiring a substantial portion of time performing military-unique duties under adverse conditions, or in remote locations outside the United States, or that preclude the ability to spend appropriate time in a clinical setting; and

D. Does not receive pay under sections 0602 – 0609 for the same activity, skill or period of service.

061102. Amount. Monthly payments shall be paid in the amount established by the Secretary of the Military Department concerned not to exceed $1,666.66.

061103. Not Under Retention Bonus (RB) Agreement. Subject to acceptance by the Secretary of the Military Department concerned, a General Dentist who is eligible for but not under an existing Retention Bonus (RB) agreement and who is no longer obligated under a previous IP agreement may enter into a new IP agreement. IP agreements must be for at least 1 year or as determined in the Health Affairs Special Pay Plan.

061104. Under Retention Bonus Agreement. General Dentists who enter a RB contract may also enter an IP contract. General Dentists who elect this option shall continue IP eligibility for each active year of the RB contract. Any renegotiation of either the RB or IP shall require signing a new RB contract (at the annual rate in effect at the time the new contract is signed) with an equal or longer obligation.

061105. Completion of Qualifying Training. The effective date of IP shall be calculated from the completion of the qualifying training plus 3 months.

061106. Restriction. An officer may not receive IP and the entitlements contained in section 0604, 0605, and 0606 for the same activity, skill, or period of service.

061107. Repayment. An officer who fails to fulfill the service conditions specified in the written agreement for the IP will be subject to the repayment provisions of ***Chapter 2***.

061108. Duration of Authority. Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2012.

*0612 SPECIAL PAY FOR GENERAL DENTISTS – RETENTION BONUS (RB)

061201. Eligibility. To be eligible for a RB, a General Dentist must:

A. Be below the grade of O-7;

B. Have completed either:

1. Any active duty service commitment incurred for dental education, training, or accession obligation; or

2. The active duty service obligation for an AB. An individual eligible for an AB may decline the AB and accept the RB;

C. Have completed General Dentist qualification prior to the beginning of the fiscal year during which a written agreement is executed;

D. Have executed a written agreement, accepted by the Secretary of the Military Department concerned, to remain on active duty as a Dental Officer for 2, 3, or 4 years;

E. Have a current valid unrestricted license or approved waiver and be credentialed, privileged, and practicing as a General Dentist. The Secretary of the Military Department concerned may also approve recommendations for RB payments to General Dentists assigned to positions requiring a substantial portion of time performing military-unique duties under adverse conditions or in remote locations outside the United States, or that preclude the ability to spend appropriate time in a clinical setting; and

F. Has not received pay under sections 0602 – 0609, is not authorized pay under section 0612 for the same activity, skill, or period of service.

061202. Service Unique Requirements. Based on Service unique requirements, the Secretary of the Military Department concerned may decline to offer a RB to General Dentists or may restrict the length of a RB contract to less than 4 years.

061203. Prior Multiyear Pay or Retention Bonus. Subject to acceptance by the Secretary concerned, a General Dentist with an existing Multiyear Pay or with a RB contract may request termination of that contract to enter into a new RB contract with an equal or longer obligation at the RB annual rate in effect at the time of execution of the new RB contract. The new obligation period shall not retroactively cover any portion or period that was executed under the old contract.

061204. Active Duty Service Obligations (ADSOs). Active Duty Service Obligations (ADSOs) for RB shall be established in accordance with subparagraphs 061204.A through 061204.D.

A. ADSOs for education and training and previous MP agreements shall be served before serving the RB ADSO.

B. When no education and training ADSO exists at the time of a RB contract execution, the RB ADSO shall be served concurrently with the RB contract period and all non-education and training ADSOs. If the RB contract is executed before the start date of residency training and no other education and training ADSO exists, then the RB ADSO shall be served concurrently with the RB contract period. However, if the RB contract is executed on or after the start date of residency, then the General Dentist is obligated for the full residency period and the RB ADSO shall begin 1 day after the fellowship ADSO is completed. Once a General Dentist has begun to serve a RB ADSO, he or she shall serve it concurrently with any existing ADSO, including obligations for other special pay agreements or medical education and training obligations incurred after the execution date for that particular RB contract.

C. Obligations for RB may be served concurrently with any other service obligation, to include IP, Board Certified Pay, promotion, non-clinical doctorate degree, master's degree, and non-clinical doctorate or master's degree, and non-medical military schooling.

D. During the discharge of the service obligation associated with the Health Professional Loan Repayment Program (HPLRP), individuals are eligible for RB. The RB ADSO is consecutive to all HPLRP obligations.

061205. Amounts. Annual payment amounts for multiyear RB contracts shall be:

A. $13,000 a year for a 2-year contract;

B. $19,000 a year for a 3-year contract; or

C. $25,000 a year for a 4-year contract.

061206. Repayment. An officer who fails to fulfill the service conditions specified in the written agreement for the RB will be subject to the repayment provisions of ***Chapter 2***.

061207. Duration of Authority. Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2012.

CRITICAL WARTIME SKILLS ACCESSION BONUS	
Dental Specialties	**Bonus Amount**
Oral and Maxillofacial Surgery	$300,000
Comprehensive Dentistry	$300,000
Endodontics	$300,000
Prosthodontics	$300,000

Table 6-1. Critical Wartime Skills Accession Bonus

VARIABLE SPECIAL PAY (VSP) FOR DENTAL OFFICERS	
A	**B**
If the officer	**then the monthly rate payable is**
is an intern or has less than 3 years of creditable service	$250.00
has 3 but less than 6 years of creditable service and is not an intern	$583.33
has 6 but less than 8 years of creditable service	$583.33
has 8 but less than 12 years of creditable service	$1,000.00
has 12 but less than 14 years of creditable service	$833.33
has 14 but less than 18 years of creditable service	$750.00
has 18 or more years of creditable years	$666.66
is serving in a pay grade above 0-6, regardless of the years of creditable service	$583.33

Table 6-2. Variable Special Pay (VSP) for Dental Officers

ADDITIONAL SPECIAL PAY (ASP) FOR DENTAL OFFICERS	
A	**B**
If a dental officer is eligible under paragraph 060601, has	**then the rates payable for each 12 month period is**
less than 3 years of creditable service	$10,000.00
at least 3, but less than 10 years of creditable service	$12,000.00
at least 10 or more years of creditable service	$15,000.00

Table 6-3. Additional Special Pay (ASP) for Dental Officers

BOARD CERTIFICATION PAY (BCP) FOR DENTAL OFFICERS	
	B
If the officer has	**then the monthly rate payable is**
less than 10 years of creditable service	$208.33
10 but less than 12 years of creditable service	$291.66
12 but less than 14 years of creditable service	$333.33
14 but less than 18 years of creditable service	$416.66
18 or more years of creditable service	$500.00

Table 6-4. Board Certification Pay (BCP) for Dental Officers

FY 2011 DENTAL OFFICER MULTIYEAR RETENTION BONUS PAY LEVELS	
Eligible Specialties	**FY 2011 Level**
Oral-maxillofacial surgeons	1
Comprehensive/operative dentistry	1
Endodontics	1
Prosthodontics	1
Orthodontics	1
Oral Pathology/Oral Diagnosis/Oral Medicine	1
Pediatric Dentistry	1
Periodontics	1
Public Health Dentistry	1
Temporomandibular Dysfunction (TMD)/Orofacial Pain	1
Dental Research	1
Exodontia (Advanced Clinical Practice - ACP)	3
Endodontics (ACP)	3
General Dentistry (ACP)	3
Peridontics (ACP)	3
Prosthodontics (ACP)	3

Table 6-5. Dental Officer Multiyear Retention Bonus (DOMRB) Pay Levels

FY 2011 DENTAL OFFICER MULTIYEAR RETENTION BONUS PAY RATES				
Length of Agreement	**Level 1**	**Level 2**	**Level 3**	**Level 4**
4 Years	$50,000	$40,000	$35,000	$25,000
3 Years	$38,000	$30,000	$27,000	$19,000
2 Years	$25,000	$20,000	$18,000	$13,000

Table 6-6. Dental Officer Multiyear Retention Bonus (DOMRB) Pay Rates

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0602 – ACCESSION BONUS

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*	060205	Public Law 112-81, section 612 (5), December 31, 2011

0603 – CRITICAL WARTIME SKILLS ACCESSION BONUS

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0604 – INCENTIVE SPECIAL PAY (ISP)

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*	060401.E	37 U.S.C. 371
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*	060403	37 U.S.C. 302f

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0609 – SPECIAL PAY FOR ACTIVE DUTY OF RESERVE DENTAL OFFICERS

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*	060902	37 U.S.C. 371

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Table 6-1	ASD(HA) Memo, September 30, 2010
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Table 6-3	37 U.S.C. 301e ASD(HA) Memo, September 30, 2010
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Table 6-6	37 U.S.C. 302l ASD(HA) Memo, September 30, 2010

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 7
"SPECIAL PAY FOR PHARMACY OFFICERS, OPTOMETRISTS, AND VETERINARIANS"

All changes are denoted in blue font.

Substantive revisions are denoted by a * 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 *underlined, bold, italic, blue font*.

This updated chapter supersedes the previously published version dated May 2011.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
070101.E	Duration of Authority for Pharmacy Officer Accession Bonus extended to December 31, 2012.	Update
070303	Restriction inserted for USAF officers serving as Veterinarians.	Add
070403	Restriction inserted for USAF officers serving as Veterinarians.	Add
070501.B.3	Eligibility removed applying to USAF officers serving as Veterinarians.	Delete
070504.B	Certification Interrupted by Contingency Operations was removed.	Delete
070506	Duration of Authority extended for Accession Bonus and Incentive Pay – Veterinarian to December 31, 2012.	Update
0706	Hyperlinks inserted to service instructions.	Add
Bibliography	Statutes updated.	Update

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CHAPTER 7

SPECIAL PAY FOR PHARMACY OFFICERS, OPTOMETRISTS, AND VETERINARIANS

0701 PHARMACY OFFICERS

070101. Accession Bonus

A. Eligibility. A person who is a graduate of an accredited pharmacy school and who executes a written agreement to accept a commission as an officer of a uniformed service and remain on active duty for a period of not less than 4 years, may, upon acceptance of the agreement by the Secretary of the Military Department concerned, be paid an accession bonus in an amount determined by the Secretary concerned.

B. Eligibility Limitation. A person may not be paid an accession bonus if:

1. The person, in exchange for an agreement to accept an appointment as a warrant or commissioned officer, received financial assistance from the Department of Defense (DoD) or the Department of Health and Human Services to pursue a course of study in pharmacy; or

2. The Secretary concerned determines that the person is not qualified to become and remain licensed as a pharmacist.

C. Amount. The Secretaries concerned may, upon acceptance of the written agreement, pay an accession bonus to an eligible person in an amount not to exceed $30,000.

D. Repayment. A person who, after signing an agreement under subparagraph 070101.A, is not commissioned as an officer of the armed forces, does not become and remain certified or licensed as a pharmacist, or does not complete the period of active duty specified in the agreement shall be subject to the repayment provisions of ***Chapter 2***.

* E. Duration of Authority. No agreement under this section may be entered into after December 31, 2012, unless this bonus authority is extended by the Congress.

070102. Special Pay

A. Eligibility. A commissioned officer serving in a pay grade below O-7 who meets the following requirements is eligible to receive special pay starting on or after October 1, 2010:

1. Is a pharmacy officer in the Medical Service Corps of the Army or Navy, or the Biomedical Science Corps of the Air Force; and

2. Is on active duty under a call or order to active duty for a period of not less than 2 years; and

3. Executes a contract to remain on active duty for a minimum of 2 years from the date of the contract (exception that those with an approved retirement date may be approved within Service policy).

NOTE: Anyone extended on active service (voluntary or involuntary) beyond a formally recorded separation or retirement date due to national emergency may extend the contract under which they are currently serving on the date of extension (stop loss).

B. Amount. The amount paid to an officer for Pharmacy special pay will not exceed $15,000 per year for a 2-year obligation.

0702 OPTOMETRISTS

070201. Eligibility. The following officers are eligible for special pay:

A. A commissioned officer of the Regular Army, Regular Navy, or the Regular Air Force who is designated as an optometry officer;

B. A commissioned officer of a Reserve Component of the Army, Navy, or the Air Force who is designated as an optometry officer who is on active duty as a result of a call or order to active duty for a period of at least 1 year; or

C. An optometry officer on active duty less than 1 year, other than active duty for training. This includes:

1. Reservists called to active duty for more than 30 days but less than 1 year, other than active duty for training.

2. Officers involuntarily retained on active duty under ***Title 10 United States Code (U.S.C.), 12305***.

3. Officers who voluntarily agree to remain on active duty for less than 1 year at a time when officers are involuntarily retained on active duty under ***10 U.S.C. 12305***, or the Secretary of Defense determines that special circumstances justify the payment of special pay under ***37 U.S.C. 302f***.

4. Any retired optometry officer recalled to active duty for more than 30 days under ***10 U.S.C. 688***.

D. A general officer of the Army or the Air Force appointed, from any of the categories named in subparagraphs 070201.A, 070201.B, or 070201.C in the Army, Air Force, or the National Guard.

070202. Regular Special Pay. An eligible officer is entitled to special pay at the rate of $100 a month for each month of active duty.

070203. Retention Special Pay. An eligible officer may be paid a retention special pay of not more than $15,000 for any 12-month period during which the officer is not undergoing an internship or initial residency training, provided the officer:

A. Is entitled to regular special pay under paragraph 070201;

B. Has completed any initial active-duty service commitment incurred for education and training;

C. Is determined by the Secretary concerned to be a qualified as an optometrist; and

D. Either:

1. Executes a written agreement to remain on active duty for a period of not less than 1 year beginning on the date the officer accepts the award of such special pay;

2. Is a reserve officer called or ordered to active duty for more than 30 days but less than 1 year, other than active duty for training;

3. Is involuntarily retained on active duty under ***10 U.S.C. 12305***;

4. Voluntarily agrees to remain on active duty for less than 1 year at a time when:

a. Officers are involuntarily retained on active duty under ***10 U.S.C. 12305***; or

b. The Secretary of Defense determines that special circumstances justify the payment of special pay under ***37 U.S.C. 302f***; or

5. Is a retired optometry officer recalled to active duty for more than 30 days under ***10 U.S.C. 688***.

070204. Repayment. An officer who does not complete the period for which the payment was made under subparagraph 070203.D will be subject to the repayment provisions of ***Chapter 2***.

0703 SPECIAL PAY - VETERINARIANS

070301. Eligibility

A. A commissioned officer:

1. Of the Regular Army who is in the Veterinary Corps; or

2. Of the Regular Air Force in the Biomedical Sciences Corps who holds a degree in veterinary medicine.

B. A commissioned officer:

1. Of a Reserve Component of the Army who is in the Veterinary Corps of the Army; or

2. Of a Reserve Component of the Air Force, of the Army or the Air Force without specification of Component, or the National Guard, who:

a. Is designated as a veterinary officer; or

b. Is an officer in the Biomedical Sciences Corp of the Air Force and holds a degree in veterinary medicine.

C. The commissioned officers listed in subparagraph 070301.B must also meet one of the following requirements in order to be eligible for a bonus under this section.

1. Be on active duty less than 1 year, other than active duty for training:

2. Be a reserve officer called to active duty for more than 30 days but less than 1 year, other than active duty for training.

3. Be involuntarily retained under ***10 U.S.C. 12305***.

4. Voluntarily agree to remain on active duty for less than 1 year at a time when officers are involuntarily retained on active duty under ***10 U.S.C. 12305***, or the Secretary of Defense determines that special circumstances justify the payment of special pay under 37 U.S.C. 302f.

5. Be a retired officer recalled to active duty for more than 30 days under ***10 U.S.C. 688***.

D. A general officer of the Army or the Air Force appointed, from any of the categories named in subparagraphs 070301.A or 070301.B in the Army, Air Force, or the National Guard.

070302. Special Pay. Each eligible officer is entitled to special pay at the rate of $100 a month for each month of active duty.

* 070303. Restriction. Officers cannot receive special pay under this section and the entitlements contained in section 0705 for the same activity, skill, or period of service.

Veterinarians in the United States Air Force may stay under the entitlements contained in section 0703, or move to the consolidation of pay as a Health Professions Officer contained in ***Chapter 5, section 0512 – 0515***, but are restricted from receiving both.

0704 NON-PHYSICIAN HEALTHCARE PROVIDER BOARD CERTIFICATION PAY

070401. Eligibility. The Secretary concerned may authorize the payment of Non-Physician Healthcare Provider Board Certification Pay (NPBCP) to an officer who is an officer in the Army, Navy, or an officer of the Air Force designated as a Non-Physician Healthcare Provider. The NPBCP may apply to a pharmacist, optometrist, or veterinarian. To be eligible for board certification pay, an officer must:

A. Be a health care provider in a clinical specialty that is privilegeable; and

B. Have a post-baccalaureate degree in their clinical specialty; and

C. Be certified by a professional board in their clinical specialty.

070402. Amount. The rate of NPBCP to which an officer is entitled shall be paid in equal monthly amounts.

Years of Creditable Service	**Annual Payments**
Less than 10 years	$2,000
At least 10 but less than 12 years	$2,500
At least 12 but less than 14 years	$3,000
At least 14 but less than 18 years	$4,000
18 or more years	$5,000

* 070403. Restriction. Officers cannot receive the NPBCP and the entitlements contained in section 0705 for the same activity, skill, or period of service. Veterinarians in the United States Air Force may stay under the entitlements contained in section 0703, or move to the consolidation of Pay as a Health Professions Officer contained in ***Chapter 5, section 0512 – 0515***, but are restricted from receiving both.

NOTE: Creditable service, for purposes of NPBCP, is defined as all periods of active service after the officer was qualified in the health care provider specialty for which NPBCP is being received.

0705 ACCESSION BONUS AND INCENTIVE PAY FOR OFFICERS IN HEALTH PROFESSION - VETERINARIANS

070501. Accession Bonus

A. Authorization. The Secretary concerned may pay Health Profession Officers Accession Bonus – Veterinarians to an eligible individual who signs a written

agreement on or after November 1, 2008, to serve on active duty or in an active status in exchange for receiving an accession bonus. Based on Service-unique requirements, the Secretary concerned may decline to offer an accession bonus to any specialty that is otherwise eligible or may restrict the length of an accession bonus contract for a specialty to less than 4 years.

B. Eligibility. To be eligible for an accession bonus, an individual must:

1. Be a graduate of an accredited school(s) in his or her clinical specialty.

2. Be fully qualified to hold a commission or appointment as a commissioned officer in an Active or Reserve Component.

3. Execute a written agreement to accept a commission or appointment as a veterinarian of the Army, or the Navy to serve on active duty or in active-duty status for a period of not less than 2 consecutive years. An individual who currently holds an appointment as a veterinarian in either the Active or Reserve Component is not eligible for an accession bonus. A former veterinary officer who no longer holds an appointment or commission and is otherwise qualified and eligible must have been discharged from any uniformed service at least 24 months prior to execution of the written agreement to receive an accession bonus.

4. Have completed all mandatory service obligations, if financial assistance was received from DoD in order to pursue a course of study as a veterinarian. This includes, but is not limited to, participants and former participants of the Reserve Officers Training Corps, Armed Forces Health Professions Scholarship Program, and Financial Assistance Program.

5. Possess an unrestricted license (or an approved waiver) and be qualified a veterinarian.

C. Amount. Veterinarians, who meet the conditions under subparagraph 070501.B, are eligible for an accession bonus of $5,000 for a 4-year written agreement entered into during Fiscal Year (FY) 2010. The accession bonus may be paid in a lump sum, in monthly payments, or in periodic installments, as determined by the Secretary concerned.

D. Restriction. Officers cannot receive a Health Profession Officers Accession Bonus and the entitlements contained in section 0703 for the same activity, skill, or period of service.

NOTE: During the discharge of the service obligation associated with an accession bonus, individuals are eligible for Incentive Pay and Board Certification Pay. Any additional obligation incurred by these pays shall be served concurrently.

070502. Incentive Pay

A. Eligibility. To be eligible for Incentive Pay, a veterinary officer must:

1. Have completed specialty qualification before October 1, 2008.

2. Sign a written agreement to remain on active duty or in an active status in the Selected Reserve of the Ready Reserve in a designated health profession specialty for a period of not less than 1 year beginning on the date the contract is signed.

3. Also be a veterinarian, possessing an unrestricted license (or approved waiver) and be qualified in his or her specialty. Subject to acceptance by the Secretary concerned, a veterinarian must be currently credentialed and privileged at a military treatment facility in the specialty for which the incentive pay is to be paid. The Secretary concerned may also approve recommendations for incentive pay payments to fully qualified veterinarians assigned to positions requiring a substantial portion of time performing military-unique duties under adverse conditions or in remote locations outside the United States, or that preclude the ability to spend appropriate time in a clinical setting.

B. Amount. A licensed veterinarian, who meets the conditions of subparagraph 070502.A and signs a contract beginning on or after July 23, 2009, is eligible for incentive pay in the annual amount of:

1. $2,500 for entry-level pay; or

2. $2,500 while in training; or

3. $5,000 when board eligible; or

4. $5,000 when fully qualified.

NOTE: The veterinarian incentive pay must be paid in monthly payments.

C. Restriction. An officer is not eligible to receive Health Professional Officers Incentive Pay if they have signed an agreement to receive the entitlements contained in section 0703.

D. Agreement

1. Not Under Retention Bonus Agreement. Subject to acceptance by the Secretary concerned a veterinarian who is eligible for, but not obligated under, an existing retention-bonus agreement and who is no longer obligated under a previous incentive-pay agreement, may enter into a new 1-year incentive-pay agreement at the rate expressed in subparagraph 070402. Incentive-pay agreements must be for at least 1 year and cannot be prorated. Termination of a current incentive-pay contract prior to its expiration can only be done in conjunction with execution of a new retention-bonus contract.

2. Under Retention Bonus Agreement. Veterinarians who enter a retention-bonus contract may also enter an incentive-pay contract for the same specialty at the amount in paragraph 070402. Veterinarians who elect this option shall continue incentive-pay eligibility at that rate for each active year of the retention-bonus contract. Any renegotiation of either the retention bonus or incentive pay shall require signing a new retention-bonus contract at the annual rate in effect at the time the new contract is signed with an equal or longer obligation.

E. Completion of Qualifying Training. Incentive pay shall not be paid during the same FY in which the qualifying training is completed. If the qualifying training is completed out of cycle (at a time prior to the end of June) and it is not the fault of the veterinary officer, the Secretary concerned may authorize its Surgeon General to approve incentive pay during the same FY in which the qualifying training is completed. The effective date of incentive pay shall be calculated from the completion of the qualifying training, plus 3 months.

070503. Retention Bonus

A. Eligibility. To be eligible for a retention bonus, a veterinary officer must:

1. Be below the grade of O-7.

2. Have at least 8 years of creditable service as an officer in the respective specialty; have completed any active-duty service commitment incurred for medical education and training; or have completed all active-duty service obligations for accession bonus.

3. Have completed initial training before October 1, 2008.

4. Have signed a written agreement to remain on active duty as a veterinarian for a period of 2, 3, or 4 years, and is accepted by the Secretary of the Military Department concerned.

NOTE: Based on Service-unique requirements, the Secretary of the Military Department concerned may decline to offer retention bonus to any specialty that is otherwise eligible or may restrict the length of a retention-bonus contract for a specialty less than 4 years.

B. Prior Multiyear Pay. Subject to acceptance by the Secretary of the Military Department concerned, a veterinarian with an existing multiyear pay or with a retention-bonus contract may request termination of that contract to enter into a new retention-bonus contract with an equal or longer obligation at the retention-bonus annual rate in effect at the time of execution of the new retention-bonus contract. The new obligation period shall not retroactively cover any portion or period that was executed under the old contract.

C. Amounts. Annual payment amounts for multiyear retention-bonus contracts shall be in the amounts of:

1. $2,500 for a 2-year obligation;

2. $3,750 for a 3-year obligation; or

3. $5,000 for a 4-year obligation.

NOTE: The retention bonus may be paid in a lump sum or periodic installments.

D. Restriction. Officers cannot receive a Health Profession Officers Retention Bonus and the entitlements contained in section 0703 for the same activity, skill, or period of service.

070504. Board Certification Pay

A. Eligibility. To be eligible for board certification pay, an officer must:

1. Have a post-baccalaureate degree in his or her clinical specialty.

2. Be certified by a professional board in his or her clinical specialty.

3. Sign a written agreement to remain on active duty or in an active status in the selected reserves of the Ready Reserve in a designated health profession specialty for a period of not less than 1 year beginning on the date the contract is signed.

B. Amount. Veterinarians meeting the conditions in subparagraph 070504.A are eligible to receive board certification pay at the annual rate of $6,000 paid in equal monthly amounts.

C. Restriction. Officers cannot receive a Health Profession Officers Board Certification Pay and the entitlements contained in section 0703 for the same activity, skill, or period of service.

070505. Repayment. An officer who receives a bonus or incentive pay under section 0705 and fails to fulfill the service conditions specified in the written agreement for the bonus or incentive pay will be subject to the repayment provisions of ***Chapter 2***.

* 070506. Duration of Authority. Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2012.

*0706 REFERENCES. The following regulations detail entitlements, policies, and procedures for special pay for Pharmacy, Optometry, Veterinary officers for each of the services:

070601. Army: ***Army Pharmacy and Optometry Special Pay Plan*.**

070602. Navy: ***OPNAVINST 7220.17*** and ***Annual FY Pharmacy and Optometry Special Pay Plan***.

070603. Air Force: ***Air Force Biomedical Special Pay Plan***.

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	070102	37 U.S.C. 302i ASD(HA) Memo, October 10, 2008 ASD(HA) Memo, October 27, 2009
	070103	37 U.S.C. 303a(e), 373 USD (P&R) Memo, May 21, 2008 USD (P&R) Memo, February 6, 2009

0702 – OPTOMETRISTS

070201	37 U.S.C. 302a(a)
070202	37 U.S.C. 302a(a)
070203	37 U.S.C. 302a(b), 302f
070204	37 U.S.C. 303a(e), 373 USD (P&R) Memo, May 21, 2008 USD (P&R) Memo, February 6, 2009

0703 – SPECIAL PAY - VETERINARIANS

070301	37 U.S.C. 302f, 303(a)
070302	37 U.S.C. 303(a)
070303	37 U.S.C. 371

0704 – NON-PHYSICIAN HEALTHCARE PROVIDER BOARD CERTIFICATION PAY

	ASD(HA) Memo, March 9, 2009
070401	37 U.S.C. 302c(d)
070402	37 U.S.C. 302c(b)
070403	37 U.S.C. 371

*0705 – ACCESSION BONUS AND INCENTIVE PAY FOR OFFICERS IN HEALTH PROFESSION - VETERINARIANS

37 U.S.C. 335, 371
ASD(HA) Memo, July 23, 2009
Public Law 112-81, section 614 (5), December 31, 2011

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 8
"SPECIAL PAY - SPECIAL DUTY ASSIGNMENT PAY - ENLISTED MEMBERS"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Reviewed for accuracy, formatting, references, and hyperlinks. No changes were needed.	Update

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Bibliography

CHAPTER 8

SPECIAL PAY - SPECIAL DUTY ASSIGNMENT PAY - ENLISTED MEMBERS

0801 ENTITLEMENT PROVISIONS AND POLICY

080101. Entitlement

A. General. An enlisted member entitled to basic pay may qualify for Special Duty Assignment Pay (SDAP) when the member performs duties designated by the Secretary concerned as extremely difficult or involving an unusual degree of responsibility. A member entitled to SDAP may receive such pay in addition to any other pay or allowances to which entitled. SDAP status is awarded according to the applicable regulations of the Military Service concerned.

B. Certification. Appropriate authorities annually review eligibility and payment authority for each member receiving SDAP. Payment stops automatically on the annual anniversary date if positive certification is not made that a member is still eligible for SDAP.

080102. Definitions

A. Military Specialty

1. A military specialty is an element of the enlisted classification structure (Military Occupational Specialty, Air Force Specialty Rating, Navy Enlisted Classification, career field subdivision, career management field, and occupational field, as appropriate to the Military Service concerned) that identifies an individual position or group of closely related positions on the basis of the similarity of the duties involved. It is also the primary identifier of individuals who possess the ability, knowledge and other occupational qualifications required for effective performance in such positions.

2. A military specialty provides occupational standards for procurement, training, classification, and career development; identifies military skills so closely related that a degree of interchangeability exists between members assigned to the military specialty; and provides a normal career progression pattern for members within that military specialty.

B. Special Duty Assignment. A duty assignment characterized by extremely demanding duties or duties demanding an unusual degree of responsibility.

C. Production Recruiter. Individuals assigned to recruiting duties under regulations issued by the Military Services.

080103. Monthly Rates

A. Special Duty Assignment Pay. SDAP is payable only at one of the below listed rates.

Special Duty Assignment	Monthly Rate
SD-1	$75
SD-2	$150
SD-3	$225
SD-4	$300
SD-5	$375
SD-6	$450

B. Designations of military specialties for SDAP are in the applicable regulations of the Military Service concerned. The criteria for designation of military specialties are in ***Department of Defense Instruction (DoDI) 1304.27***, "Award and Administration of Special Duty Assignment Pay."

C. SDAP levels for the following specialties are established by the Office of the Under Secretary of Defense (Personnel and Readiness):

1. Production Recruiter: SD-6;

2. White House Communications Agency: SD-2 through SD-5, depending on position;

3. Defense Threat Reduction Agency: specified positions, SD-2;

4. Defense Courier Operations: specified positions, SD-1; and

5. Senior Enlisted Advisor (SEA) to the Joint Chiefs of Staff: based on the parent service's SDAP rate for individuals serving as SEA to the Service Chief, not to exceed SD-6.

0802 CONDITIONS OF ENTITLEMENT

080201. Eligibility Requirements. A member who meets the requirements in Table 8-1 may be awarded a special duty assignment rating under procedures in regulations of the Military Service concerned.

080202. Conditions Affecting Entitlement. Conditions affecting entitlement to SDAP are shown in Table 8-2.

080203. Date to Stop SDAP. Table 8-2 shows how to determine the last day on which special duty assignment pay accrues to a member. Stop SDAP on the date shown in this table, unless an earlier date is specified in the order terminating such pay status.

080204. Effect of SDAP on Other Computations. SDAP is not used in the computation for enlistment bonus, severance pay, separation pay, or cash settlement of accrued leave.

080205. Collection of Erroneous Payments. Collect from a member when a purported special duty assignment is revoked because assignment was made without original basis of authority.

080206. Removal From Rating Status Without Original Basis of Authority. Military Service administrative regulations allow certain authorities to revoke orders which removed a member from a special duty assignment if the removal was without original basis of authority. When orders are so revoked, the member is entitled to SDAP for the entire period involved if otherwise entitled to the pay.

080207. Tax. SDAP is subject to withholding of income tax, but not subject to withholding of Federal Insurance Contribution Act taxes.

ELIGIBILITY REQUIREMENTS FOR SPECIAL DUTY ASSIGNMENT PAY			
RULE	**A**	**B**	**C**
	When an enlisted member	**and**	**then**
1	is an Active Component member in a pay status; is serving in pay grade E-3 or higher, is qualified for and serving in the designated special duty assignment	meets other conditions of eligibility as prescribed by the Secretary of the Military Department	the member may be awarded the prescribed monthly special duty assignment rate of pay.
2	is a Reserve Component member called or ordered to active duty (including active duty for training) in a pay status; is serving in pay grade E-3 or higher, is qualified for and serving in the designated special duty assignment		
3	is a Reserve Component member on inactive duty for training (IDT) in a pay status; is serving in pay grade E-3 or higher, is qualified for and serving in the designated special duty assignment		the member may be awarded SDAP at 1/30th of the prescribed monthly SDAP rate for the performance of each authorized period of IDT with pay.
4	attains eligibility under rules 1 to 3, before the date of termination of award in any special duty assignment designated for termination of award		the member may be awarded SDAP.

Table 8-1. Eligibility Requirements for Special Duty Assignment Pay

CONDITIONS AFFECTING ENTITLEMENT TO SPECIAL DUTY ASSIGNMENT PAY				
RULE	A	B	C	D
	When a member receiving special duty assignment pay	**and**	**then special duty assignment status**	**and entitlement to special duty assignment pay**
1	has SDAP rating withdrawn for any reason		is withdrawn	continues through the date stated in the order withdrawing the SDAP rating.
2	fails to maintain the minimum level of qualification required for satisfactory performance in the military skill			stops on the date established by the authority determining the level of qualification does not meet established standards.
3	is discharged or relieved from active duty	does not reenlist within 24 hours	is withdrawn on date of discharge	continues through the date of discharge (note 1).
4	is confined	confinement is result of court-martial sentence or non-judicial punishment	will be withdrawn on the date of confinement resulting from a court-martial sentence or non-judicial punishment	continues through the day prior to the date of confinement resulting from a court-martial sentence or non-judicial punishment.
5	is absent without official leave (AWOL)		continues	stops during all of AWOL.
6	is reported in a missing status		continues (note 2)	continues.
7	is in a patient status, including convalescence leave	patient status is due to disease resulting from intemperate use of alcohol or habit-forming drugs	continues	stops while member is in a patient status or convalescent leave status.
8		patient status is not due to disease resulting from intemperate use of alcohol or habit-forming drugs, but exists for more than 12 months	will be withdrawn on the first day of the 13th month when a patient status continues to exist (note 2)	continues through the last day of the 12th month.

Table 8-2. Conditions Affecting Entitlement to Special Duty Assignment Pay

CONDITIONS AFFECTING ENTITLEMENT TO SPECIAL DUTY ASSIGNMENT PAY				
RULE	A	B	C	D
	When a member receiving special duty assignment pay	**and**	**then special duty assignment status**	**and entitlement to special duty assignment pay**
9	is hospitalized due to a wound, injury, or illness	receiving allowances under the Pay and Allowance Continuation Program (PAC) in ***Chapter 13***	may continue for 1 year from the date the member was first hospitalized (unless stopped earlier by the PAC termination criteria in ***Chapter 13***)	continues through the last day of the 12th month. (note 4)
10	is demoted	grade to which reduced is below that for which either pay is authorized	will be withdrawn on the date of demotion	continues through the day prior to the date of demotion.
11	is on temporary duty or temporary additional duty	is not performing duties requiring use of skills on which pay is based	continues for not more than 90 days	continues through 90th day of temporary duty (TDY) or temporary additional duty (TAD).
12		is performing duties requiring use of the skills on which pay is based	continues during entire period of TDY or TAD	continues through entire period of TDY or TAD.
13	is reassigned permanent change of station (PCS) or permanent change of assignment (without PCS) or detailed to duty not requiring use of skills on which special duty assignment pay is based	commanding officer determines the reassignment or detail is permanent (over 90 days)	is withdrawn	continues through the day prior to the date of departure from special duty assignment.
14		commanding officer determines the reassignment or detail is less than 90 days but it exceeds 90 days	is terminated on the 91st day of the reassignment or detail	continues through the 90th day of the detail or reassignment.
15	enters retraining status	the military skill into which member is retraining is not designated for special duty assignment pay	is withdrawn	continues through the day prior to the date member enters retraining status.

Table 8-2. Conditions Affecting Entitlement to Special Duty Assignment Pay (Continued)

CONDITIONS AFFECTING ENTITLEMENT TO SPECIAL DUTY ASSIGNMENT PAY				
RULE	A	B	C	D
	When a member receiving special duty assignment pay	**and**	**then special duty assignment status**	**and entitlement to special duty assignment pay**
16	is reclassified out of the military skill on which the pay is based	the military skill to which reclassified is not designated for an award of special duty assignment pay	is withdrawn on the date of reclassification	continues through the day prior to the date of reclassification.
17	is attending a course of instruction	the course of instruction is necessary for member's continued qualification in the special duty assignment	continues	continues.
18		the course of instruction is not necessary to qualify the member for special assignment in the military skill, but the member will be reassigned to the military skill on which the pay is based upon completion of the training	continues for no more than 90 days	continues through the 90th day.
19		the course of instruction is not necessary to qualify the member for a special assignment in the military skill and the member will not be reassigned to the military skill on which the pay is based upon completion of training	is withdrawn on the date of departure for training	continues through the date of departure for training.
20		the course of instruction leads to commission or warrant officer status	is withdrawn	stops on the date of departure for entry into training.
21	is on authorized leave		continues	continues.

Table 8-2. Conditions Affecting Entitlement to Special Duty Assignment Pay (Continued)

CONDITIONS AFFECTING ENTITLEMENT TO SPECIAL DUTY ASSIGNMENT PAY				
RULE	A	B	C	D
	When a member receiving special duty assignment pay	**and**	**then special duty assignment status**	**and entitlement to special duty assignment pay**
22	is serving in military specialty designated for termination of award	member continues qualified and serves in the military specialty		continues at one-half rate for 1-year period following effective date of the termination (note 3).
23	is serving in military specialty designated for reduction of award			continues at rate for reduced award on the effective date of the reduction.
24	is reassigned PCS requiring use of skills on which pay is based	member continues qualified and performs the special duties		continues during leave en route, for periods of allowable travel time between assignments and for duty at new permanent duty station.

NOTES:

1. If a Navy member fails to reenlist on board, then SDAP continues through date of discharge or release from active duty.
2. SDAP may be awarded, withdrawn, increased, or decreased while member, otherwise eligible, is in a patient or missing status.
3. The Principal Deputy Under Secretary of Defense (Personnel and Readiness) may waive the SDAP termination limits and prescribe other rates and time limits for specific situations.
4. The Principal Deputy Under Secretary of Defense (Personnel and Readiness) may extend the 1 year termination date for members who are hospitalized for the treatment of a wound, injury or illness in 6-month increments under extraordinary circumstances.

Table 8-2. Conditions Affecting Entitlement to Special Duty Assignment Pay (Continued)

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Table 8-1	
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Rule 9	DoDI 1304.27, April 10, 2009
Note 3	ASD(FMP) Memo, November 23, 1999
Note 4	DoDI 1304.27, April 10, 2009

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 9
"SPECIAL PAY – ENLISTMENT, REENLISTMENT, AND RETENTION BONUS - ENLISTED MEMBERS"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
090107 Bibliography	Extended duration of Authority for Enlistment Bonus to December 31, 2011.	Update
090210 Bibliography	Extended duration of Authority for Selective Reenlistment Bonus to December 31, 2011.	Update
090306 Bibliography	Extended duration of Authority Critical Skill Retention Bonus to December 31, 2011.	Update
0904 Bibliography	Inserted Army Referral Bonus.	Add
0905 Bibliography	Inserted Military Occupational Specialty Conversion Bonus.	Add

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CHAPTER 9

SPECIAL PAY - ENLISTMENT, REENLISTMENT, AND RETENTION BONUS - ENLISTED MEMBERS

0901 ENLISTMENT BONUS

090101. Entitlement. An enlistment bonus is authorized for individuals who enlist in a Military Service for a specific period and, if applicable, for service in a military skill that is experiencing critical personnel shortages as designated by the Secretary of the Military Department concerned.

090102. Eligibility. The individual must:

A. Possess either a high school diploma, a completion or attendance certificate instead of a high school diploma, or a General Educational Development program certificate;

B. Enlist for at least 2 years in the Regular or Reserve Component, performing Active Guard and Reserve duty, of a military service that qualifies for an enlistment bonus;

C. Be an initial enlistee, a prior military service enlistee, or a reservist not on active duty who enlists in a Regular Component of the military service department concerned, as defined below:

1. Initial Enlistee/Nonprior Service. This term applies to a person who has either never served or has served less than 180 days on active duty as a member of the Armed Forces. Enlistees who have received an enlistment bonus under the Selected Reserve Incentive Program (SRIP) retain eligibility for the Regular Component enlistment bonus under this section if other eligibility criteria are met.

2. Prior Military Service Enlistee. This term applies to a person who has prior military experience but has not previously received an enlistment or reenlistment bonus or who currently is not entitled to a reenlistment bonus.

3. Reservist Not on Active Duty who Enlists in a Regular Component of the Military Service Department Concerned. This term applies to a person who previously has not received an enlistment or reenlistment bonus or currently is not entitled to a reenlistment bonus. Reservists who have received an enlistment or reenlistment bonus under SRIP retain eligibility for the Regular Component enlistment bonus if they meet all other eligibility criteria.

D. Have neither previously received an enlistment bonus nor have previously received or be currently entitled to an Selective Reenlistment Bonus under section 0902 or a Critical Skill Retention Bonus under section 0903.

E. If receiving an enlistment bonus for military service in a designated skill, successfully complete training and become technically qualified in the designated critical skill.

F. Meet any additional military service specific eligibility criteria and quality standards established by the Secretary of the Military Department concerned, as prescribed in:

1. Army: ***AR 601-210***

2. Navy: ***OPNAVINST 1160.9***

3. Air Force: ***AFI 36-2002***

4. Marine Corps: ***MCO 1130.53P***

090103. Limitations

A. An individual is allowed to receive only one enlistment bonus during a lifetime.

B. An individual is not allowed to be paid an enlistment and a reenlistment bonus for the same period of service.

C. Reservists currently obligated to a military service under the Delayed Enlistment Program are not eligible for an enlistment bonus from another military service.

090104. Amount. The Secretary of the Military Department concerned shall determine the amount of the enlistment bonus awarded for a designated military skill. The bonus payment for a designated critical military skill is not to exceed $40,000.

NOTE: When a member enlists in a Reserve Component under the Delayed Enlistment Program (DEP) with a concurrent commitment to serve in a Regular Component for a period of at least 2 years in a skill designated as critical, the award level of the enlistment bonus is fixed on the date of enlistment in the DEP, rather than on the date of entry on active duty.

090105. Method of Payment

A. The bonus may be paid either in periodic installments or in a single lump sum. The timing of the initial payment is at the discretion of the Secretary of the Military Department concerned, except that it shall not be paid before the member completes basic recruit training. For individuals enlisted for specialties requiring formal training, the Service concerned may withhold the initial payment until the individual completes the training and qualifies in the military skill, so that the bonus serves as an incentive to complete the training needed to qualify in the skill.

B. Members with prior military service who do not require formal training to be technically qualified in the skill for which the bonus is being paid shall be paid the first

installment no earlier than 30 days after arrival at the first permanent duty station following reentry to active duty.

C. If paid in installments, after the initial payment, the remainder of the bonus shall be paid in equal periodic installments.

090106. Repayment

A. General. A member who does not complete the term of enlistment, or who is not technically qualified in the skill for which the bonus was paid, will be subject to the repayment provisions of ***Chapter 2***.

B. Amount of Repayment. Divide the amount of the bonus paid by the number of months for which the bonus is payable. This is the bonus amount per month. Multiply this number by the number of months and fractions of months not served (including lost time, unless such lost time has been made up). This is the amount to be recouped.

Example: A member enlists for 6 years (obligated service). Total bonus payable is $36,000. The bonus was paid at $6,000 per year ($36,000 divided by 6 years). Bonus amount per month is $6,000 divided by 12 = $500 per month. Of this 36-month period, the member serves 30 months (that is, does not serve 6 of the 36 months). Recoup $500 x 6 = $3,000.

* 090107. Duration of Authority. No bonus may be paid under this section with respect to any enlistment in the Armed Forces made after December 31, 2011, unless this bonus authority is extended by the Congress.

0902 SELECTIVE REENLISTMENT BONUS (SRB)

090201. Entitlement. The Secretary of the Military Department concerned may pay a bonus to a member of a uniformed service who:

A. Has completed at least 17 months of continuous active duty (other than for training) but not more than 20 years of active duty;

B. Is qualified in a military skill designated as critical by the Secretary of the Military Department concerned; and

C. Reenlists or voluntarily extends enlistment for a period of at least 3 years:

1. In a Regular Component of the service concerned or

2. In a Reserve Component of the service concerned, if the member is performing active Guard or Reserve duty (for Reserve or Guard members not performing full-time active duty, see ***Chapter 56***).

090202. General Eligibility. An enlisted member is eligible to receive a SRB if the individual meets the following criteria:

A. The enlisted member is qualified in a military skill designated for award of the SRB before the effective date on which the award of a bonus for a designated military skill is terminated.

B. The enlisted member attains eligibility before the effective date of termination of awards in any military skill that has been designated for termination of the award. Members must attain eligibility before the effective date of a reduction of award level to be eligible for the higher award level. Eligibility attained through any modification of an existing service obligation, including any early discharge granted under ***Title 10, United States Code (U.S.C.), section 1171***, must have been attained before the effective date of the termination or reduction of award in the military skill.

C. The enlisted member is serving in pay grade E-3 or higher.

D. The enlisted member reenlists or voluntarily extends enlistment in the Regular Component of the Military Service concerned for a period of at least 3 years.

E. The enlisted member must qualify under any additional eligibility criteria prescribed by the Secretary of the Military Department concerned, as prescribed in:

1. Army: ***AR 601-280***

2. Navy: ***OPNAVINST 1160.8A***

3. Air Force: ***AFI 36-2606***

4. Marine Corps: ***MCO 7220.24M***

NOTE: The Secretary of Defense may waive the eligibility requirement in subparagraph 090202.A when a member of the Armed Forces reenlists or voluntarily extends enlistment as described in this section while serving on Active Duty in Afghanistan, Iraq, or Kuwait in support of Operation Enduring Freedom or Operation New Dawn.

090203. Limitations

A. A reenlistment must occur no later than 3 months (or within a lesser period if so prescribed by the Secretary of the Military Department concerned) after the date of discharge or release from active duty (other than active duty for training in a Reserve Component).

B. Veterans with more than a 3-month but less than a 4-year break in active duty may qualify for a broken service, or prior service re-entry, SRB program in accordance with regulations prescribed by the Secretary of the Military Department concerned. For SRB

purposes, a member who reenlists in the Navy more than 24 hours but less than 4 years after discharge or release from active duty shall be considered a Navy veteran with broken service. The 24-hour period begins on the day following the date of discharge or separation. For reenlistees reentering active duty with a break in active duty greater than 24 hours, only the original DD Form 214, Certificate of Release or Discharge from Active Duty, (copy 1 or copy 4) or a reproduction of the DD Form 214, with a certified true-copy stamp and appropriate Federal Government authenticating seal imprinted thereon, is acceptable documentation and identification.

C. Members who reenlist in the same Military Service within 3 months after release from active duty as an officer are eligible for an SRB, if they served as an enlisted member in that Military Service immediately before serving as an officer and meet all other eligibility criteria. For special rules for computing an SRB in the case of a former officer with prior enlisted service, see subparagraph 090206.E.

D. Members are not allowed to use the period of any existing contractual service agreement to attain eligibility, except as provided for in subparagraph 090206.C.

E. Two or more extensions may not be combined to gain eligibility for an SRB. Additionally, eligibility gained through an extension may not be increased by future extensions.

F. Members who reenlist or extend to gain sufficient obligated service to participate in a program leading to commissioned or warrant officer status are not eligible for an SRB.

090204. Reenlistment Zones Eligibility. There are 5 zones of consideration.

A. Zone A Eligibility. The enlisted member must have:

1. Completed at least 17 months of continuous active duty (other than active duty for training as a member of a Reserve Component), but no more than 6 years of active duty, on the date of reenlistment or beginning of an extension of enlistment.

2. Completed a total period of obligated active duty of at least 6 years, because of the reenlistment or extension, when coupled with existing active service.

3. Not received a Zone A SRB in the past.

B. Zone B Eligibility. The enlisted member must have:

1. Completed at least 6 years of active duty service, at least 17 months of which was continuous active duty (other than for active duty for training as a member of a Reserve Component), but no more than 10 years of active duty on the date of reenlistment or beginning of an extension of enlistment.

2. Completed a total period of obligated active duty of at least 10 years, because of the reenlistment or extension, when coupled with existing active service.

3. Not received a Zone B SRB in the past.

C. Zone C Eligibility. The enlisted member must have:

1. Completed at least 10 years of active duty service, at least 17 months of which was continuous active duty (other than for active duty for training as a member of a Reserve Component), but no more than 14 years of active duty on the date of reenlistment or beginning of an extension of enlistment.

2. Completed a total period of obligated active duty of at least 14 years, because of the reenlistment or extension, when coupled with existing active service.

3. Not received a Zone C SRB in the past.

D. Zone D Eligibility. The enlisted member must have:

1. Completed at least 14 years of active duty service, at least 17 months of which was continuous active duty (other than for active duty for training as a member of a Reserve Component), but no more than 18 years of active duty on the date of reenlistment or beginning of an extension of enlistment.

2. Completed a total period of obligated active duty of at least 18 years, because of the reenlistment or extension, when coupled with existing active service.

3. Not received a Zone D SRB in the past.

E. Zone E Eligibility. The enlisted member must have:

1. Completed at least 18 years of active duty service, at least 17 months of which was continuous active duty (other than for active duty for training as a member of a Reserve Component), but no more than 20 years of active duty on the date of reenlistment or beginning of an extension of enlistment.

2. Completed a total period of obligated active duty of at least 20 years, because of the reenlistment or extension, when coupled with existing active service.

3. Not received a Zone E SRB in the past.

F. Special Conditions

1. Members with exactly 6 years of active duty on the date of reenlistment or beginning of an extension of enlistment may be paid a Zone A bonus if otherwise eligible and if they have not previously received a Zone A bonus. If they have received a Zone

A bonus or if no Zone A bonus is designated, then they may be paid a Zone B bonus if otherwise eligible.

2. Members with exactly 10 years of active duty on the date of reenlistment or beginning of an extension of enlistment may be paid a Zone B bonus if otherwise eligible and they have not received a Zone B bonus. If they have received a Zone B bonus or if no Zone B bonus is designated, then they may be paid a Zone C bonus if otherwise eligible.

3. Members with exactly 14 years of active duty on the date of reenlistment or beginning of an extension of enlistment may be paid a Zone C bonus if otherwise eligible and they have not received a Zone C bonus. If they have received a Zone C bonus or if no Zone C bonus is designated, then they may be paid a Zone D bonus if otherwise eligible.

4. Members with exactly 18 years of active duty on the date of reenlistment or beginning of an extension of enlistment may be paid a Zone D bonus if otherwise eligible and they have not received a Zone D bonus. If they have received a Zone D bonus or if no Zone D bonus is designated, then they may be paid a Zone E bonus if otherwise eligible.

5. Members who have elected to exercise their entitlement to readjustment pay, severance pay, or separation pay are not eligible to receive an SRB.

090205. Amount. The maximum amount payable is the lesser of following:

A. The product of the member's monthly basic pay (at the time of discharge, release from active duty, or the day prior to the beginning of extension), times the number of years (or monthly fraction thereof) of the reenlistment or extension period (not to exceed 6 years), times a multiple (not to exceed 15) set by the Secretary of the Military Department concerned. (The multiple shall be based on the criticality of the military skill); or

B. $90,000; or

C. The Secretary of the Military Department concerned may establish a flat-rate annual payment for the SRB, provided the flat-rate amount paid to any member over the term of the reenlistment or extension is less than the maximum amount prescribed in subparagraph 090205.B and the amount calculated applying the format in subparagraph 090205.A.

NOTE: The Secretary of the Military Department concerned may also provide a multiple for the location or projected location to which the enlisted Service member agrees to reenlist to serve provided manning shortages are being experienced in that skill at that location.

090206. Additional Obligated Service and Computations

A. Additional obligated service is defined as any active service commitment beyond an existing contractual service agreement. Existing contractual service agreements include enlistments, extensions of enlistment, and reenlistments.

B. Any portion of a term of reenlistment or extension of enlistment that, when added to the total years of service of the member at the time of discharge or beginning of the extension, exceeds 24 years may not be used in computing a bonus under subparagraph 090205.A. Service members may not use the period of any existing contractual service agreement for bonus computation.

C. The following may be considered as part of an immediately subsequent term of reenlistment (or voluntary extension of an enlistment) for bonus computation:

1. Any period of enlistment, including extension of enlistment, that is incurred by a member for continuing to qualify for continuous submarine duty incentive pay under ***37 U.S.C. 301c*** and for which no bonus is otherwise payable.

2. Any unserved period of 2 years or less of an extension of an enlistment for which no bonus has been paid or for which no bonus is otherwise payable, provided the immediately subsequent term of reenlistment or voluntary extension of an enlistment is for a term of at least 2 years.

Example: A member with 13 years, 3 months, and 15 days active duty; 3 months, 5 days of active duty for training; and 2 months, 15 days of existing obligated service, who enlists for 4 years, can be paid an SRB (Zone C) based on 2 years, 2 months as follows:

	YR	MO	DAY
Active duty	13	3	15
Active duty for training		3	5
Existing obligated service		2	15
Total	13	8	35
or	13	9	5
Maximum SRB years	24	0	0

3. Not to exceed a maximum amount of $90,000 per SRB. (See maximum SRB years in this example.)

	YR	MO	DAY
Less obligated active service (partial months count as a whole month)	13	10	0
Time for which SRB (Zone C) is payable	2	2	0

4. Not paid more than once within each zone of eligibility.

D. When a member extends an enlistment for an SRB, the SRB payment is based on the award level multiplier in effect on the date the extension agreement is executed not on the date the extension agreement becomes operative.

E. When computing the SRB in the case of a former officer with prior enlisted service who may be entitled to a bonus, if the bonus amount payable is other than a flat-rate reenlistment bonus, the bonus payable shall be computed using the monthly basic pay of the grade in which the member is enlisted, computed in accordance with the member's years of service computed under ***37 U.S.C. 205***, instead of the monthly basic pay to which the member was entitled at the time of release from active duty as an officer.

F. Computation Factors for Commissioning Program

Example 1: Assume that the member reenlisted on April 4, 2002, for 4 years. The SRB due was $16,000. The member was paid the first installment of $8,000 (50 percent) on April 4, 2002, and the second installment of $2,666.66 on April 4, 2003. The total SRB paid to date was $10,666.66.

The member entered officer training school (OTS) with a class start date of June 1, 2003. The member's third and fourth installments would be suspended pending completion of OTS and commissioning. Given successful completion, the member would forfeit the remaining installments. However, had the member washed out of the program and returned to enlisted status in the same bonus skill, the remaining installments would be payable, but at a rate reduced by the number of days spent in the OTS program. Computation is as follows:

Initial Bonus Information		
SRB Entitlement	$16,000	
No. Days Paid	1440	
Daily Rate	$11.1111	($16,000 / 1440)
No. Days in OTS	96	(member washed out of OTS September 6, 2003 (30-day basis))
New No. Days Paid	1344	(1440 - 96)
New SRB Entitlement	$14,933.32	(1344 x $11.1111)

Balance to be paid over remaining two installments: $4,266.66 ($14,933.32 - $10,666.66 paid to date).

Due final two installments: $2,133.33 ($4,266.66 divided by 2).

Example 2: Assume that the member reenlisted on June 4, 2002, for 4 years. The SRB due is $16,000. The member was paid the first installment of $8,000 (50 percent) on June 4, 2002, with the second installment due on June 4, 2003.

The member entered OTS with class start date of June 10, 2003. The member's acceptance in OTS was granted on March 10, 2003. Under this set of circumstances, the member would be due the second SRB installment because it fell due before the class start date. The member should be paid the second SRB installment, but the third and fourth installments would be suspended pending completion of the commissioning program.

Example 3: Assume that the member reenlisted on June 4, 2002, for 4 years. The SRB due is $16,000. The member was paid the first installment of $8,000 (50 percent) on June 4, 2002, with the second installment due on June 4, 2003.

The member entered ECP with a class start date of June 2, 2003. The member's acceptance in ECP was granted on March 10, 2003. Under this set of circumstances, the member would not be due the second SRB installment because it fell due after the class start date. The member's second, third, and fourth SRB installments would be suspended pending the completion of the commissioning program.

Example 4: Assume that the member enlisted on January 1, 2003, for 4 years. The member completed training on March 31, 2003, and was awarded a military specialty, for which an enlistment bonus (EB) of $6,000 was authorized. The member was paid the first installment of $5,000 on April 1, 2003.

The member entered OTS with a class start date of June 1, 2003. The member washed out of the commissioning program on November 30, 2003. The computation is as follows:

Initial Bonus Information	
EB Entitlement	$6,000
No. Days Paid	1440
Daily Rate	$4.166 ($6,000 / 1440)
No. Days in OTS	180 (member washed out of OTS November 30, 2003 (use 30-day basis))
New No. Days Paid	1260 (1440 - 180)
New EB Entitlement	$5,249.92 (1260 x 4.1666)
Balance to be Paid	$249.92 ($5,249.92 - $5,000 paid to date)

090207. Method of Payment. The bonus may be paid either in installments or in a single lump sum. If the Secretary of the Military Department concerned elects to pay SRBs in installments:

A. The initial payment shall be not less than 50 percent of the total bonus, paid at the time of reenlistment, or when the Service member begins serving in the extension. The remainder is paid in equal annual installments. If necessary, the Military Service concerned shall make appropriate adjustments to the amounts so that all payments are made before the Service member completes 24 years of active service.

B. The initial payment to a Service member who reenlists with a break in active duty greater than 24 hours is to be made no earlier than 30 days after arrival at the first permanent duty station following reenlistment, although the bonus is computed from the actual date of reenlistment.

C. Where there is lost time, the subsequent installment payments will be delayed by the number of days of lost time.

D. Discharge for the purpose of immediate reenlistment does not affect a member's entitlement to subsequent SRB installment payments.

090208. Reduction and Termination of Awards

A. When a military specialty is designated for reduction or termination of award, an effective date for reduction or termination of award shall be established and promulgated to the field at least 30 days in advance. Except as provided in subparagraphs 090208.B and 090206.E, all awards on and after the effective date of the military specialty designated for reduction of award will be at the reduced level, and no new awards will be made on or after the effective date in a military specialty designated for termination of award.

B. A member who agrees to train and reenlist for military service in a skill, that at the time of that agreement is designated for award of the SRB, may be paid the bonus for that skill at the award level in effect at the time of agreement or at the award level in effect at the time of reenlistment, whichever is higher, on completion of qualification training and reenlistment in that skill, if the member is otherwise qualified for the bonus, even if that skill is no longer designated for award of the SRB at the time the member becomes eligible for payment of the bonus.

090209. Repayment

A. General. A member who does not complete the term of enlistment or who is not technically qualified in the skill for which the bonus was paid will be subject to the repayment provisions of ***Chapter 2***.

B. Amount of Repayment. Repayment is required on a percentage basis for the time remaining to be served. Divide the amount of the bonus paid by the number of months for which the bonus is payable. This is the bonus amount per month. Multiply this number by the number of months and fractions of months not served (including lost time, unless such lost time has been made up). This is the amount to be recouped.

Example: A member reenlists for 6 years (obligated service). Total bonus payable is $36,000. The bonus was paid at $6,000 per year ($36,000 divided by 6 years). Bonus amount per month is $6,000 divided by 12 = $500 per month. Of this 36-month period, the member serves 30 months (does not serve 6 of the 36 months). Recoup $500 x 6 = $3,000 if reason for separation requires repayment.

* 090210. Duration of Authority. No bonus shall be paid under this section with respect to any reenlistment, or voluntary extension of an active-duty enlistment, entered into after December 31, 2011, unless this bonus authority is extended by the Congress.

0903 CRITICAL SKILL RETENTION BONUS (CSRB)

090301. Eligibility. An enlisted member of the Armed Forces who is serving on active duty in a Regular Component or in an active status in a Reserve Component

(see ***Chapter 56***) and who is qualified in a critical military skill designated by the Secretary of Defense may be paid a retention bonus as provided in this section if:

A. In the case of an enlisted member other than a member serving on an indefinite enlistment, the member reenlists or voluntarily extends the enlistment for at least 1 year, or

B. In the case of an enlisted member serving on an indefinite enlistment, the member executes a written agreement to remain on active duty for at least 1 year or to remain in an active status in a Reserve Component for at least 1 year.

NOTE: The member may not be paid a retention bonus if the member received a bonus or incentive pay under both subchapter I and subchapter II of chapter 5 of title 37 United States Code for the same activity, skill, or period of service.

090302. Limitations

A. A retention bonus may not be provided under paragraph 090301 to a member of the Armed Forces who has completed more than 25 years of active duty or service in an active status in a Reserve Component or who shall complete the 25th year before the end of the period of active duty or active status for which the bonus is offered. This limitation does not apply with respect to:

1. A member who, during the period of active duty or service in an active status in a Reserve Component for which the bonus is offered, is an officer assigned duties as a health care professional;

2. A member who is qualified in a skill related to special operations forces; or

3. A member who is qualified for duty in connection with supervision, operation, and maintenance of navel propulsion plants.

B. The Principal Director Under Secretary of Defense for Personnel and Readiness (PDUSD (P&R)) may waive the 25-year service limitation on eligibility with respect to a member who, during a period of active duty or service in an active status in a Reserve Component for which the bonus is being offered, is assigned duties in a skill designated as critical.

C. CSRB payments may not be made before the start of the active duty service period for which the CSRB is being awarded, unless specifically authorized by the PDUSD (P&R).

NOTE: The enlisted member must reenlist or voluntarily extend their enlistment or execute an active duty service obligation agreement (when applicable) for a period of at least 1 year.

090303. Amount

A. A member may enter into an agreement or reenlist or voluntarily extend enlistment more than once to receive a bonus under this section. However, a member may not receive a total of more than $200,000 (or $100,000 in the case of a Reserve Component member) in payments under this section.

B. The amount payable in a CSRB shall be established by the Secretary of the Military Department concerned, but it shall neither result in payment inconsistent with the maximum amounts prescribed in ***37 U.S.C. 355***, nor may it exceed an annual payment of $30,000 to any member unless the PDUSD(P&R) has granted an exception to that annual $30,000 maximum.

090304. Method of Payment. A bonus under this section may be paid in a single lump sum or in periodic installments.

090305. Repayment

A. General. A member who does not complete the term of enlistment or extension of enlistment or who is not technically qualified in the skill for which the bonus was paid, will be subject to the repayment provisions of ***Chapter 2***.

B. Amount of Repayment. Repayment is required on a percentage basis for the time remaining to be served. Divide the amount of the bonus paid by the number of months for which the bonus is payable. This is the bonus amount per month. Multiply this number by the number of months and fractions of months not served (including lost time, unless such lost time has been made up). This is the amount to be recouped.

Example: A member reenlists for 6 years (obligated service). Total bonus payable is $36,000. The bonus was paid for $6,000 per year ($36,000 divided by 6 years). Bonus amount per month is $6,000 divided by 12 = $500 per month. Of this 36-month period, the member serves 30 months (does not serve 6 of the 36 months). Recoup $500 x 6 = $3,000 if reason for separation requires repayment.

* 090306. Duration of Authority. No bonus may be paid under this section with respect to any reenlistment, or voluntary extension of an enlistment, in the armed forces entered into after December 31, 2011, and no agreement under this section may be entered into after that date, unless this bonus authority is extended by the Congress.

*0904 ARMY REFERRAL BONUS

090401. Authority. The Secretary of the Army may pay a bonus under this section to an individual listed in paragraph 090402 who refers to an Army recruiter a person who has not previously served in an armed force and who, after such referral, enlists in the Regular Component of the Army or in the Army National Guard or Army Reserve. A referral for which a bonus may be paid occurs:

A. When the individual concerned contacts an Army recruiter on behalf of a person interested in enlisting in the Army; or

B. When a person interested in enlisting in the Army contacts an Army recruiter and informs the recruiter of the role of the individual concerned in initially recruiting the person.

NOTE: The referral bonus authorized by this section is not a bounty for purposes of ***10 U.S.C. 514(a)***.

090402. Eligibility. The following individuals are eligible for a referral bonus under this section:

A. A member in the regular component of the Army.

B. A member of the Army National Guard.

C. A member of the Army Reserve.

D. A member of the Army in a retired status, including a member under 60 years of age who, but for age would be eligible for retired pay.

E. A civilian employee of the Department of the Army.

090403. Restrictions

A. An individual listed in paragraph 090402 may not be paid a bonus for the referral of an immediate family member.

B. An individual listed in paragraph 090402 serving in a recruiting or retention assignment, or assigned to other duties regarding which eligibility for a bonus could be perceived as creating a conflict of interest, may not be paid a bonus.

C. An individual listed in paragraph 090402 who is detailed under ***10 U.S.C. 2031*** to serve as an administrator or instructor in the Junior Reserve Officers' Training Corps program or a retired member of the Army employed as an administrator or instructor in the program may not be paid a bonus.

090404. Amount. The amount of the bonus payable for a referral may not exceed $2,000.

090405. Payment. Payments shall be made as follows:

A. Not more than $1,000 shall be paid upon the commencement of basic training by the person.

B. Not more than $1,000 shall be paid upon the completion of basic training and individual advanced training by the person.

090406. Duration of Authority. A bonus may not be paid under this section with respect to any referral that occurs after December 31, 2011, unless this bonus authority is extended by the Congress.

NOTE: The Army is not offering the Army Referral Bonus at this time.

*0905 MILITARY OCCUPATIONAL SPECIALTY CONVERSION BONUS

090501. Authority. The Secretary concerned may pay a bonus to an eligible Active Component service member (for National Guard or Reservist see ***Chapter 56***) of the armed forces who executes a written agreement to convert to, and serve for a period of not less than three years in, a military occupational specialty (MOS) for which there is a shortage of trained and qualified personnel.

090502. Eligibility. A member is eligible to enter into an agreement if, at the time the agreement is executed, the member is serving in:

A. Pay grade E-6, with not more than 10 years of service computed under ***37 U.S.C. 205***; or

B. Pay grade E-5 or below, regardless of years of service.

090503. Amount. The bonus payment will not exceed $4,000.

090504. Payment. The bonus will be disbursed in one lump sum when the member's conversion to the MOS is approved by the chief personnel officer of the member's Armed Force.

090505. Repayment. A member who does not convert to and complete the period of service in the MOS specified in the agreement will be subject to the repayment provisions of ***Chapter 2***.

090506. Duration of Authority. No agreement under this section may be entered into after December 31, 2011, unless this bonus authority is extended by the Congress.

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* 0905 – MILITARY OCCUPATIONAL SPECIALTY CONVERSION BONUS

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SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 10
"SPECIAL PAY - DUTY SUBJECT TO HOSTILE FIRE OR IMMINENT DANGER"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

This updated chapter supersedes the previously published version dated May 2009.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Verified hyperlinks, formatting and references.	Update
Figure 10-1 Bibliography	Added Libya, Tunisia, and Mediterranean Sea areas as designated Imminent Danger Pay areas.	Add
Figure 10-1 Bibliography	Updated to show current locations and effective dates.	Update

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CHAPTER 10

SPECIAL PAY - DUTY SUBJECT TO HOSTILE FIRE OR IMMINENT DANGER

1001 ENTITLEMENT PROVISIONS

100101. Policy. A member may be paid special pay for duty subject to hostile fire or imminent danger for any month when the member, while entitled to basic pay for active duty or compensation for inactive duty, also meets the qualifying criteria of this chapter.

A. Hostile Fire Pay (HFP). This entitlement is payable when, as certified by the appropriate commander, a member is:

1. Subjected to hostile fire or explosion of a hostile mine, or

2. On duty in an area in close proximity to a hostile fire incident and the member is in danger of being exposed to the same dangers actually experienced by other Service members subjected to hostile fire or explosion of hostile mines, or

3. Killed, injured, or wounded by hostile fire, explosion of a hostile mine, or any other hostile action.

B. Imminent Danger Pay (IDP). This entitlement is payable when a member is on official duty in a designated IDP area (Figure 10-1).

100102. Payment. Effective October 1, 2002, HFP/IDP is payable at a monthly rate of $225. It is payable in addition to all other pays or allowances. It is payable in the full amount without being prorated or reduced, for each month, during any part of which a member qualifies. Active and Reserve Component members who qualify, at any time during a month, will receive the full amount of HFP/IDP regardless of the actual period of time served on active or inactive duty during that month.

1002 DETERMINATIONS OF FACT

100201. Eligibility. The appropriate commander shall certify that the member has met the requirements for entitlement to HFP/IDP for a given month, except when the member is under orders on official duty in one of the designated IDP areas listed in Figure 10-1.

A. Certification of entitlement shall be made at the lowest level of command that includes all the vessels, aircraft, or units subjected to the hostile fire or explosion of hostile mine incident. For example, in the case of a single vessel subjected to hostile fire or explosion of hostile mines, the vessel's commanding officer should certify payment for all Service members on board. If two or more vessels are involved, then the commanding officer of the unit that includes all of the vessels should certify eligibility.

B. Certification shall include the name and social security number of each member entitled to the hostile fire pay, a short description of the incident, and when and where it

occurred. The certification should be forwarded directly to the servicing financial support office, with a copy to the cognizant regional combatant commander.

C. When the airspace is specifically included in an IDP area designation, members who perform official duty while flying over the area are eligible for HFP/IDP, even if they do not land in the area. When airspace is not specifically designated, members who perform duty over the area are not entitled to HFP/IDP unless they land in the area.

D. Members who perform duty on a vessel performing operational duty while in an area designated for IDP are eligible for HFP/IDP.

E. A death certificate or injury report may be substituted in place of the certification if the document establishes the cause of the death or injury was due to hostile fire or an explosion of a hostile mine.

F. A member is not considered to be on official duty in a designated IDP area and, therefore, is not eligible for HFP/IDP pay if the member is in the area:

1. On leave from a duty station outside the IDP area;

2. While merely transiting (as distinguished from performing official duty) by any means (including vessel, aircraft, and land conveyance) the IDP area as a consequence of traveling between two points, both outside the IDP; or

3. Solely for personal convenience.

100202. Administration. Any determinations of fact made by commanders in the certification of hostile fire are conclusive. Such determinations are not subject to review by any officer or agency of the government, unless there has been fraud or gross negligence. Such determinations, however, may be changed on the basis of new evidence or for other good cause.

1003 SPECIAL SITUATIONS

100301. Member Captured or Missing. A member entitled to HFP/IDP immediately before entering a status of missing, missing-in-action, interned in a foreign country or captured by a hostile force shall continue to be credited with HFP/IDP for each month while in such a status. (See ***Chapter 34*** of this volume for more detailed instructions.)

100302. Hospitalization. A member entitled to HFP/IDP, who is hospitalized for a wound or injury incurred as a result of hostile action, or while in the line of duty, incurs a wound, injury, or illness in a combat operation or combat zone designated by the Secretary of Defense and is hospitalized outside of the theater of the combat operation or the combat zone for the treatment of the wound, injury, or illness, is entitled to HFP/IDP for each month hospitalization continues, up to an additional 3 months after the month in which the wound, injury or illness occurred.

100303. Absence. A member, otherwise entitled to HFP/IDP as a consequence of assignment to a designated IDP area, who is absent from the designated area for an entire calendar month, is not entitled to HFP/IDP for that month.

DESIGNATED HOSTILE FIRE OR IMMINENT DANGER PAY AREAS (NOTES 1 through 4)			
		Effective Dates	
Area	Includes	From	Through
Afghanistan	Land area and airspace.	Nov 1, 1988	
Algeria	Land area	Mar 7, 1995	
Arabian Peninsula and adjacent sea areas that includes: See also: Bahrain, Oman, Kuwait, Qatar, Saudi Arabia, UAE, and Yemen	The surface area of the following sea boundaries: Red Sea, Gulf of Aden, Gulf of Oman, and Arabian Sea north of 10°00'N latitude and west of 68°00'E longitude.	Sep 19, 2001	
Azerbaijan	Land area.	Jun 9, 1995	
Bahrain	Land area and airspace.	Jun 13, 1997	
Burundi	Land area.	Nov 29, 1996	
Chad	Land Area.	Aug 11, 2008	
Colombia	Land area.	Jun 1, 1985	
Congo, Democratic Republic of (formerly Zaire)	Land area.	Jan 1, 1997	
Cote D'Ivoire	Land area.	Feb 27, 2003	
Cuba	Limited to Service Members performing duties within the Joint Task Force Guantanamo Bay Detention Facilities.	Dec 26, 2006	
Djibouti	Land area.	Jul 31, 2002	
East Timor	Land area	Nov 1, 2001	
Egypt	Land area.	Jan 29, 1997	
Eritrea	Land area.	Jul 31, 2002	
Ethiopia	Land area.	Sep 13, 1999	
Greece	Land area within a 20-km radius from the center of Athens (38-01 N, 23-44 E).	Mar 27, 2007	
Haiti	Land area.	Nov 23, 1994	
Indonesia	Land area	Oct 31, 2001	
Iran	Land area.	Nov 4, 1979	
Iraq	Land area and airspace.	Sep 17, 1990	
Israel	Land area.	Jan 31, 2002	
Jordan	Land area.	Jan 29, 1997	
Kenya	Land area.	July 31, 2002	

***Figure 10-1. Designated Hostile Fire or Imminent Danger Pay Areas**

DESIGNATED HOSTILE FIRE OR IMMINENT DANGER PAY AREAS (NOTES 1 through 4)			
Area	Includes	Effective Dates	
		From	Through
Kosovo	Land area and airspace	June 22, 1992	
Kuwait	Land area and airspace.	Aug 6, 1990	
Kyrgyzstan	Land area.	Sep 19, 2001	
Lebanon	Land area.	Oct 1, 1983	
Liberia	Land area.	Aug 6, 1990	
*Libya	Land area and airspace.	Mar 19, 2011	
Malaysia	Land area.	Oct 31, 2001	
*Mediterranean Sea	Water area of the Mediterranean Sea extending from the North African Coast northward into Mediterranean Sea, bounded on the east at 26° 00' E longitude, extending north to 34° 35' N latitude, extending west to the East Coast of Tunisia.	Mar 19, 2011	
Montenegro	Land area and airspace.	Jun 22, 1992	
Oman	Land area.	Sep 19, 2001	
Pakistan	Land area.	Nov 29, 1996	
Philippines	Land area.	Oct 31, 2001	
Qatar	Land area and airspace.	Aug 7, 1997	
Rwanda	Land area.	Oct 6, 1997	
Saudi Arabia	Land area and airspace.	Aug 2, 1990	
Serbia	Land area and airspace (includes the province of Vojvodina).	Jun 22, 1992	
Somalia	(1) Land area and airspace.	Sep 28, 1992	
Somalia Basin	(2) Water area of the Somalia Basin with coordinates: 1110N3-05115E2, 0600N6-04830E5, 0500N5-05030E8, 1130N5-05334E5; and 0500N5-05030E8, 0100N1-04700E1, 0300S3-04300E7, 0100S1-04100E5, 0600N6-04830E5.	Dec 26, 2006	
Sudan	Land area and airspace.	Oct 4, 1993	
Syria	Land area.	Jul 31, 2003	
Tajikistan	Land area.	Mar 31, 1997	
*Tunisia	Land area and airspace.	Mar 19, 2011	
Turkey	Land area, excluding the Turkish Straits (i.e., the Dardanelles, the Sea of Marmara, and the Bosporus Straits) and including the limited airspace south of 37-45N and east of 43-00E.	Mar 1, 1998	
Uganda	Land area.	Jan 19, 2000	
United Arab Emirates (UAE)	Land area.	Sep 19, 2001	
Uzbekistan	Land area.	Sep 19, 2001	
Yemen	Land area.	May 25, 1999	
Yugoslavia, Federal Republic of see also:	Land area and airspace of the republics of Montenegro and Serbia.	Jun 22, 1992	

NOTES:

1. The designation of a land area encompasses all internal waters, unless otherwise noted. For HFP/IDP purposes, the term "internal waters" is defined as waters landward of the baseline drawn in accordance with international law.

2. The designation of a water area (such as the Persian Gulf) includes the territorial seas of those waters, but not the internal waters of the coastal lands. For example, all waters of the Persian Gulf seaward of the baseline of the coastal states, drawn in accordance with international law, would be included in the Persian Gulf designation.
3. Unless otherwise specifically indicated, airspace is NOT part of the included area. When airspace is specifically included, it will normally be that space directly vertically above the approved land or sea area.
4. This figure reflects all designated areas, which were active within the last ten years.

*Figure 10-1. Designated Hostile Fire or Imminent Danger Pay Areas (Continued)

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100102	Public Law 108-375, section 623, October 28, 2004
1003 – SPECIAL SITUATIONS	
100302	Public Law 109-163, section 642(b) January 6, 2006
Figure 10-1	ASD(FMP) Memo, March 7, 1995
Afghanistan	PDUSD (P&R) Memo, March 27, 2007 ASD(FM&P) Memo, October 20, 1988
Algeria	PDUSD (P&R) Memo, March 27, 2007 ASD(FMP) Memo, March 7, 1995
Arabian Peninsula and Adjacent Seas	PDUSD (P&R) Memo, March 27, 2007 ASD(FMP) Memo, February 1, 2002 ASD(FMP) Memo, October 31, 2001 ASD(P&R) Memo, August 23, 1993 SECDEF Memo, December 10, 1990 SECDEF Memo, September 19, 1990 OASD(FM&P) Memos, August 25, 1987, March 20, 1989 and February 4, 1998
Azerbaijan	PDUSD (P&R) Memo, March 27, 2007 ASD(FMP) Memo, June 9, 1995
Bahrain	PDUSD (P&R) Memo, March 27, 2007 ASD(FMP) Memo, June 13, 1997
Burundi	PDUSD (P&R) Memo, March 27, 2007 ASD(FMP) Memo, November 29, 1996

Chad	PDUSD (P&R) Memo, August 11, 2008
Colombia	PDUSD (P&R) Memo, March 27, 2007 ASD(MI&L) Memo, May 8, 1985
Congo, Democratic Republic of	PDUSD (P&R) Memo, March 27, 2007
Cote D'Ivoire	PDUSD (P&R) Memo, March 27, 2007 OUSD(P&R) Memo, February 27, 2003
Cuba	PDUSD(P&R) Memo, Feb 15, 2007
Djibouti	PDUSD (P&R) Memo, March 27, 2007 ASD(FMP) Memo, July 31, 2002
East Timor	ASD(FMP) Memo, October 3, 2002 ASD(FMP) Memo, October 11, 2001
Egypt	PDUSD (P&R) Memo, March 27, 2007 OSD Memo, February 6, 1991 ASD(FMP) Memo, January 29, 1997
Eritrea	PDUSD (P&R) Memo, March 27, 2007 ASD(FMP) Memo, July 31, 2002
Ethiopia	PDUSD (P&R) Memo, March 27, 2007 ASD(FMP) Memo, September 13, 1999
Greece	PDUSD (P&R) Memo, March 27, 2007
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Iran	PDUSD (P&R) Memo, March 27, 2007 OASD(MRA&L) (MPP) Memos, May 4, 1979 and January 23, 1981
Iraq	PDUSD (P&R) Memo, March 27, 2007 OSD Memo, September 17, 1990
Israel	ASD(FMP) Memo, January 31, 2002 ASD(FMP) Memo, December 31, 2001
Jordan	PDUSD (P&R) Memo, March 27, 2007

		ASD(FMP) Memo, January 29, 1997
	Kenya	PDUSD (P&R) Memo, March 27, 2007 ASD(FMP) Memo, July 31, 2002
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	Kuwait	PDUSD (P&R) Memo, March 27, 2007 ASD(FM&P) Memo, August 6, 1990
	Kyrgyzstan	PDUSD (P&R) Memo, March 27, 2007 ASD(FMP) Memo, February 1, 2002 ASD(FMP) Memo, October 31, 2001
	Lebanon	PDUSD (P&R) Memo, March 27, 2007 ASD(MRA&L) Memo, September 30, 1990
	Liberia	PDUSD (P&R) Memo, March 27, 2007 ASD(FM&P) Memo, August 6, 1990
*	Libya	PDUSD (P&R) Memo, April 26, 2011
	Malaysia	PDUSD (P&R) Memo, April 13, 2007 ASD(FMP) Memo, October 31, 2001
*	Mediterranean Sea	PDUSD (P&R) Memo, April 26, 2011
	Montenegro	PDUSD (P&R) Memo, March 27, 2007 ASD(FM&P) Memo, June 22, 1992
	Oman	PDUSD (P&R) Memo, March 27, 2007 ASD(FMP) Memo, February 1, 2002 ASD(FMP) Memo, October 31, 2001
	Pakistan	PDUSD (P&R) Memo, March 27, 2007
	Philippines	PDUSD (P&R) Memo, April 13, 2007 ASD(FMP) Memo, October 31, 2001
	Qatar	PDUSD (P&R) Memo, March 27, 2007 ASD(FM&P) Memo, August 7, 1997
	Rwanda	PDUSD (P&R) Memo, March 27, 2007 ASD(FMP) Memo, October 6, 1997

	Saudi Arabia	PDUSD (P&R) Memo, March 27, 2007 SECDEF Memo, December 10, 1990 SECDEF Memo, September 19, 1990
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	Sudan	PDUSD (P&R) Memo, March 27, 2007 ASD(P&R) Memo, October 4, 1993 OASD(FM&P) Memos, July 17, 1986, May 12, 1987 and November 27, 1987
	Syria	PDUSD (P&R) Memo, March 27, 2007 OUSD (P&R) Memo, July 31, 2003
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	Uganda	PDUSD (P&R) Memo, March 27, 2007 ASD(FMP) Memo, January 19, 2000
	United Arab Emirates	PDUSD (P&R) Memo, March 27, 2007 ASD(FMP) Memo, February 1, 2002 ASD(FMP) Memo, October 31, 2001
	Uzbekistan	PDUSD (P&R) Memo, March 27, 2007 ASD(FMP) Memo, February 1, 2002 ASD(FMP) Memo, October 31, 2001
	Yemen	PDUSD (P&R) Memo, March 27, 2007 ASD(FMP) Memo, May 25, 1999
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SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 11
"SPECIAL PAY - DIVING DUTY"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

This updated chapter supersedes the previously published version dated August 2009

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
110103	Clarified conditions statement.	Update
1104	Deleted because condition reference exists in paragraph 110103.	Delete
1105 Bibliography	Renumbered to section 1104.	Update

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CHAPTER 11

SPECIAL PAY - DIVING DUTY

1101 ENTITLEMENT

110101. Requirements. Members entitled to basic pay are entitled to special pay for diving duty for periods during which they are:

A. Assigned by orders to diving duty;

B. Required to maintain proficiency as a diver by frequent and regular dives; and

C. They are either:

1. Actually performing diving duty while serving in an assignment for which diving is a primary duty; or

2. Meeting the requirements to maintain proficiency as described in subparagraph 110101.B while serving in an assignment that includes diving duty other than as a primary duty.

110102. Suspension. In time of war, the President may suspend diving duty pay.

* 110103. Conditions. Conditions which further affect entitlement to diving duty pay are contained in Table 11-9.

1102 QUALIFICATIONS FOR DIVING DUTY

110201. Army. Except as noted in Tables 11-1 and 11-2, an Army member must be a rated diver in accordance with ***Army Regulation (AR) 611-75*** and be assigned to:

A. A Table of Organization and Equipment or Table of Distribution and Allowance position in Skill Classification/Military Occupational Specialty, Special Qualification Identifier, or Additional Skill Identifier specified in ***AR 611-75***; or

B. A position designated as diving duty by the Deputy Chief of Staff Personnel.

110202. Navy and Marine Corps. Members must be designated divers, be assigned to diving duty under competent orders, and maintain their qualifications for diving.

110203. Air Force. Members must:

A. Successfully complete an approved DoD course for underwater swimmers.

B. Be under orders for diving duty as authorized by the major air command.

C. Meet the other qualification standards prescribed by current Air Force instructions.

1103 RATES PAYABLE

110301. Officers. Officers assigned to diving duty are entitled to special pay for diving duty at a rate of not more than $240 per month.

110302. Enlisted Members. Enlisted members assigned to diving duty are entitled to special pay for diving duty at a rate of not more than $340 per month.

110303. Specific Rates Payable. See Tables 11-1 through 11-8.

*1104 RESTRICTION ON PAYMENT

110401. Diving Duty Pay and Hazardous Duty Incentive Pay. When assigned by orders to both diving duty and hazardous duty for the same period, a member may be paid special pay for diving duty and not more than two incentive payments for hazardous duty from among those listed in ***Chapter 22, section 2201*** and ***Chapter 24***.

110402. Lapsed Qualifications. No member is entitled to receive special pay for performing diving duty after diving qualifications have lapsed. Upon requalification, payments will not be made for the period of lapsed qualification.

DIVING DUTY PAY RATES - ARMY ENLISTED (note 1)		
RULE	**A**	**B**
	If an Army enlisted member is	**then the member is entitled to diving pay at the monthly rate of**
1	assigned to diving duty under instruction at an approved Armed Services diving school (note 2)	$110
2	Master Diver	$340
3	Diver First Class	$215
4	Salvage Diver	$175
5	Diver Second Class	$150
6	Combat Diver (note 3)	$215

NOTES:

1. Except as otherwise noted, entitlement commences on the date of assignment to diving duty under a listed category after graduation from the requisite diving course.
2. Entitlement commences on the date of first dive and continues through the date dropped from the course or the date of graduation, whichever is earlier.
3. The combat diver rating applies to members serving primarily in Special Operations Forces (SOF) units who are assigned to positions that require Special Forces Underwater Operations Systems qualifications and who hold a combat diver rating in accordance with ***AR 611-75***.

Table 11-1. Diving Duty Pay Rates - Army Enlisted

DIVING DUTY PAY RATES - ARMY OFFICERS (note 1)			
RULE	**A**	**B**	**C**
	If an Army officer is	**and has a special identifying code**	**then the officer is entitled to diving pay at the monthly rate of**
1	assigned to diving duty under instruction at an approved Armed Services diving school (note 2)		$110
2	Marine Diving Officer	ASI 5V	$240
3	Combat Diver (note 3)		$215
4	Diving Medical Officer		$215

NOTES:

1. Except as otherwise noted, entitlement commences on the date of assignment to diving duty under a listed category after graduation from the requisite diving course.
2. Entitlement commences on the date of first dive and continues through the date dropped from the course or the date of graduation, whichever is earlier.
3. The combat diver rating applies to members serving primarily in SOF units who are assigned to positions that require Special Forces Underwater Operations Systems qualifications and who hold a combat diver rating in accordance with ***AR 611-75***.

Table 11-2. Diving Duty Pay Rates - Army Officers

DIVING DUTY PAY RATES - NAVY ENLISTED (note 1)			
RULE	A	B	C
	If a Navy enlisted member is	**with an NEC of**	**then the member is entitled to diving pay at the monthly rate of**
1	assigned to diving duty under instruction at an approved Armed Services diving school (note 2)		$150
2	Master Diver	5341	$340
3	Master Underwater Construction Technician Diver	5933	$340
4	Diver First Class	5342	$315
5	Advanced Underwater Construction Technician	5931	$215
6	Basic Underwater Construction Technician	5932	$150
7	Diver Second Class	5343	$215
8	Self Contained Underwater Breathing Apparatus (SCUBA) Diver	5345	$150
9	Fleet Marine Force (FMF) Reconnaissance Independent Duty Corpsman	8403	$215
10	FMF Reconnaissance Corpsman	8427	$215
11	Medical Deep Sea Diving Technician	8493	$215
12	Deep Sea Diving Independent Duty Corpsman	8494	$215
13	Explosive Ordnance Disposal (EOD) Mobile Unit Apprentice	5339	$150
14	Basic EOD Technician	5333	$215
15	Special Warfare Operator	5326	$215
16	Special Warfare Operator – Student	5320	$150
17	Senior EOD Technician	5335	$215
18	Master EOD Technician	5337	$215
19	SEAL Delivery Vehicle Pilot/Navigator	5323	$340

NOTES:
1. Except as otherwise noted, entitlement commences on the date of graduation from the requisite diving course with assignment to diving duty under a listed category.
2. Entitlement commences on the date of first dive.

Table 11-3. Diving Duty Pay Rates - Navy Enlisted

DIVING DUTY PAY RATES - NAVY OFFICERS			
RULE	A	B	C
	If a Navy officer is	and has a designator of	then the officer is entitled to diving pay at the monthly rate of
1	assigned to diving duty under instruction at an approved Armed Services diving school (note 1)	various	$150
2	Diving Officer (SCUBA) (note 2)	various	$150
3	Diving Officer (note 3)	various	$240
4	Explosive Ordnance Disposal Officer (note 4)	114X, 119X, 648X, 748X	$240
5	Special Warfare Officer (note 5)	113X, 615X, 715X	$240
6	Special Warfare Officer – Student (note 1)	118X	$150
7	Medical (Diving Undersea) Officer (note 4)	210X	$240
8	Diving Chief Warrant Officer (note 5)	720X	$240

NOTES:
1. Entitlement commences on the date of first dive.
2. Must have completed SCUBA course of instruction CIN A-433-0023.
3. Entitlement commences in accordance with paragraph 110101.
4. Except as otherwise noted, entitlement commences on the date of graduation from the requisite diving course with assignment to diving duty under a listed category.
5. Entitlement commences on assignment of the designator.

Table 11-4. Diving Duty Pay Rates - Navy Officers

DIVING DUTY PAY RATES - MARINE CORPS ENLISTED (note 1)			
RULE	A	B	C
	If a Marine Corps enlisted member is	and has a special identifying code of	then the member is entitled to diving pay at the monthly rate of
1	assigned to diving duty under instruction at an approved Armed Services diving school (note 2)		$150
2	Combatant Diver	0324/0326/8024/ 8026	$215

NOTES:
1. Except as otherwise noted, entitlement commences on the date of assignment to diving duty under a listed category after graduation from the Combatant Diver course.
2. Entitlement commences on the date of first dive and continues through the date dropped from the course or the date of graduation, whichever is earlier.

Table 11-5. Diving Duty Pay Rates - Marine Corps Enlisted

DIVING DUTY PAY RATES - MARINE CORPS OFFICER (note 1)			
RULE	A	B	C
	If a Marine Corps officer is	and has a special identifying code of	then the member is entitled to diving pay at the monthly rate of
1	assigned to diving duty under instruction at an approved Armed Services diving school (note 2)		$150
2	Combatant Diver	8024/8026	$240

NOTES:

1. Except as otherwise noted, entitlement commences on the date of assignment to diving duty under a listed category after graduation from the Combatant Diver course.
2. Entitlement commences on the date of first dive and continues through the date dropped from the course or the date of graduation, whichever is earlier.

Table 11-6. Diving Duty Pay Rates - Marine Corps Officers

DIVING DUTY PAY RATES - AIR FORCE ENLISTED MEMBER		
RULE	A	B
	If an Air Force enlisted member is	then the member is entitled to diving pay at the monthly rate of
1	SCUBA Diver	$110
2	Para rescue Diver	$150

Table 11-7. Diving Duty Pay Rates - Air Force Enlisted

DIVING DUTY PAY RATES - AIR FORCE OFFICER		
RULE	A	B
	If an Air Force Officer is	then the officer is entitled to diving pay at the monthly rate of
1	assigned to diving duty	$150

Table 11-8. Diving Duty Pay Rates - Air Force Officers

DIVING DUTY PAY - CONDITIONS OF ENTITLEMENT

RULE	A When a member entitled to diving duty pay	B and	C then diving pay
1	is removed from diving duty or the member's diving qualifications lapse		ceases on the date of removal or lapse.
2	is hospitalized as a result of a diving accident		accrues for not more than 90 days while hospitalized.
3	is hospitalized not as a result of a diving accident		accrues for the first 30 days.
4	is on leave in a pay status		
5	is on TAD/TDY other than diving duty		
6	is on TAD/TDY for diving duty purposes		continues to accrue (note 1).
7	is in confinement awaiting trial by court-martial	is subsequently acquitted or charges are dismissed	accrues retroactively to date of confinement.
8		is subsequently convicted	does not accrue from first day of confinement through the day before the date restored to a full duty status.
9	is in confinement under sentence of a court-martial		
10	is reassigned PCS and no TDY is required en route to the new duty station	is ordered to and actually performs diving duty at the new duty station	continues to accrue (notes 1 and 2).
11	is reassigned PCS and no TDY is required en route to the new duty station	is not ordered to diving duty at the new duty station	accrues through the date of detachment from the old duty station.
12	is reassigned PCS and TDY is required en route to the new duty station	PCS orders require diving duty at the TDY station and new duty station, and actually performs diving duty	continues to accrue (notes 1 and 2).
13		PCS orders require diving duty at the TDY station but not the new duty station	continues to accrue through the date of detachment from the TDY station (notes 1 and 2).
14		PCS orders do not require diving duty at TDY station	accrues through the date of detachment from the old duty station.
15	is a member of a Reserve Component	is released from active duty	ceases not later than the date the member departs for home from the last duty station.
16	is discharged and immediately reenlists at the same station without a break in service	diving duty orders are not specifically terminated	continues to accrue.
17		diving duty orders are specifically terminated	ceases on the date stated in the orders.

NOTES:

1. If the member is removed from diving duty, or the member's qualifications lapse during this period, then the member's entitlement to diving duty pay terminates on the date removed from diving duty or the date qualifications lapse.
2. If a member is reassigned PCS and takes leave en route, then diving duty pay will continue to accrue up to 30 days if the member has otherwise met the requirements for diving duty pay.

Table 11-9. Diving Duty Pay - Conditions of Entitlement

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1101 - ENTITLEMENT

37 U.S.C. 304

1103 - RATES PAYABLE

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* 1104 - RESTRICTION ON PAYMENT

110402	Public Law 106-605, section 617, October 5, 1999

Table 11-2

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Table 11-3

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Rule 2	DoN (NPC) Memo, November 14, 2005 DoN (NPC) Memo, March 2, 2007
Rule 3	DoN (NPC) Memo, March 2, 2007
Rule 4	DoN (NPC) Memo, March 2, 2007
Rule 7	DoN (NPC) Memo, March 2, 2007

Table 11-4

	DoN (BUPERS-3) Memo, June 18, 2009
Rule 4	NPC PERS401 Email, December 13, 2007

Table 11-5

Rule 2	HQUSMC (Compensation Policy) Email, August 14, 2007

Table 11-6

Rule 2	HQUSMC (Compensation Policy) Email, November 15, 2007

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 13
"ILLNESS OR INJURY PAYMENT PROGRAMS"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Unless otherwise noted, chapters referenced relate to this volume

Hyperlinks are denoted by *underlined, bold, italic, blue font*

This updated chapter supersedes the previously published version dated June 2011

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Changed the chapter name from "Combat – Related Injury Payment Programs" to "Illness or Injury Payment Programs."	Update
1303 Bibliography	Added new entitlement for Special Compensation for Assistance with Activities of Daily Living.	Add

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*1303 Special Compensation for Assistance with Activities of Daily Living (SCAADL)

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130304 Monthly Compensation
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*Bibliography

CHAPTER 13

* ILLNESS OR INJURY PAYMENT PROGRAMS

1301 COMBAT-RELATED INJURY REHABILITATION PAY PROGRAM

130101. Authority. Under authority of ***title 37 United States Code (U.S.C.) 328***, the Secretary concerned may pay monthly combat-related injury rehabilitation special pay to a member of the armed forces. This program was terminated by memo from the Under Secretary of Defense (Personnel and Readiness) effective May 15, 2008.

130102. Definitions

A. Combat-Related Injury Rehabilitation Pay (CIP). A special pay for members who, while in the line of duty, incur a wound, injury, or illness in a combat operation or combat zone designated by the Secretary of Defense and are evacuated from the combat operation or from the combat zone for medical treatment.

B. Hospitalization. Military members are considered "hospitalized" for the purposes of CIP if the member is admitted as an inpatient in a military treatment facility or is, for the purposes of receiving extensive outpatient rehabilitation or other medical care in a military treatment facility, in residence in quarters affiliated with the military health care system.

130103. Entitlement. A member who, while in the line of duty, incurs a wound, injury, or illness in a combat operation or combat zone designated by the Secretary of Defense and who is evacuated from the theater of that combat operation or combat zone for medical treatment, is entitled to CIP for each month the member is hospitalized for treatment of such wounds, injuries or illness, subject to the entitlement start and stop dates in paragraphs 130105 and 130106. Such wound, injury, or illness will be considered to have been incurred in the "line of duty" unless it was the result of the member's own intentional misconduct or willful negligence, or incurred during a period of unauthorized absence.

130104. Amount Payable. The monthly amount of CIP shall equal $430. CIP may be paid in addition to any other pay and allowances to which the member is entitled or authorized, except Hostile Fire/Imminent Danger Pay (HF/IDP). The monthly amount of CIP shall be reduced by any payment of HF/IDP received by the member for the same month. CIP will be paid at the full monthly rate for any month in which the member is eligible for the pay.

130105. Commencement of Payment. The Secretary concerned shall authorize payment of monthly CIP to an eligible Service member beginning the month after the date on which the member is evacuated from the theater of the combat operation or the combat zone for medical treatment but no earlier than March 2006. If a member incurred a qualifying wound, injury, or illness before March 23, 2006 and the member continues to satisfy the specified eligibility criteria in paragraph 130103 on or after March 23, 2006, payment of the CIP is authorized from March 2006 until a member's entitlement stops.

130106. Termination of Payment. CIP will terminate at the end of the first month during which any of the following applies:

A. The member is paid a benefit under Traumatic Servicemembers' Group Life Insurance (T-SGLI), or

B. The member receives notification of the eligibility for a benefit under T-SGLI and a period of 30 days expires after the date of such notification, or

C. The member is no longer hospitalized in a military treatment facility or a facility under the auspices of the military health care system.

130107. Restriction

A. Once a member loses entitlement to CIP, eligibility for CIP cannot be reestablished if the service member is rehospitalized for the same injury, wound, or illness.

B. A member will not be entitled to simultaneous payments of CIP and entitlements under the Pay and Allowance Continuation Program (PAC) described in section 1302.

1302 PAY AND ALLOWANCE CONTINUATION PROGRAM

130201. Authority. Under authority of title ***37 U.S.C. 372***, the Secretary of Defense authorized the continued payment of pay and allowances to service members of the Regular or Reserve Components under the Pay and Allowance Continuation Program effective May 15, 2008.

130202. Definitions

A. Hostile Fire. An event including hostile fire, an explosion of a hostile explosive device, or any other hostile action that involves an attack or other use of force perpetrated by a foreign individual(s) or entity against the United States or a member of its uniformed services, or other designated persons or property. It also includes force used directly to impede the mission and/or duties of the uniformed services, such as the recovery of U.S. personnel or vital U.S. Government property. Under such circumstances, it is reasonable to anticipate that a member may suffer a wound, injury, or illness as a result of an accident, mistake, or friendly fire directed at a hostile force or what it thought to be a hostile force.

B. Combat Operation. A military action that may involve carrying out a strategic, operational, or tactical mission against a hostile or unfriendly force, to include carrying on combat and any related movement, supply, attack, defense, and maneuvers needed to gain the objectives of a battle or campaign. Operations Enduring Freedom and Iraqi Freedom are examples of combat operations for purposes of this PAC program.

C. Combat Zone. An area designated by Executive Order under ***26 U.S.C. 112***, as an area in which U.S. Armed Forces are or have engaged in combat. Generally, an area becomes a combat zone or ceases to be a combat zone on the dates designated by Executive Order. For the purposes of the PAC program, direct-support areas certified by the Secretary of Defense will be treated as combat zones.

D. Line of Duty. A member will be considered as serving in the line of duty unless the wound, injury, or illness is the result of the member's intentional misconduct or willful negligence, or is incurred during a period of unauthorized absence.

E. Hospitalized. The pay and allowances that are continued for eligible members under the PAC program are those the member is receiving at the time of hospitalization. A member may be initially admitted as an inpatient and later receive outpatient rehabilitation or some other form of appropriate medical care in a military treatment facility, a Department of Veterans Affairs (VA) or civilian hospital, or other treatment facility. The hospitalization related to a wound, injury, or illness that is the result of service in a combat operation or combat zone, service in a hostile fire area, or exposure to a hostile fire event, may occur immediately following such wound, injury or illness, or at a later time if the need for hospitalization is not initially evident.

F. Medical or Patient Unit. An organizational entity or functional division or facility associated with providing medical care to qualifying wounded, injured, or ill members. The phrase "medical or patient unit" may be subject to refinement, consistent with statute, by the Military Department concerned.

130203. Entitlement

A. Members of the Regular or Reserve Components who, in the line of duty, incurred a wound, injury, or illness while serving in a combat operation or a combat zone, while serving in a hostile fire area, or while exposed to a hostile fire event (regardless of location), and are hospitalized for treatment of the wound, injury, or illness shall continue to receive the pay and allowances he/she received at the time of hospitalization. These entitlements include special and incentive pays, bonuses, and the daily incidental expense portion of temporary duty allowance authorized for members deployed in a combat operation or combat zone.

B. Members serving on temporary, deployed, or attached duty of over 30 days duration in a designated hardship duty location for purposes of Hardship Duty Pay - Location (HDP-L) under ***37 U.S.C. 305***, and who are wounded, injured, or become ill within the first 30 days of serving in the designated area will be considered eligible for HDP-L at the time the wound, injury or illness is incurred.

130204. Commencement of Payment

A. Continuation of pay and allowances under the PAC shall occur prospective from May 15, 2008, or the member's eligibility, whichever occurs later.

B. In the first month of the PAC program, which begins on May 15, 2008, members who are receiving CIP and who are also determined eligible under the PAC program, shall be paid PAC, but shall not be paid under both the CIP and PAC programs for that same month.

C. To accommodate the CIP to PAC transition, PAC eligibility is extended through October 31, 2008 for members who may not be entitled to PAC because the PAC eligibility terminates 1 year after the date a member is first hospitalized.

D. An extension period of up to 6 months is authorized for any member whose PAC entitlement terminates on October 31, 2008, due to the length of hospitalization. The extension period will be from November 1, 2008 to April 30, 2009, unless termination is required sooner pursuant to subparagraphs 130205.A or B.

E. A second extension period of up to 6 months is authorized for any member whose PAC entitlement terminates due to the length of hospitalization during the period November 1, 2008 through January 31, 2009. The extension period will begin on the date following the member's PAC termination date.

Example: A member's PAC entitlement ends on November 25, 2008, but the member continues to be hospitalized. The PAC entitlement may be continued from November 26, 2008 through May 24, 2009, unless termination is required sooner pursuant to subparagraphs 130205.A or B.

F. A third extension period of up to 6 months is authorized for any member whose PAC entitlement terminates due to the length of hospitalization during the period February 1, 2009 through October 31, 2009. The extension shall begin on the date following the member's PAC termination date.

Example: If the member cited in subparagraph 130204.E continues to be hospitalized after May 24, 2009, then the member may continue to receive PAC entitlements from May 25, 2009 through November 24, 2009, unless termination is required sooner pursuant to subparagraphs 130205.A or B.

G. Any member who enters into an extension period, remains in a hospitalized status, and has a 6-month ending date that falls into a new extension authorization period may have their PAC entitlements extended by the new authorization.

Example: A member remains in a hospitalized status on October 31, 2008. The member could be authorized 6 additional months of PAC during the period November 1, 2008 through April 30, 2009 per subparagraph 130204.D. If the member is still in a hospitalized status on April 30, 2009, then an additional 6 months of PAC could be authorized for the period May 1, 2009 through October 31, 2009, per subparagraph 130204.F. If the member is still hospitalized on October 31, 2009, then an additional 6 months of PAC may be authorized from November 1, 2009 through April 30, 2010, per subparagraph 130204.F, unless termination is required sooner pursuant to subparagraphs 130205.A or B.

130205. Termination of Entitlement. Members meeting the qualifications for PAC will have the pay and allowances continued until the end of the first month beginning after the earliest of the following dates:

A. The date on which the member is returned for assignment to other than a medical or patient unit for duty;

B. The date on which the member is discharged, separated, or retired (including temporary disability retirement) from the uniformed services; or

C. One year after the date on which the member is first hospitalized for the treatment of the wound, injury, or illness. The Principal Deputy Under Secretary of Defense for Personnel and Readiness may extend the termination date in 6-month increments under extraordinary circumstances.

1303 SPECIAL COMPENSATION FOR ASSISTANCE WITH ACTIVITIES OF DAILY LIVING (SCAADL)

130301. Authority. Under the authority of ***37 U.S.C. 439*** and the Department of Defense Instruction (DoDI) 1341.12, "Special Compensation for Assistance With Activities of Daily Living", dated August 31, 2011, the Secretary concerned may pay special compensation to eligible members of the Active or Reserve Components who have a permanent catastrophic injury or illness that was incurred or aggravated in the line of duty and who require a caregiver who provides non-medical care, support, and assistance to the member. Detailed instructions and procedures for initiating the SCAADL entitlement are in ***DoDI 1341.12***.

130302. Eligibility. In order to receive the SCAADL compensation the member must:

A. Be certified by a licensed Department of Defense or VA physician to have a permanent catastrophic injury and need assistance from another person to perform the personal functions required in everyday living or require constant supervision.

B. Be an outpatient. Individuals may be temporarily placed in an inpatient status during the month for tests, examinations, or treatment, and will remain eligible for the full monthly SCAADL payment provided they are in an outpatient status the majority of the month (i.e., more than 15 days a month).

C. Have a designated primary caregiver who provides assistance for at least one of the following:

1. Inability to dress or undress him or herself.

2. Inability to bathe or groom in order to keep self clean and presentable.

3. Frequent need of assistance adjusting any special prosthetic or orthopedic appliances.

4. Inability to toilet or attend to toileting without assistance.

5. Inability to feed him or herself.

6. Physical or mental incapacity which requires care or assistance on a regular basis to protect the service member from hazards or dangers incident to his or her daily environment.

D. Require continual medical management or be at high risk for personal safety and cannot live independently in the community without caregiver support.

E. Require hospitalization, nursing home or other institutional care if caregiver support is not provided for personal care services at home in an ongoing manner.

F. Not be provided concurrent services by another entity.

130303. Restrictions. The following restrictions apply:

A. Service members may not designate another military member as their primary caregiver for the purpose of receiving SCAADL.

B. SCAADL may not be paid to a qualified member if any other Federal Agency is providing outpatient or in-home services to assist with activities of daily living or supervision to avoid harm to self or others.

C. SCAADL may not be paid to a qualified member if the member's primary caregiver is receiving a monthly caregiver stipend from the VA under 38 U.S.C. 1114(r)(2).

D. Service members who qualify for and accept in-home assistance with activities with daily living paid with supplemental health care program funds and provided by a TRICATE-authorized home health agency are not eligible for SCAADL.

130304. Monthly Compensation. The monthly compensation can be determined by accessing an on-line computation calculator provided by Office of Wounded Warrior Care and Transition Policy, Office of the Secretary of Defense. The calculator is located at: ***http://militarypay.defense.gov/Tools/scaadlintro.html***. The military services will use Department of Defense (DD) Form 2948, "Special Compensation for Assistance with Activities of Daily Living (SCAADL) Eligibility," to substantiate the member's entitlement. The following guidelines apply:

A. Monthly compensation is computed based on the Bureau of Labor Statistics (BLS) wage rate for a home health aide using the 75th percentile of the hourly wage

rate in the Service member's geographic area of residence. If there is more than one BLS wage rate within a specific metropolitan area, the higher rate will be used.

B. The amount of compensation will be based on a three-tier system recognizing the variation in complexity of care required by the service member and provided by the caregiver. The member's primary care manager (PCM) will assess the member's level of dependency. A point value corresponding to the number of hours of care the member requires each week will be assigned to the member. Based upon the evaluation, the member will be rated as follows:

1. High Tier. A member who scores 21 or higher will be presumed to require 40 hours per week of caregiver assistance.

2. Medium Tier. A member who scores 13-20 will be presumed to require 25 hours per week of caregiver assistance.

3. Low Tier. A member who scores 1-12 will be presumed to require 10 hours per week of caregiver assistance.

C. Members or their designated representatives may appeal a PCM's determination of dependency level to their Service headquarters. The dependency level may also change if the member's condition changes and a reevaluation of the member's level of dependency is conducted.

130305. Payment Period. The following guidelines apply to the period that the SCAADL entitlement may be paid.

A. Members become eligible for the SCAADL entitlement on the date a licensed physician certifies that the member meets the eligibility criteria. If the certification is not on the 1st of the month, and the entitlement is continuous for more than 1 month, the first month will be prorated based on a 30-day month computation. The 31st day of the first month will be excluded.

B. Members entitled to SCAADL for a continuous period of less than 1 month will receive payment for the actual number of days at the rate of 1/30th of the monthly amount. The 31st day of a calendar month may not be excluded from this computation.

C. SCAADL entitlement stops on:

1. The last day of the month in which a 90-day period ends after the date the member separates or retires. (e.g., March 15 (separation date) + 90 days = June 13 (last day of entitlement is June 30),

2. The last day of the month a member dies,

3. The last day of the month a physician determines that a member is no longer afflicted with the catastrophic injury or illness, or

4. The last day of the month preceding the month the member begins receiving compensation under the VA caregiver program under 38 U.S.C. 1720G, or the member's primary caregiver begins receiving a monthly caregiver stipend from the VA under 38 U.S.C. 1114(r)(2).

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OUSD(P&R) Memo, March 23, 2006
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1302 – Pay and Allowance Continuation Program

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130204.F Acting USD(P&R) Memo, January 29, 2009

*1303 – Special Compensation for Assistance with Activities of Daily Living

37 U.S.C. 439
DoDI 1341.12, August 31, 2011

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 14
"INCENTIVE FOR QUALIFIED MEMBERS EXTENDING DUTY AT DESIGNATED LOCATIONS OVERSEAS"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Title	Revised to reflect chapter contents.	Update
All Bibliography	Modified chapter to have each section be incentive specific.	Update

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CHAPTER 14

INCENTIVE FOR QUALIFIED MEMBERS EXTENDING DUTY AT DESIGNATED LOCATIONS OVERSEAS

1401 SPECIAL PAY OR BONUS

* 140101. Eligibility. Members of the Armed Forces may be entitled to a special pay or bonus if they:

A. Are entitled to basic pay;

B. Have a specialty that is designated by the Secretary of the Military Department concerned for the purposes of this entitlement;

C. Have completed a tour of duty (as defined in accordance with regulations prescribed by the Secretary concerned) at a location Outside the Continental United States (OCONUS) that is designated by the Secretary of the Military Department concerned for the purposes of this entitlement; and

D. Have completed that tour of duty and then execute an agreement to extend that tour for a period of not less than 1 year.

* 140102. Amount. When the Secretary of the Military Department concerned accepts the member's agreement to extend the tour of duty, the member becomes entitled to receive one of the following benefits:

A. Special pay in monthly installments in an amount prescribed by the Secretary, but not to exceed $80 per month; or

B. An annual bonus in an amount prescribed by the Secretary, but not to exceed $2,000 per year. The Secretary may pay the bonus in either a lump sum or monthly installments.

* 140103. Selection. Not later than the date on which the Secretary of the Military Department concerned accepts the agreement described in subparagraph 140101.D providing for the extension of a member's tour of duty, the Secretary of the Military Department concerned shall notify the member regarding whether the member will receive special pay or bonus. The payment rate for the special pay or bonus shall be fixed at the time of the agreement and may not be changed during the period of the extended tour of duty.

* 140104. Repayment. A member entering into a written agreement under this section and having received a bonus payment specified in subparagraph 140102.B will be subject to the repayment provisions of ***Chapter 2*** for not completing the extended tour of duty length specified in the agreement.

* 140105. Restriction. A member, who elects to receive one of the benefits specified in section 1402 as part of the extension of a tour of duty, is not entitled to the special pay or bonus authorized in this section for the period of extension of duty for which the benefit is provided.

1402 SPECIAL REST AND RECUPERATIVE (SR&R) ABSENCE

* 140201. Eligibility. A member who meets the eligibility requirements defined in paragraph 140101 may, in lieu of receiving the special pay or bonus, elect to receive one of the entitlements described in paragraph 140202.

* 140202. Entitlement. A member may elect, in lieu of a special pay or bonus either:

A. A period of SR&R absence for not more than 30 days; or

B. A period of SR&R absence for not more than 15 days and round-trip transportation, at government expense, from the location of the extended tour of duty to the nearest port within the Continental United States (CONUS) or an alternate destination not to exceed the cost to the nearest CONUS port and return for personnel completing an overseas duty tour of 12 months or less; or

C. A period of SR&R absence for not more than 20 days and round-trip transportation, at government expense, from the location of the extended tour of duty to the nearest CONUS port or an alternate destination not to exceed the cost to the nearest CONUS port and return for personnel completing an overseas duty tour longer than 12 months.

NOTE: The period of SR&R absence will not be charged to the member's leave account.

* 140203. Travel Time. Travel time from the CONUS port, or alternate destination, to the SR&R absence point and return is included in the 15- or 20-day SR&R absence. This period will begin the day after the member arrives at the aerial port of debarkation and continue until the day before the member returns to the designated port. The nonchargeable leave period will continue until the day before the date of return to the designated port. Travel time to or from the CONUS port, or alternate destination, and overseas location is nonchargeable and not included in the 15- or 20-day SR&R.

* 140204. Limitations. The 15- or 20-day SR&R absence and round-trip transportation option may not be combined with any Temporary Assigned Duty; Temporary Duty, or transportation entitlement that would result in the cost of the round-trip portion of the option exceeding the round-trip cost from the member's duty station to the nearest CONUS port.

1403 SERVICE REGULATIONS

The following Military Service regulations provide additional information:

* 140301. Army: ***AR 614-30***

* 140302. Navy: ***MILPERSMAN 1306-300***

* 140303. Air Force: ***AFI 36-2110***

* 140304. Marine Corps: ***MCO P1300.8R***

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CHAPTER 14 - INCENTIVE FOR QUALIFIED MEMBERS EXTENDING DUTY AT DESIGNATED LOCATIONS OVERSEAS

* 1401 – SPECIAL PAY OR BONUS

37 U.S.C. 314
DoDI 1327.06, June 16, 2009

* 1402 – SPECIAL REST AND RECUPERATIVE (SR&R) ABSENCE

10 U.S.C. 705
DoDI 1327.06, June 16, 2009

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 15
"SPECIAL PAY – ASSIGNMENT INCENTIVE PAY"

Changes are denoted by bold font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *bold, italicized, underlined, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
150104.A Bibliography	Changed program termination authority date to December 31, 2011.	Update
150202 Bibliography	Changed program termination authority date to December 31, 2011.	Update
150309 Bibliography	Reestablished program on March 26, 2010 with a termination date of December 31, 2011.	Update
150402 Bibliography	Changed program termination authority date to December 31, 2011.	Update
150503.B	Added program termination date of December 31, 2012.	Update
150507	Changed program termination authority date to December 31, 2012.	Update
150703 Bibliography	Changed program termination authority date to December 31, 2011	Update

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150311 Deployment Extension Incentive Pay (DEIP) Program
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* 150507 Voluntary Extension Beyond 365 Days Boots on Ground in Iraq, Afghanistan, or Other Theater Units Program

1506 Assignment Incentive Pay Program for Involuntary Extensions in Iraq, Afghanistan, or Certain Theater Units

150601 January 20, 2004 PDUSD (P&R) Memo
150602 April 22, 2004 PDUSD (P&R) Memo
150603 June 24, 2005 PDUSD (P&R) Memo
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150801 May 24, 2007 Under Secretary of Defense (USD) Memorandum
150802 Public Law 110-84, section 604, dated October 28, 2009

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*Bibliography

CHAPTER 15

SPECIAL PAY – ASSIGNMENT INCENTIVE PAY

1501 GENERAL ENTITLEMENT

150101. General Entitlement. A member of a uniformed service entitled to basic pay may be paid Assignment Incentive Pay (AIP) for performing service in an assignment designated by the Secretary concerned for such purpose as approved by the Office of the Secretary of Defense.

150102. Eligibility. To be eligible the member must be serving on active duty. The Secretary concerned may require the member to enter into a written agreement in order to qualify for AIP. The written agreement shall specify the period for which the incentive pay will be paid to the member and the monthly rate of the pay. The Secretary of a military department may only enter into agreements under terms and conditions for which the Secretary of Defense has provided concurrence.

150103. Payment. The maximum monthly rate of incentive pay payable to any member under this chapter is $3,000. Incentive pay paid under this section is in addition to any other pays and allowances to which the member is entitled, except as may be noted under each program. This payment may be made in lump sum, installments or monthly increments as authorized for each program. The monthly pay shall be prorated for partial months served, except as may be noted under each program.

150104. Restrictions. The following restrictions apply to entitlement to AIP.

* A. Under ***title 37 United States Code (U.S.C.) section 307a***, no agreement for any AIP program may be entered into after December 31, 2011.

B. A member is not entitled to AIP during a period of terminal leave ending upon discharge or release of the member from active duty.

150105. Special Provisions. The service of a member in a designated assignment shall be considered continuous during any period of temporary absence during which the member is performing temporary duty pursuant to orders or on authorized leave other than terminal leave.

1502 NAVY ASSIGNMENT INCENTIVE PAY PROGRAMS

150201. Pilot Program

A. The Navy was authorized a Pilot Program for AIP on May 29, 2003. The entitlement conditions are:

1. Entitlement begins upon reporting to the assigned duty and terminates when permanently detached from the assigned duty.

2. Payment rates are determined by negotiation between the member and the Navy and may be different for members in the same location. Payment will be prorated for partial months served in a designated assignment.

3. Payment for AIP may not be made to Navy members receiving a Selective Reenlistment Bonus for Location for the same assignment.

B. The Navy announced the Naval Special Warfare Development Group (NSWDG) AIP program on February 9, 2007. The entitlement conditions are:

1. Enlisted personnel must successfully complete the required NSWDG training.

2. Enlisted personnel must be assigned to NSWDG designated billets.

3. Enlisted personnel will sign an agreement or accept orders to voluntarily remain at an NSWDG billet for an additional 12 months from the date of the agreement or date of the first AIP payment, whichever is later.

4. Payment

a. Personnel who have been assigned to a designated NSWDG billet for less than 3 years since completion of the required training will receive AIP at $750 per month.

b. Personnel who have been assigned to a designated NSWDG billet for 3 years or more since completion of the required training will receive AIP at $1,000 per month.

5. Payment of the AIP will terminate when the member permanently detaches from the assigned duty at NSWDG. AIP will not be paid for periods of separation or terminal leave, nor will it be paid to members in a disciplinary or not fit for operational duty status.

* 150202. Sea Duty Incentive Pay (SDIP) Program. The Navy was authorized to implement Sea Duty Incentive Pay (SDIP) on December 6, 2006. The Navy implemented the program effective March 15, 2007. This program terminated on December 31, 2008 and was reestablished on April 14, 2009. Any agreements entered into after December 31, 2008 and before April 14, 2009 are considered unauthorized. Agreements may be entered into from April 14, 2009 through December 31, 2011, unless the program is otherwise extended, modified or cancelled by the Principal Deputy Under Secretary of Defense (Personnel and Readiness) (PDUSD(P&R)).

A. Programs

1. Sea Duty Incentive Pay – Extension (SDIP-E). SDIP-E is authorized for sailors who sign a written agreement to voluntarily extend their sea duty assignments on ships, submarines, or aviation squadrons by a minimum of 6 months and a maximum of 24 months (36 months for an assignment outside the continental United States, including Hawaii).

2. Sea Duty Incentive Pay – Curtailment (SDIP-C). SDIP-C is authorized for sailors who voluntarily curtail their shore duty assignments a minimum of 6 months prior to their original planned rotation date and return to sea duty assignments on a ship, submarine, or at an aviation squadron for a minimum of 12 months.

B. Eligibility. To be eligible for SDIP, the service member must:

1. Be serving in or selected for advancement (including members who are frocked) in one of the eligible ratings, skills, and pay grades. Subparagraph 150202.D is linked to the Navy website with this information.

2. Be serving in a permanent duty assignment on a ship, submarine, or aviation squadron designated as sea duty for purpose of rotation and home ported in the continental United States (CONUS), Hawaii, or overseas for SDIP-E. Members considered to be assigned as excess of authorized billets are ineligible for SDIP-E.

3. Be serving in a permanent shore duty assignment at an activity located in CONUS, Hawaii, Alaska, or overseas that is designated as shore duty for purposes of rotation for SDIP-C. Members currently receiving AIP for their shore duty assignment are not eligible for SDIP-C, or

4. Incur sufficient obligated service to fulfill the service time required by the SDIP-E or SDIP-C agreement. Additional obligated service will be incurred prior to payment of SDIP-E and prior to detachment from the shore duty unit/command for SDIP-C.

5. Effective June 25, 2007, members in receipt of non-SDIP orders may apply for SDIP.

C. Restrictions

1. Reserve Component sailors are not eligible for SDIP.

2. SDIP-E and C are not payable for periods of terminal or separation leave.

3. Payment of SDIP-E or C combined with any other AIP allowance will not exceed $3,000 per month or $36,000 per year.

D. Payment. Monthly entitlement rates for this program vary by pay grade and skill/rating. The rates are determined by the Department of the Navy and change frequently. Current entitlement rates can be found by clicking for the SDIP Eligibility Chart located ***here***.

E. Recoupment and Repayment. Recoupment of unearned portions of the SDIP lump sum payment will be as follows:

1. Sailors who fail to complete the full period of additional sea duty service as required by their SDIP agreement will be required to repay the percentage of the SDIP lump sum payment representing the unexecuted portion of their required service. Situations requiring recoupment include, but are not limited to:

a. Approved request for voluntary release from the written agreement if, due to unusual circumstances, it is determined that such release would clearly be in the best interests of both the Navy and the sailor.

b. Approved voluntary request for relief from an SDIP assignment.

c. Disability resulting from misconduct, willful neglect, or incurrence during a period of unauthorized absence.

d. Removal from the SDIP assignment for cause, including misconduct.

e. Separation for cause, including misconduct.

f. Separation for reason of weight control and/or physical readiness test failure.

2. If a sailor becomes ineligible for SDIP for any of the following reasons, recoupment of payments already received will not be required:

a. Disability, injury, or illness not the result of misconduct or willful neglect, or not incurred during a period of unauthorized absence.

b. Separation from the naval service by operation of laws or regulations independent of misconduct.

c. Death (see subparagraph 150202.E.3).

d. Where the Secretary of the Navy determines repayment would be against equity and good conscience, or contrary to the best interests of the United States.

3. In the event a sailor dies before the SDIP is received or before the sailor completes the sea duty assignment/extension for which SDIP is payable (and death is not caused by the sailor's misconduct), the unpaid /unearned balance of the SDIP shall be payable in the settlement of the deceased sailor's final military pay account. The unpaid SDIP shall be payable in lump sum. If death is determined to be voluntary or the result of the sailor's own misconduct, termination of any future payment and proration or recoupment of the SDIP, as applicable, will be made in accordance with procedures established for sailors whose inability to complete a contracted period of service is voluntary or the result of misconduct.

150203. Bahrain Officer Continuity Billet Program

A. On January 5, 2006, the Office of Under Secretary of Defense (Personnel & Readiness) (OUSD (P&R)) authorized AIP for Bahrain area of responsibility officer extensions. The program was approved subject to the Navy announcing the program with an effective date. Commissioned and warrant officer who were currently serving in a designated continuity billet may have been eligible to receive $500 per month tour extension AIP commencing upon acceptance of the agreement by PERS-4. Officers eligible to serve in a 12-month tour continuity tour billet who extend their tour for a minimum 18 months were authorized to receive $500 AIP per month commencing the month they started serving in the billet.

B. On June 5, 2008, the OUSD (P&R) issued a memorandum superseding the January 5, 2006 authorization and authorized a rate increase for certain officers who agree to unaccompanied tour extensions in Bahrain. The approval was subject to the Navy's establishment of an effective date after the Navy announced the program. Commissioned and warrant officers who were currently serving in designated continuity billets may be eligible to receive up to $2000 per month tour extension AIP commencing upon acceptance of the agreement by PERS-4. Officers eligible to serve in a 12-month tour continuity tour billet who extend their tour for a minimum of 18 or 24 months were authorized to receive up to $1800 or $2000 AIP per month, respectively, commencing the month they started serving in the billet. This program was approved for continuation through December 31, 2009; however, based upon an OUSD (P&R) memorandum signed on June 25, 2009, authorizing the full return of dependents to the Area of Responsibility (AOR), the Navy elected to cancel the program on September 21, 2009. Any agreement signed after this date will not be considered authorized.

150204. Joint Special Operations Command (JSOC) Program. The OUSD (P&R) on June 29, 2009 authorized the Navy to pay AIP to senior enlisted members (E7 to E9) who hold a Special Operations Forces (SOF) specialty and are serving in a designated U.S. Special Operations Command (SOCOM) senior enlisted billet in JSOC.

A. Eligibility. Senior enlisted sailors who sign a written agreement to serve 12 to 36 months in a designated assigned billet are authorized AIP.

B. Payment

1. Senior enlisted sailors who previously served less than 3 years in Naval Special Warfare Development Group (NSWDG) service are authorized $750 per month.

2. Senior enlisted sailors who previously served greater than 3 years in NSWDG service are authorized $1,000 per month.

C. Restriction

1. Sailors in receipt of AIP under this program may not be in receipt of AIP under a Special Mission Unit or other SOCOM MFP-11 SOF AIP program.

2. No new AIP agreements will be entered into after December 31, 2010.

1503 ARMY ASSIGNMENT INCENTIVE PAY PROGRAMS

150301. Korea Assignment Program

A. PDUSD (P&R) Memorandum, dated January 19, 2005. On May 18, 2004, the Army was authorized the 90-day Korea assignment program. By direction of the Secretary of the Army, the 90-day program expired September 30, 2005. On January 19, 2005, the Army was authorized extension of and modification to its Korea assignment program hereafter referred to as the "long-term program." Authority for this long-term program expired on December 31, 2008. The long-term program was reestablished on January 5, 2009, with an expiration date of January 31, 2011 (subject to congressional extension of ***37 U.S.C. 307a***). This program was superseded by the OUSD (P&R) memorandum dated April 6, 2009 in subparagraph 150301.B, however, members will continue to receive their AIP payments until the end date specified in their agreement or their departure from Korea.

1. Long-Term Program

a. Soldiers in Korea who sign an agreement to serve a 24-month unaccompanied or a 36-month accompanied tour and enter such agreement at anytime from in-processing up to the date 120 days before their expected return from Korea or receipt of assignment instructions, whichever comes first, will receive $300 per month from the date of signature through their new tour end date.

b. Soldiers in Korea who sign an agreement to serve a 36-month unaccompanied or a 48-month accompanied tour and enter such agreement at anytime from in-processing up to the date 120 days before their expected return from Korea or receipt of assignment instructions, whichever comes first, will receive $400 per month from the date of signature through their new tour end date.

2. Entitlement Under the 90-Day Program. This program is for soldiers who volunteer to extend their scheduled tour of duty in Korea by 3 months. They will be paid an amount not to exceed $300 per month from the date the AIP agreement is accepted through their new tour end date. The monthly pay shall be that specified in the agreement.

3. Termination of AIP. AIP will be stopped upon termination of the contract or curtailment of the agreed tour of duty for any reason, either voluntary or involuntary. The entitlement to AIP will be terminated if the member is determined to be absent without leave (AWOL) or enters confinement.

4. Restriction. Soldiers who elect AIP for Korea will not be eligible for a Targeted Selective Reenlistment Bonus contract, the Overseas Tour Extension Incentive Program (OTEIP), or the Consecutive Overseas Tour/In Place Consecutive Overseas Tour (IPCOT) programs.

B. OUSD (P&R) Memorandum dated April 6, 2009. This memorandum superseded the January 19, 2005 memorandum in subparagraph 150301.A. and established three categories of assignments applicable for AIP payments. All categories require a written agreement by the member. The categories are:

1. Members who volunteer for a 36-month initial assignment to Pyeongtaek, Osan, Daegu, Chinhae, or Seoul may be paid $300 per month in AIP, to be paid on a monthly basis, upon commencement of the assignment.

2. Members who volunteer for a 24-month initial assignment to Uijongbu or Dongducheon may be paid $300 per month in AIP, to be paid on a monthly basis, upon commencement of the assignment.

3. Members who accept an initial tour to Korea in any location and later elect to extend their assignment length for 12 or 24 months may be paid $300 per month, to be paid on a monthly basis, upon commencement of the tour with an extension agreement, or entering the extension, whichever is earlier.

C. Restrictions

1. No member may be paid an AIP payment under subparagraph 150301.B if they are being paid AIP for the same assignment or extension of assignment under another AIP program.

2. No agreements shall be entered into after September 30, 2014, with the programs remaining subject to congressional reauthorization of ***37 U.S.C. 307a***.

150302. Voluntary Extension in Iraq, Afghanistan, or Certain Theater Units Program. On May 29, 2007, the Secretary of the Army was authorized to designate certain military assignments in which a soldier agrees to serve beyond 12-months Boots on Ground (BoG) in Iraq (including Kuwait staging areas), Afghanistan or certain theater units. Certain

theater units are defined as units that routinely conduct operations in or support units in Iraq but are not based in Iraq. The Army implemented this new program effective June 15, 2007, whereby soldiers who sign an agreement to serve up to 12 additional months will be offered AIP.

A. Active Component Soldiers. Soldiers assigned to positions or units in echelons above Brigade who are not subject to unit rotations, to include transition teams, will be offered AIP should the soldier agree to volunteer to continue to serve beyond their 12-month BoG or 12 months out of the previous 15-months BoG in Iraq, (including Kuwait staging time), Afghanistan or certain theater units.

B. Reserve Component Soldiers. Soldiers who volunteer to serve an extended tour up to 12 additional months or to be reassigned to another unit upon completion of a 12-month BoG in Iraq, Afghanistan, or certain theater units for up to 12 additional consecutive months will be offered AIP. National Guard soldiers may extend only with the consent of their respective Governor. This program supersedes the program announced by HQ DA MSG 070059Z August 2004.

C. Amounts Payable

1. Soldiers who agree to extend up to 3 months will be offered $300 per month AIP.

2. Soldiers who agree to extend greater than 3 months will be offered $500 per month AIP.

D. Termination and Reinstatement of Authority. The ability to enter into an AIP contract terminated on October 1, 2009. The Army was authorized by the OUSD (P&R) to reestablish this AIP program on November 2, 2009. AIP contracts, unless extended, modified, or cancelled by the OUSD(P&R), would be authorized through September 30, 2011, subject to congressional reauthorization of ***37 U.S.C. 307a***. Contracts entered into from October 1, 2009 through November 1, 2009 will not be considered authorized.

150303. Involuntary Extensions in Iraq, Afghanistan or Certain Theater Units Program. The Army issued clarifying guidelines for payment of AIP for involuntary extensions referenced in section 1506.

A. Active and Reserve Component soldiers deployed to Iraq (to include staging time in Kuwait), Afghanistan, or certain theater units, who have been involuntarily extended by the Secretary of Defense beyond 12 consecutive months BoG or 12-months within a 15-month period (365 days of 450 days), are entitled to $800 in AIP and $200 for hardship duty pay (HDP) for each month or portion of a month served longer than 12-months BoG. The total monthly entitlement of HDP will not exceed $300. The PDUSD (P&R) changed the monthly $800 AIP and $200 HDP entitlements to a monthly $1,000 AIP entitlement for involuntary extensions effective December 1, 2008.

B. Certain theater units are defined as those units that routinely conduct operations or support units that conduct operations in Iraq or Afghanistan but are not based in Iraq or Afghanistan. The Combatant Commander specifies eligible units for these purposes.

C. Payment of AIP for individual soldiers and to the Company level is effective June 15, 2007.

150304. Explosive Ordnance Disposal (EOD) Program. On March 7, 2007, the Army was authorized to implement an AIP program for Army EOD personnel. On March 30, 2007, the Army issued implementation instructions for Army EOD personnel, which is the effective date of the program. Thus, payment of AIP is authorized on and after March 30, 2007.

A. Program Guidelines

1. Soldiers must sign an agreement.

2. Soldiers in the Military Occupational Specialty (MOS) of 89D who graduate from the Naval School Explosive Ordnance Disposal (NAVSCHOLEOD) and are assigned to EOD billets performing EOD duties may apply for the AIP.

3. Soldiers in MOS of 00Z or accession MOS 89D who graduate from NAVSCHOLEOD and are assigned to EOD billets performing EOD duties may apply for the AIP.

4. Army National Guard and Army Reserve 89D soldiers who meet the eligibility criteria in subparagraphs 150304.A.1 and 2. will receive prorated AIP based on their drilling status.

5. Soldiers must have a minimum of 12 months remaining in service.

B. Payment. The monthly payment of AIP is determined by pay grade and time accredited to working the EOD field upon graduation from the NAVSCHOLEOD. Lump sum payments are not authorized. Table 15-1 shows the monthly rates.

C. Termination. AIP will be stopped based on the following criteria:

1. Soldier initiated termination of AIP contract.

2. Soldier revokes the “EOD Volunteer Statement”.

3. Reassignment to another MOS.

4. AWOL or confinement status.

5. Termination of EOD duties.

6. Upon promotion or reduction, or

7. Completion of the member's enlistment contract.

D. Recoupment. Reasons for recoupment of AIP include:

1. Soldier terminates the AIP contract.

2. Soldier revokes the "EOD Volunteer Statement."

3. AWOL or confinement status, or

4. Command termination of EOD duties may result from loss/suspension of security clearance, guilty of gross negligence or flagrant violation of EOD safety procedures.

E. Termination and Reinstatement of Authority. The ability to enter into an AIP contract terminated on October 1, 2009. The Army was authorized by the OUSD (P&R) to reestablish this AIP program on November 2, 2009. AIP contracts, unless extended, modified, or cancelled by the OUSD(P&R), would be authorized through September 30, 2011, subject to congressional reauthorization of ***37 U.S.C. 307a***. Contracts entered into from October 1, 2009 through November 1, 2009 will not be considered authorized.

150305. Voluntary Extension Program for Army Intelligence Assets Program. On February 9, 2005, the Army authorized AIP for Army members designated as intelligence assets who voluntarily extend their current assignment in Iraq and/or Afghanistan. Army members identified as intelligence assets by the Combatant Commander who are assigned to duty in Iraq and/or Afghanistan may be entitled to AIP for voluntary continuation of service in country.

A. Eligibility. To qualify, the member must meet all of the following criteria:

1. Complete 12 months of deployed duty within a 15-month period (365 days out of 450 days) in Iraq and/or Afghanistan. Deployed time includes staging time in Kuwait,

2. Voluntarily extend their current assignment for 3 months,

3. Hold an MOS on the list approved by the Army Deputy Chief of Staff, G-2 for this particular AIP program,

4. Fill a position in support of operations in Iraq or Afghanistan, to include those in the J-2, C-2, Multi-National Force-Iraq or Joint Intelligence Centers in the U.S. Central Command area of responsibility, and

5. Complete the necessary AIP contract form and have it approved by the Commander, Combined Forces Land Component Command.

B. Payment. Members will be entitled beginning on the date of the extension through the end date of the extension at the monthly rate of $300.

150306. Military Occupational Specialty (MOS) 09L Interpreter Translator Program. Effective September 27, 2007, the Army authorized AIP for Army Reserve and National Guard members who were qualified in MOS 09L and who voluntarily extended their tours of service beyond 12 months BoG.

A. Eligibility. Members who entered into an agreement and agreed to extend their tours of service beyond 12-months BoG shall receive AIP up to $3000 per month.

B. Termination and Reinstatement of Authority. The ability to enter into an AIP contract terminated on October 1, 2009. The Army was authorized by the OUSD (P&R) to reestablish this AIP program on November 2, 2009. AIP contracts, unless extended, modified, or cancelled by the OUSD (P&R), would be authorized through September 30, 2011, subject to congressional reauthorization of ***37 U.S.C. 307a***. Contracts entered into from October 1, 2009 through November 1, 2009 will not be considered authorized.

150307. Deployment Extension Stabilization Pay (DESP) Incentive Program. On May 19, 2009 the OUSD (P&R) authorized the Army to pay AIP to Army National Guard members in Enlisted grades E3 to E8, Warrant Officer grades W01 to CW3, and Commissioned Officer grades O-2 to O-4, who are assigned or reassigned to units mobilizing on or after September 1, 2009, and who voluntarily extend their service commitment/obligation.

A. Eligibility. Generally, members must sign an agreement to extend their service within 365 days to the day prior to the unit's mobilization date. Members who do not extend their service obligation within this time frame are not eligible for mobilization. The agreement must be for an additional 12 to 21 months of service, which must include 365 days of voluntary mobilization/deployment, plus 90 days for post-mobilization reintegration, whichever is greater.

B. Payment. Members will be paid monthly, not to exceed 12 months, at a rate up to $500 for each month after the mobilization date. Members may not receive any other type of AIP program payment.

C. Termination of Authority. Subject to congressional reauthorization of ***37 U.S.C. 307a***, this program will remain in effect until September 30, 2011.

150308. Asymmetric Warfare Group (AWG) Incentive Program. The PDUSD (P&R) on November 16, 2006 authorized the Army to pay AIP to members who volunteer to continue to serve in an AWG billet. The Army had to announce the program with an effective date. The program terminated on September 30, 2009, but was extended on November 2, 2009 by the OUSD (P&R) with a new termination date of September 30, 2011, subject to congressional reauthorization of ***37 U.S.C. 307a***. Any agreement signed after September 30, 2009 and before November 2, 2009 would not be considered authorized.

A. Eligibility. The Secretary of the Army shall designate all AWG members for AIP. Members must sign a written agreement to serve or accept an assignment for 12 to 36 months in an AWG billet. Payment would be $400 per month.

B. Restrictions. Payment of AIP would terminate if a member was permanently reassigned from an AWG billet; went AWOL; or went into a confinement status prior to the completion of the AWG assignment.

* 150309. 704th Military Intelligence (MI) Brigade Incentive Program. The PDUSD (P&R) on October 23, 2006 authorized the Army to pay AIP to members who volunteer to serve or accept an assignment in a valid operator billet within the 704th MI Brigade. The program terminated on September 30, 2009, but was reestablished on March 26, 2010. Any agreement entered into after September 30, 2009, but before March 26, 2010, will be considered unauthorized. Agreements under this program may only be entered into through September 30, 2011, unless the program is extended by the PDUSD(P&R).

A. Eligibility. Enlisted personnel, warrant and commissioned officers who volunteer to serve in an assignment or accept an assignment and sign a written agreement to serve for 36 months are eligible to receive $300 per month in AIP.

B. Restrictions. Payment of AIP would terminate if a member was permanently reassigned to another unit, to a position other than an operator billet, went AWOL, or went into a confinement status prior to the completion of the assignment.

150310. Special Mission Units (SMU) Incentive Program. The OUSD (P&R) on January 9, 2006 authorized the Army to pay AIP to members who serve in a special mission unit subject to the Army announcing the program with an effective date. The program was extended on March 3, 2008 by the PDUSD (P&R) with a termination date of December 31, 2009. Any agreement signed after this date will not be considered authorized.

A. Eligibility

1. Enlisted personnel and warrant officers who have served in a SMU operator billet for less than 3 years will be paid $750 per month in exchange for their agreement to continue to serve in an assignment or accept an assignment to a SMU operator billet for 12 to 36 months.

2. Enlisted personnel and warrant officers who have served in a SMU operator billet for more than 3 years will be paid $1,000 per month in exchange for their agreement to continue to serve in an assignment or accept an assignment to a SMU operator billet for 12 to 36 months.

3. Only SMU enlisted members and warrant officers serving in operator billets are considered eligible.

4. Eligible members must sign a written agreement to serve 1 to 3 years in a SMU assignment.

B. Restrictions

1. Member paid AIP for assignment in an Army SMU billet may not be in receipt of AIP for service in a SOCOM MFP-11 Special Operations Forces billet for the same period.

2. Payment of AIP would terminate if a member was permanently reassigned to another billet or unit other than an SMU, went AWOL, or went into a confinement status prior to the completion of the assignment.

150311. Deployment Extension Incentive Pay (DEIP) Program. The PDUSD (P&R) on June 26, 2007 authorized the Secretary of the Army to designate all assignments in which a soldier agrees to complete a deployment under Operation Enduring Freedom, Operation Iraqi Freedom, or in connection with another Global War on Terrorism mission, subject to the Army announcing the program with an effective date. The program was extended to September 30, 2010 by the OUSD (P&R) on June 16, 2009. The Army established the DEIP program on March 30, 2009 with ALARACT 092/2009. This announcement was superseded by ALARACT 160/2009 dated May 28, 2009.

A. Eligibility

1. Active Component enlisted soldiers who had not intended to reenlist or extend their active duty commitment in order to complete a deployment with the unit they were currently assigned are eligible for the AIP.

2. Soldiers must voluntarily extend their current service commitment through their units projected redeployment date plus 60 days.

3. Soldiers must deploy with the unit, or is unable to deploy, or returns from deployment due to no fault of the member.

B. Payment. Payment for the AIP will start when the soldier begins serving on and continues through the end of the extension. The following conditions determine the rate of AIP to pay:

1. Soldiers who execute their extension between 9 and 6 months prior to the unit's latest arrival date will be authorized AIP at $500 per month for each full month they extend their service commitment.

2. Soldiers who execute their extension after 180 days prior to the unit's latest arrival date and 90 days before the member's expiration of term of service date will be authorized AIP at $350 per month for each full month they extend their service commitment.

C. Termination of Authority. Agreements to this program may only be entered into through September 30, 2010, unless this program is extended, modified or cancelled by the PDUSD(P&R).

150312. 160th Special Operations Aviation Regiment (Airborne)(SOAR) Program. The Under Secretary of Defense (USD)(P&R) on March 4, 2010, authorized the Army to pay AIP to Aviation Warrant Officers (AWO) who volunteer for an assignment or extension with the 160th SOAR. Agreements may be entered into through September 30, 2013, subject to congressional reauthorization of ***37 U.S.C. 307a*** and an action by PDUSD(P&R) to extend or modify the program.

A. Eligibility. Two options are available:

1. Initial Assignment: AWOs who volunteer for duty with the 160th SOAR, successfully complete "Green Platoon" training, and have a Military Occupational Specialty (MOS) of 152C, 153E, or 154E are eligible. AWOs will execute a written agreement to serve with the regiment for a minimum 48-month assignment and will be paid a one time lump sum payment of $10,000.

2. Assignment Continuation: AWOs with 21 years of Active Federal Service or greater who are assigned to the 160th SOAR and have an MOS of 152C, 153E, or 154E are eligible. AWOs will execute a written agreement to serve an additional 24-month assignment with the regiment and will be paid $1,000 per month.

B. Restriction. Personnel paid the 160th SOAR AIP may not be in receipt of AIP under any other voluntary service obligation extension program.

1504 AIR FORCE ASSIGNMENT INCENTIVE PAY PROGRAMS

150401. Korea Assignment Incentive Program. On April 27, 2004, the Air Force was authorized AIP Korea assignment program. The PDUSD (P&R) provided permanent approval of this program on June 30, 2008. The OUSD (P&R) on April 6, 2009 modified the eligibility requirements based on tour length changes for Korea. All changes are subject to congressional reauthorization of ***37 U.S.C. 307a*** or the Secretary of Defense implementation of 37 U.S.C. 352.

A. OUSD (P&R) Memorandum, dated June 30, 2008. This program is superseded by the OUSD (P&R) memorandum dated April 6, 2009 which is discussed in subparagraph 150401.B. Members will continue to receive their AIP payments until the end date specified in their agreements or their departure from Korea.

1. Eligibility

a. Airmen who volunteer to serve a 24-month unaccompanied or 36-month accompanied tour before arriving in Korea, and who enter such agreement prior to

completion of the first 30 days in country, will receive $300 per month from the date of arrival through their new tour end date.

b. Additionally, there is a one-time application offer for airmen who have at least 6 months remaining on their tour in Korea or who have not received benefits under the OTEIP or the IPCOT program. Airmen who volunteer to extend their tour length by 12 months and enter such an agreement will receive $300 per month from the date of signature through their new tour end date.

2. The AIP will be stopped upon termination of the contract or curtailment of the agreed tour of duty for any reason, either voluntary or involuntary. The entitlement to AIP will be terminated if the member is determined to be AWOL or enters confinement.

3. Airmen who elect AIP for Korea will not be eligible for Home basing, Follow-on Assignment, or concurrent OTEIP or IPCOT.

B. OUSD (P&R) Memorandum dated April 6, 2009. This memorandum establishes 3 categories of assignments applicable for AIP payments. All categories require a written agreement by the member. The categories are:

1. Members who volunteer for a 36-month initial assignment to Pyeongtaek, Osan, Daegu, Chinhae, or Seoul may be paid $300 per month in AIP, to be paid on a monthly basis, upon commencement of the assignment.

2. Members who volunteer for a 24-month initial assignment to Uijongbu or Dongducheon may be paid $300 per month in AIP, to be paid on a monthly basis, upon commencement of the assignment.

3. Members who accept an initial tour to Korea in any location and later elect to extend their assignment length for 12 or 24 months may be paid $300 per month, to be paid on a monthly basis, upon commencement of the tour with an extension agreement, or entering the extension, whichever is earlier.

C. Restrictions

1. No member may be paid an AIP payment under subparagraph 150401.B if they are being paid AIP for the same assignment or extension of assignment under another AIP program.

2. No agreements shall be entered into after September 30, 2014 with the programs remaining subject to congressional reauthorization of ***37 U.S.C. 307a***.

150402. Creech Air Force Base Assignment Incentive Program. On June 29, 2008, the PDUSD (P&R) approved the payment of assignment incentive pay for personnel assigned to Creech Air Force Base (AFB). The Air Force implemented the program with their instructions

dated July 11, 2008. On July 30, 2008, the PDUSD (P&R) modified the approval by removing the contractual obligation for members to receive the AIP.

A. Eligibility. Members are authorized $300 per month for the first 36 months and $750 per month thereafter for:

1. Being permanently assigned to Air Force units or elements, and,

2. Prior to July 30, 2008, eligible members were required to sign a written agreement to serve in a designated assignment at Creech AFB for a period corresponding to 36 or more months time on station (TOS).

B. Temporary Duty Travel Credit. TOS credit (whole months) for the purposes of calculating AIP will be given for temporary duty travel (TDY) to Creech AFB for those who begin a subsequent permanent change of station assignment to Creech AFB within 6 months of the completion of that TDY. This calculation is for TOS equivalency only. No retroactive payment of AIP is authorized.

* C. The Creech AIP program may continue through December 31, 2011. No new contracts will be entered into after that date unless the AIP program is reauthorized by the OUSD (P&R).

150403. 24th Special Tactics Squadron (24th STS) Incentive Program. The PDUSD (P&R) on September 25, 2007 authorized the payment of $750 per month AIP to enlisted members of the 24th STS. The Air Force implemented the AIP program on October 23, 2007. The program was extended on December 22, 2009 by the OUSD (P&R).

A. Eligibility

1. Enlisted special mission unit (SMU) members who have already served a minimum of 12 months in operator billets are eligible.

2. A written agreement must be signed to serve an additional 12 to 36 months in an SMU assignment.

3. Airmen paid this AIP may not be in receipt of AIP for service in a SOCOM Special Operations Forces billet for the same period.

B. Termination

1. This AIP payment shall terminate upon permanent reassignment to another billet or unit other than a 24th STS operator billet.

2. This AIP payment shall terminate in the event the member goes AWOL or in a confinement status prior to completion of this assignment.

3. The program may continue through December 31, 2011. No new contracts will be entered into after that date, subject to congressional reauthorization of ***37 U.S.C. 307a*** and PDUSD (P&R) action to extend, modify, or cancel the program.

1505 MARINE CORPS ASSIGNMENT INCENTIVE PAY PROGRAMS

150501. Deployment Extension Program. On February 14, 2007, the Marine Corps authorized AIP for Marines who extend their enlistment/reenlistment in order to complete a deployment with a unit involuntarily extended in support of Operation Iraqi Freedom, Operation Enduring Freedom or other Global War on Terrorism mission. This AIP is payable through December 31, 2010.

A. Eligibility

1. Must have less than 12 months on active service remaining on their existing enlistment/reenlistment.

2. Must agree to remain with their current unit to complete the extended deployment.

B. Payment. Marines who extended their enlistment/reenlistment will be eligible to receive $500 for every month of their extension.

C. Termination. Payment of AIP will stop under the following circumstances:

1. Service initiated, or other, no fault of the Marine, curtailment of the AIP tour, or

2. Terminal leave

150502. Combat Extension Program. Effective October 1, 2006, Marines who extended their expiration of active service (EAS) beyond October 1, 2007, to complete a 7 or 12-month deployment in support of Operation Iraqi Freedom, Operation Enduring Freedom or other Global War on Terrorism mission are eligible for AIP. This AIP is payable through December 31, 2010.

A. Eligibility

1. Must have less than 12 months remaining until their EAS.

2. Must extend their EAS into FY08 (October 1, 2007).

3. Must agree to remain with their current unit or be reassigned to a deploying unit based on the needs of the Marine Corps. Marines that have previously extended

and have completed the deployment are eligible for the AIP provided their EAS exceeds October 1, 2007.

4. Must sign a written agreement.

5. Length of extension is based on the Marine's current EAS and the unit deployment schedule. The new EAS must account for the entire deployment and post deployment transition time.

B. Payment

1. Marines who extend their EAS by 7 months to complete a deployment are eligible to receive $3,000.

2. Marines who extend their EAS by 12 months to complete a deployment are eligible to receive $6,000.

3. Combat Zone Tax Exclusion (CZTE) will apply if the Marine signs the agreement while physically located in a CZTE area or during the month in which CZTE applies.

C. Recoupment. If the Marine does not fulfill the EAS extension or complete the deployment due to misconduct or actions initiated by the Marine, then the unearned portion of the AIP will be recouped. Recoupment will be prorated based on the period of time unfulfilled. Calculations use a daily rate of $14.29 for a 7-month and $16.67 for a 12-month deployment times the number of days of deployment that were not completed.

150503. Marine Corps AIP Programs for Involuntary Extension of Tour Length in Iraq, Afghanistan, or Certain Theater Units Programs.

A. Involuntary Extension Beyond 12-Months BoG. The provisions of section 1506 apply.

* B. Involuntary Extension Beyond 210 But Less Than 365-Days BoG. On May 17, 2007, AIP was authorized by the PDUSD (P&R) for Marine Corps units/individuals involuntarily extended beyond normal deployment durations subject to an effective date after the Marine Corps announcement of the program. The Marine Corps announced the program effective July 1, 2007 in MARADMIN 397/07. This program is authorized through December 31, 2012, subject to congressional reauthorization of ***37 U.S.C. 307a***.

1. Marines assigned to a unit at or below the Battalion/Squadron level, deployed as service or joint individual augments (IA) or deployed as a member of a transition/training team (TT) who are involuntarily extended beyond 210 days, but less than 365 days, are eligible for AIP. Payment is a flat $250 for every month (or partial month) the deployment duration exceeds the original deployment return date.

2. The involuntary unit/individual extension must occur in the US Central Command area of responsibility, Marine Expeditionary Unit (MEU), Carrier/Carrier Nuclear (CV/CVN) squadron deployment or other locations designated by the Commandant of the Marine Corps. Marines must be serving in these areas to receive the AIP. Marines that do not deploy; remain at the home station; or stay at other locations not within the unit's AOR are not eligible for this AIP.

3. Marines who join a unit after the unit's departure to the AOR are eligible when the unit is involuntarily extended beyond the original deployment return date.

4. Marines who return from deployment earlier than the original return date are not eligible for this AIP. This includes returning due to combat or non-combat injury.

5. Marines participating in the AIP program outlined in subparagraph 150501 are not eligible for AIP under this subparagraph.

6. Marines already on involuntary extensions are authorized AIP under this subparagraph. Payment commences on the 1st day after the original deployment return date and continues monthly for the duration of the involuntary extension.

7. AIP will be terminated for individuals on the date the member departs the AOR; for units when the majority of the main body of the unit departs the AOR; or for MEUs and CV/CVNs on the date the command element returns to homeport.

150504. Fiscal Year (FY) 07 End Strength Incentive Program. On February 14, 2007, AIP was authorized for enlisted Marines with under 27 years of service who reenlist for a minimum period of 36 months. This AIP is payable through September 30, 2007.

A. Eligibility

1. Marines in grades E-3 through E-9 with under 20 years of service must meet Enlisted Career Force Controls/High Year Tenure (ECFC/HYT) guidelines and:

a. Reenlist during FY07 for 4 years or more are eligible for $10,000

b. Reenlist during FY07 for 3 years prior to February 12, 2007 and who accept an additional 12-months extension to their term of service in conjunction with their AIP agreement are eligible for $10,000.

2. Marines with over 20 years of service who meet ECFC/HYT guidelines and:

a. Reenlist during FY07 for 3 years or more are eligible for $10,000

b. Reenlist during FY07 for 2 years prior to February 12, 2007 and who accept an additional 12-months extension to their term of service in conjunction with their AIP agreement are eligible for $10,000.

3. Marines who return to the active component during FY07 and reenlist for a minimum period of 48 months are eligible for the AIP based on the number of days of broken active component service. The periods of broken service and rates are:

a. 90 days or less for $10,000

b. 91 to 365 days for $8,000

c. 366 to 1460 days (4 years) for $6,000

4. Active component Marines reenlisting for a special officer program are eligible for the FY07 AIP provided they meet the guidelines established in ***MARADMIN 107/07*** dated February 14, 2007. Marines commissioned or appointed as warrant officers will not be required to repay any portion of the FY07 end strength AIP.

5. Marines that receive the FY07 AIP and then separate to participate in another program offered by a different service will be required to repay any unearned portion of the AIP agreement.

B. Recoupment. The provisions of ***Chapter 9, section 0905*** applies for recoupment of any unearned FY07 end strength AIP. Recoupment will be prorated with the following rates:

1. Marines with under 20 years will pay $208 per month times the number of months of the reenlistment contract not completed.

2. Marines over 20 years will pay $278 per month times the number of months of the reenlistment contract not completed.

150505. Recruiter Extension Program. On February 14, 2007 through December 31, 2010, Marines in MOS 8411 positions are authorized payment of AIP for $500 per month beginning on the 1st day of the month following the completion of the 36-month tour of duty.

A. Eligibility

1. Marines must be serving in MOS 8411 as a Canvassing Recruiter, Staff Noncommissioned Officer in Charge (SNCOIC) of a recruiting substation or prior service recruiter.

2. Must extend for 6 to 12 months beyond the required 36-month tour.

3. Must successfully complete the 36-month tour of duty.

4. Recruiters must have command endorsement.

5. Recruiters already serving a 6 month or greater extension are eligible for the program. If approved, then payment will be for the remaining months of their current extension.

B. Restriction. Back to back AIP agreements or concurrent AIP extensions beyond 12 months are not authorized.

C. Termination. Payment of AIP will terminate under the following circumstances:

1. Failure to meet recruiting requirements prescribed by the recruiting station commanding officer or prior service recruiting office officer in charge.

2. Service initiated, or other, no fault-of-the-Marine, curtailment of AIP tour.

3. Relief or reassignment from the designated AIP billet.

4. Terminal leave.

5. No longer serving in a production recruiter or SNCOIC of a recruiting substation billet.

6. Completion of the recruiter extension program period.

150506. Special Mission Unit (SMU) Program. On November 28, 2007, the PDUSD (P&R) authorized the Marine Corps to establish an AIP program for Special Mission Units subject to the Marine Corps announcing the program and the establishment of an effective date. On December 22, 2009, the OUSD (P&R) approved the Marine Corps' request to extend this program. Agreements are authorized to be entered into through December 31, 2011, subject to congressional reauthorization of section ***37 U.S.C. 307a***.

A. Payment

1. Payment of $750 per month is authorized for Marines who have served in an SMU operator billet for less than 3 years.

2. Payment of $1000 per month is authorized for Marines who have served in an SMU operator billet for 3 or more years.

B. Eligibility

1. Only SMU enlisted Marines serving in operator billets are eligible.

2. Eligible Marines must sign a written agreement to serve an additional 12 to 36 months in an SMU billet.

3. Marines paid this AIP may not receive AIP for service in a SOCOM Special Operations Forces billet for the same period.

C. Termination

1. This AIP payment shall terminate upon permanent reassignment to another billet or unit other than an SMU.

2. This AIP payment shall terminate in the event the member goes AWOL or in a confinement status prior to completion of this assignment.

150507. Voluntary Extension Beyond 365 Days Boots on Ground in Iraq, Afghanistan, or Other Theater Units Program. The PDUSD(P&R) on October 11, 2007 authorized the Marine Corps to establish an AIP program for voluntary extensions for Marines serving on a 12-month deployment in a Regimental/Group level command or higher, who, upon completion of 12 consecutive months or 12 months out of the previous 15 months BoG in Iraq, Afghanistan, or certain theater units, volunteer to extend for a minimum of 90 days. The Marine Corps issued MARADMIN 040/08 on January 16, 2008, establishing an AIP program for these voluntary extensions.

A. Eligibility

1. Marines must be on an initial 365-BoG tour in a Regimental/Group Level Command or higher.

2. Marines must be an E6 or above. Marines selected for E6 are eligible.

3. Marines must be serving in the US Central Command Area of Responsibility (AOR) which is defined as Iraq, Kuwait, Afghanistan, Bahrain, or the Horn of Africa prior to the extension.

4. Marines must sign a written agreement to extend their deployment a minimum of 90 days.

B. Payment. Payment of $500 per month is authorized for the length of the voluntary extension.

C. Restriction. Payment for this voluntary AIP program may not be combined with any involuntary extension programs.

D. Termination

1. Payment for the AIP program will terminate when the Marine departs the AOR.

* 2. No new written agreements will be entered into after December 31, 2012, subject to congressional reauthorization of ***37 U.S.C. 307a***.

1506 ASSIGNMENT INCENTIVE PAY PROGRAMS FOR INVOLUNTARY EXTENSIONS IN IRAQ, AFGHANISTAN OR CERTAIN THEATER UNITS. The AIP program for involuntary extensions beyond 12-months BoG in Iraq, Afghanistan, or certain theater units entitled qualified members to $800 per month in AIP. There are 4 independent qualifying effective dates with criteria as follows:

150601. January 20, 2004 PDUSD (P&R) Memo. On January 20, 2004, AIP was authorized for members assigned or attached to specified units identified by the Combatant Commander as having been required to remain in Iraq beyond the normal 12-month rotation return date. Additionally, the individual member must have been deployed to Iraq (including staging time in Kuwait) and/or Afghanistan for 12-months within a 15-month period (365 days out of 450 days). (The authority issued on January 20, 2004, was rescinded, but replaced by policy issued on April 12, 2004, by memorandum with no material change).

150602. April 22, 2004 PDUSD (P&R) Memo. On April 22, 2004, AIP was authorized for members assigned to theater units not based in Iraq, who routinely conduct operations in Iraq or support units that conduct operations in Iraq. The only qualifying units are those specified by the Combatant Commander as having been involuntarily extended beyond the normal 12-month rotation return date. Additionally, the individual member must have been deployed to Iraq (including staging time in Kuwait) and/or Afghanistan and/or the location of the unit for 12 months within a 15-month period (365 days out of 450 days).

150603. June 24, 2005 PDUSD (P&R) Memo. On June 24, 2005, continued payment of AIP in effect under the April 12th and 22nd, 2004 memoranda for members in units involuntarily extended beyond 12-months BoG in Iraq was authorized. The program was also expanded to include Afghanistan and any individual member involuntarily extended beyond 12-months BoG in Iraq, Afghanistan or in certain theater units (units that routinely conduct operations or support units that conduct operations in Iraq or in Afghanistan, but are not based in those countries). The authority issued on June 24, 2005 rescinded the April 12th and 22nd, 2004 memoranda referenced in subparagraphs 150601 and 150602.

150604. November 13, 2008 PDUSD (P&R) Memo. The PDUSD (P&R) issued a November 13, 2008 memo authorizing the payment of $1,000 for AIP effective on and after December 1, 2008. Members will be provided a written statement specifying the period of the approved involuntary extension for which the AIP will be paid.

150605. Payment Exception. Payment will not be prorated for partial months, but rather will be paid in full for any partial month of qualification. This is an exception to the usual practice of prorating AIP.

1507 SPECIAL OPERATIONS FORCES ASSIGNMENT INCENTIVE PAY PROGRAM. On January 1, 2005, the PDUSD (P&R) authorized AIP for military members assigned to the Special Operations Command (SOCOM).

150701. Eligible Members. Enlisted members and Warrant Officers assigned in MFP-11 SOCOM billets having more than 25 years of service, and who are designated by the Combatant Commander SOCOM as "operators" shall be authorized AIP provided the member signs a written agreement to remain on active duty for an additional minimum 12-month period. The period may be prorated in the year of scheduled retirement.

150702. Payment. The monthly rate of AIP under this program will be $750. Members will be entitled beginning on the effective date of the agreement through the period of the agreement.

* 150703. Restriction. No new contracts shall be entered into after March 31, 2012.

1508 ASSIGNMENT INCENTIVE PAY IN LIEU OF POST-DEPLOYMENT/MOBILIZATION RESPITE ABSENCE (PDMRA) PROGRAM. The Secretary of Defense directed on January 19, 2007 that a program be established to recognize members who mobilize or deploy more frequently than established rotation policy goals. The PDMRA program was established to allow a member to earn days of administrative absence, not chargeable to the member's accrued leave account, dependent on the length of time the member deployed beyond the rotation policy goals. The program also allows members to receive monetary compensation in lieu of administrative absence days in certain situations.

150801. May 24, 2007 Under Secretary of Defense (USD) Memorandum. The Under Secretary of Defense (Personnel and Readiness) authorized the Secretary concerned to offer the option of payment of AIP in lieu of taking administrative absence under the PDMRA program in certain situations. Certain Reserve Component members could elect to receive AIP for PDMRA days earned instead of taking the administrative absence. The programs are not effective until the Services publish their implementation instructions.

A. Eligible Members. Reserve component members who are also federal, state, or local government civilian employees and precluded by law from being paid by two entities for simultaneously serving in a Reserve component status and in their civilian government jobs may elect the payment of AIP instead of taking administrative absence.

B. Requirement. The member must elect to receive the AIP instead of the PDMRA administrative absence days before the PDMRA days are earned.

C. Payment. Members electing to be paid the AIP shall receive $200 for each PDMRA day earned. Members are not authorized to be paid for any PDMRA days earned before an election is made.

D. Restrictions

1. Payment of the AIP shall not exceed the monthly limit of $3,000 prescribed in ***37 U.S.C. 307a***.

2. The PDMRA payment benefit is not eligible for combat zone tax exclusion.

E. Service Instructions. Effective dates for the implementation are:

1. Marine Corps: July 27, 2007

2. Navy: August 2, 2007

3. Army: August 7, 2007

4. Air Force: October 1, 2007

150802. Public Law 110-84, section 604, dated October 28, 2009. Congress authorized the Secretary of Defense to prescribe regulations allowing the Secretary concerned to provide current and former members with payment for administrative absence days earned under the PDMRA program during the period January 19, 2007 through the date the Service implemented their respective PDMRA program. The OUSD (P&R) issued guidance on February 1, 2010 authorizing the Secretary concerned to issue implementing guidance. The discretionary authority to pay this benefit expires on October 28, 2010.

A. Eligible members

1. Former members who were discharged or released from the Armed Forces under honorable conditions.

2. Current active and reserve component members who during the period described in paragraph 150802 qualified for PDMRA days.

B. Payment

1. Former members may receive $200 for each PDMRA day earned.

2. Current members who, during the period of January 19, 2007, through the date the member's service implemented the PDMRA benefits as stated in subparagraph 150801.E, would have earned PDMRA days may receive either one day of

administrative absence for each PDMRA day earned or payment not to exceed $200 per day for each PDMRA day earned during that time frame, as directed by the Secretary concerned.

3. Payment may be paid in lump sum or installments, at the election of the Secretary concerned.

C. Restrictions

1. Payment of the AIP shall not exceed the monthly limit of $3,000 prescribed in ***37 U.S.C. 307a***.

2. The PDMRA payment benefit is not eligible for combat zone tax exclusion.

ARMY EXPLOSIVE ORDNANCE DISPOSAL ASSIGNMENT INCENTIVE PAY					
Pay Grade	Years of Qualified EOD Service				
	1 or less	Over 1	Over 3	Over 5	Over 8
E-9	300	300	300	300	300
E-8	400	400	400	400	400
E-7	600	600	600	600	600
E-6	500	500	500	650	750
E-5	200	200	300	300	300
E-4	50	100	150	150	150
E-3	50	50	100	100	100
E-2	50	50	100	100	100
E-1	50	50	100	100	100

Table 15-1. Army Explosive Ordnance Disposal Assignment Incentive Pay

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*	150104	Public Law 111-383, section 615, January 7, 2011

1502 – Navy Assignment Incentive Pay Programs

	150201	PDUSD(P&R) Memo, May 29, 2003 CNO NAVADMIN 161/03
	150202	PDUSD (P&R) Memo, December 6, 2006 NAVADMIN 070/07, March 15, 2007 NAVADMIN 162/07, June 25, 2007 OUSD (P&R) Memo, April 14, 2009
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	150202.E	CNO(N13) PDM, 006A-07, June 13, 2007
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1503 – Army Assignment Incentive Pay Programs

	150301	PDUSD (P&R) Memo, March 10, 2004 PDUSD (P&R) Memo, May 18, 2004 PDUSD (P&R) Memo, January 19, 2005 HQDA ALARAT 034/2004 MILPER Msg 07-048, March 5, 2007 MILPER Msg 09-001, January 5, 2009
	150301.A.2	DA ADCoS, G-1 Memo, September 4, 2004 MILPER Msg 07-048, March 5, 2007
	150302	PDUSD (P&R) Memo, May 29, 2007 ALARAT 137/2007, June 15, 2007
	150302.D	OUSD (P&R) Memo, November 2, 2009
	150303	PDUSD (P&R) Memo, June 24, 2005 ALARAT 137/2007, June 15, 2007
	150303.A	PDUSD (P&R) Memo, November 13, 2008
	150304	PDUSD(P&R) Memo, March 7, 2007 MILPER Msg 07/076, March 30, 2007
	150304.E	OUSD (P&R) Memo, November 2, 2009
	150305	PDUSD(P&R) Memo, January 31, 2005

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	150307	OUSD(P&R) Memo, May 19, 2009 NGB, NGB-ARH Memo, May 28, 2009
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*		USD (P&R) Memo, December 20, 2010
	150403	PDUSD(P&R) Memo, September 25, 2007 OUSD(P&R) Memo, December 22, 2009

1505 – Marine Corps Assignment Incentive Pay Program

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		PDUSD (P&R) Memo, September 25, 2007
		PDUSD (P&R) Memo, October 13, 2008
	150506	PDUSD (P&R) Memo, November 28, 2007
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		PDUSD (P&R) Memo, January 31, 2005
	150603	PDUSD (P&R) Memo, June 24, 2005
	150604	PDUSD (P&R) Memo, November 13, 2008

1507 - Special Operations Forces Program

		PDUSD (P&R) Memo, December 22, 2004
	150703	PDUSD (P&R) Memo, August 17, 2007
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1508 - Assignment Incentive Pay in Lieu of Post-Deployment/Mobilization Respite Absence (PDMRA)

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Table 15-1	MILPER Msg 07/076, March 30, 2007

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 17
"SPECIAL PAY - HARDSHIP DUTY"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

This updated chapter supersedes the previously published version dated December 2010.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
170103 170202 Figure 17-2 Table 17-2 Bibliography	Deleted all references to Hardship Duty Location Pay for Certain Places since the entitlement is no longer authorized or being paid.	Delete
170104 170203, Bibliography	Deleted reference to Hardship Duty Pay for Involuntary Extensions of Duty since this entitlement is no longer authorized.	Delete
170204	Renumbered to 170203.	Update
Figure 17-1	Updated to show only current locations and rates.	Update
Figure 17-1 Bibliography	Added and stopped Japan with specific areas for Hardship Duty Pay - Location.	Add
Figure 17-1 Bibliography	Added Kiritimati (Christmas) Island, Republic of Kiribati for Hardship Duty Pay - Location.	Add
Figure 17-1 Bibliography	Changed Hardship Duty Pay – Location rate for Libya.	Update

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* 170103 Location Assignment Entitlement

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170202 Location Assignment Rates
170203 Dual Payments

1703 Restrictions on Payment

170301 General Restrictions
170302 Hardship Duty Pay-Location Ending Dates

*Figure 17-1 Hardship Duty Location Pay Areas

Table 17-1 Hardship Duty Location Pay—Conditions of Entitlement

*Bibliography

CHAPTER 17

SPECIAL PAY – HARDSHIP DUTY

1701 ENTITLEMENT

170101. General Provisions. Hardship Duty Pay (HDP) is payable to members entitled to basic pay, at a monthly rate not to exceed $1500, while the member is performing duty designated by the Secretary of Defense as hardship duty. The Secretary of Defense has established that HDP shall be paid to members for performing a designated hardship mission and/or when assigned to a designated location. The approved HDP missions, locations, and the applicable HDP rates are provided in this chapter. HDP rates are payable in addition to all other pays and allowances, except as noted under restrictions.

170102. Mission Assignment Entitlement. Hardship Duty Pay for Mission Assignment (HDP-M) is payable to members, both officer and enlisted, for performing designated hardship missions. Hardship Duty Pay for Mission Assignment is payable at the full monthly rate, without prorating or reduction, for each month, during any part of which, the member performs a specified mission. Active and Reserve Component members who qualify, at any time during a month, shall receive the full amount of HDP-M regardless of the period of time on active duty or the number of days they receive basic pay during the month. A member assigned to, on temporary duty with, or otherwise under the operational control of the Defense Prisoner of War/Missing Personnel Office, the Joint Task Force-Full Accounting, or the Central Identification Lab-Hawaii may qualify for HDP-M based on performance of a hardship mission. Members so assigned are entitled for each month in which they perform investigative or remains recovery duty in a remote, isolated area (including, but not limited to, areas in Laos, Cambodia, Vietnam and North Korea) for recovery of U.S. service member remains.

* 170103. Location Assignment Entitlement. Hardship Duty Pay for Location Assignment (HDP-L) is payable to members for either permanent change of station duty or temporary/deployed/attached duty of over 30 days duration in specified locations. This entitlement is payable to both officers and enlisted members when assigned for duty in the locations designated in Figure 17-1, under the conditions set forth in Table 17-1.

1702 RATES PAYABLE

170201. Mission Assignment Rates. Hardship Duty Pay - M is payable to all members at the rate of $150 per month.

170202. Location Assignment Rates. Hardship Duty Pay - L is payable to all members at the rates shown in Figure 17-1.

170203. Dual Payments. A member may receive dual payment of HDP-M and HDP-L during any 1 month provided the monthly rate of $1500 is not exceeded.

1703 RESTRICTIONS ON PAYMENT

170301. General Restrictions

A. The legal maximum total of HDP-L and HDP-M that may be paid to an individual member in any 1 month is $1500.

B. The maximum total HDP-M that may be paid to a member in any 1 month is $150.

C. The maximum total HDP-L that may be paid to a member in any 1 month is $150.

D. Effective February 15, 2007, the maximum total HDP-L that may be paid to a member in any 1 month who is also in receipt of Hostile Fire Pay/Imminent Danger Pay (HFP/IDP) is $100. The total entitlement of HDP-L plus HFP/IDP in any 1 month may not exceed $325.

170302. Hardship Duty Pay-Location Ending Dates. Hardship Duty Pay-L entitlement ends:

A. On the day the member departs the station as a result of permanent change of station reassignment;

B. On the last day of the effective period as stated in Figures 17-1 or

C. On the day specified in Table 17-1 for specific situations.

HARDSHIP DUTY LOCATION PAY AREAS-(notes 1 and 2)			
Designated Location	Rates	Effective Dates	
		From	Through
Afghanistan	$100	November 1, 2001	
Alaska:			
Annette Island	$150	July 11, 2002	
Area above 66°33'N latitude	$150	January 1, 2001	
Attu	$150	November 1, 2001	
Clear	$150	July 28, 2008	
Cordova	$150	February 23, 2006	
Eareckson AS	$150	July 1, 2002	
Fort Greely	$150	October 1, 2002	
Port Clarence	$150	November 1, 2001	
Shoal Cove	$150	November 1, 2001	
St. Paul	$150	November 1, 2001	
Tok	$150	November 1, 2001	
Unalaska	$150	November 1, 2001	
Other	$0	January 1, 2001	
Albania	$150	April 1, 2002	
Algeria	$100	September 1, 2007	
American Samoa	$50	June 15, 2005	
Angola:			
Luanda	$150	September 1, 2007	
Other	$150	September 1, 2007	
Antarctic Region (below 60° S latitude)	$150	January 1, 2001	
Antigua AS	$50	April 18, 2002	
Arctic Region (above 66°33' N latitude)	$150	January 1, 2001	
Armenia	$150	January 1, 2001	
Ascension AAF	$150	April 18, 2002	
Australia:			
Alice Springs	$50	January 1, 2001	
Learmonth Solar Observatory (Western Australia)	$50	July 11, 2002	
Other	$0	January 1, 2001	
Azerbaijan	$100	October 31, 2007	
Azores, Portugal	$50	February 1, 2004	
Bahamas:			
Andros Island	$50	January 1, 2001	
Other	$0	January 1, 2001	
Bangladesh	$150	January 1, 2001	
Belarus	$150	January 1, 2001	
Belize:			
Belize City	$100	February 1, 2004	
Other	$150	February 1, 2004	
Benin	$150	January 1, 2001	
Bolivia:			
Cochabamba	$50	January 1, 2001	
La Paz	$150	September 1, 2007	
Santa Cruz	$150	September 1, 2007	
Other	$150	September 1, 2007	
Bosnia-Herzegovina	$100	September 25, 2006	
Botswana:			
Selebi Phikwe	$100	September 1, 2007	

Figure 17-1. Hardship Duty Location Pay Areas

HARDSHIP DUTY LOCATION PAY AREAS-(notes 1 and 2)			
		Effective Dates	
Designated Location	Rates	From	Through
Brazil:			
Brazilia	$50	February 1, 2004	
Fortaleza, Ceara; Recife, Pernambuco: and the states of Amazonas, Goias, Maranhao, Mato Grosso, Mato Grosso do Sul, Para, Piaui, Rondonia, & Roriama	$50	January 1, 2001	
Rio de Janiero	$50	February 1, 2004	
Sao Paulo	$50	October 14, 2001	
Other	$0	January 1, 2001	
Brunei	$100	January 1, 2001	
Bulgaria	$150	February 1, 2004	
Burkina	$150	January 1, 2001	
Burma	$150	January 1, 2001	
Burundi	$100	May 10, 2005	
Cambodia	$150	October 11, 2001	
Cameroon:			
Dschang	$150	September 1, 2007	
Yaounde & Other	$150	January 1, 2001	
Canada:			
Northwest Territory	$150	January 1, 2001	
Other	$0	January 1, 2001	
Cape Verde	$150	January 1, 2001	
Central African Republic	$150	January 1, 2001	
Chad	$100	August 11, 2008	
Chagos Archipelago:			
Diego Garcia	$150	January 1, 2001	
Other	$50	January 1, 2001	
China:			
Beijing	$100	December 1, 2007	
Chengdu, Shenyang, Guangzhou	$150	January 1, 2001	
Hong Kong	$50	February 1, 2004	
Shanghai	$50	December 1, 2007	
Other	$150	February 1, 2004	
Colombia	$50	December 1, 2001	
Congo:			
Brazzaville	$150	January 1, 2001	
Other	$100	January 1, 2001	
Congo, Democratic Republic of (formerly Zaire)	$100	June 7, 2005	
Cook Islands:			
Rarotonga	$50	January 1, 2001	
Other	$100	January 1, 2001	
Costa Rica:			
San Jose	$0	December 1, 2007	
Other	$50	December 1, 2004	
Cote D'Ivoire	$100	June 1, 2003	
Croatia	$50	November 1, 2007	

Figure 17-1. Hardship Duty Location Pay Areas (Continued)

HARDSHIP DUTY LOCATION PAY AREAS-(notes 1 and 2)			
Designated Location	Rates	Effective Dates	
		From	Through
Cuba:			
Guantanamo Bay	$100	October 4, 2006	
Guantanamo Bay, Joint Task Force	$150	October 4, 2006	
Guantanamo Bay, Joint Task Force – when required to perform duties within the detention facility (note 3)	$100	December 26, 2006	
Havana	$150	January 1, 2001	
Other	$50	January 1, 2001	
Cyprus:			
Nicosia	$50	November 28, 2008	
Other	$50	January 1, 2001	
Djibouti	$100	August 1, 2002	
Domincan Republic	$150	December 1, 2004	
East Timor	$100	November 1, 2001	
Ecuador	$100	January 1, 2001	
Egypt:			
Cairo West Air Base	$100	August 5, 2003	
Ras Nasrani, El Gorah	$50	August 5, 2003	
Other	$100	September 1, 2007	
El Salvador:			
San Salvador	$150	June 1, 2001	
Other	$100	September 1, 2007	
Equitorial Guinea	$150	September 1, 2007	
Eritrea	$100	August 1, 2002	
Estonia	$50	January 1, 2001	
Ethiopia	$100	January 18, 2002	
Fiji	$100	February 1, 2004	
Gabon:			
Libreville	$150	September 1, 2007	
Other	$150	January 1, 2001	
Gambia	$150	January 1, 2001	
Georgia	$150	November 1, 2007	
Ghana	$150	January 1, 2001	
Greece:			
Kavala Relay Station	$100	December 1, 2004	
Other (includes Rhodes & Souda Bay, Crete)	$0	January 1, 2001	
Greenland	$150	January 1, 2001	
Grenada	$50	January 1, 2001	
Guatemala:			
Guatemala City	$50	February 1, 2004	
Other	$100	February 1, 2004	
Guinea	$150	January 1, 2001	
Guinea Bissau	$150	January 1, 2001	
Guyana	$150	January 1, 2001	
Haiti	$100	December 1, 2001	
Honduras	$150	November 28, 2008	

Figure 17-1. Hardship Duty Location Pay Areas (Continued)

HARDSHIP DUTY LOCATION PAY AREAS-(notes 1 and 2)			
		Effective Dates	
Designated Location	Rates	From	Through
Hungary:			
Budapest	$0	January 1, 2001	
Other	$50	January 1, 2001	
Iceland:			
Reykjavik	$50	September 1, 2007	
India	$50	February 1, 2004	
Indonesia	$100	November 1, 2001	
Iraq:			
Al Basra Oil Terminal	$100	August 23, 2010	
Other	$100	March 31, 2003	
Israel	$50	March 31, 2003	
Jamaica:			
Kingston	$100	September 1, 2007	
Other	$0	January 1, 2001	
*Japan: Tokyo Capital Region and the Prefectures of Aichi, Kanagawa, Akita, Aomori, Chiba, Fukushima, Gunma, Ibaraki, Iwate, Miyagi, Nagano, Niigata, Saitama, Shizouka, Tochigi, Yamagata, and Yamanashi	$50	April 1, 2011	April 30, 2011
Johnston Island	$150	January 1, 2001	
Jordan:			
King Faisal AirBase, Prince Hasan, Shaheed	$100	July 1, 2003	
Other	$50	January 18, 2002	
Kazakstan	$150	January 1, 2001	
Kenya	$100	May 23, 2002	
* Kiribati, Republic of, Kiritimati (Christmas) Island	$50	February 8, 2011	
Korea, Democratic Republic of	$150	January 1, 2001	

***Figure 17-1. Hardship Duty Location Pay Areas (Continued)**

HARDSHIP DUTY LOCATION PAY AREAS-(notes 1 and 2)			
		Effective Dates	
Designated Location	Rates	From	Through
Korea, Republic of:			
Area 1 (includes: Camp Edwards, Bull's Eye #1 & #2, Warrior Base, Camp Howze, Camp Garry Owen North, Camp Giant, Camp Bonifas, Stanton (H-112), Camp Greaves, Charlie Block, Freedom Bridge, Liberty Bell, Papyonsan ATC, DMZ South Half, Joint Security Area Swiss-Swede Camp, Alamo ASA (Det L), Bayonet Training Area, Camp Casey, Camp Hovey, Camp Nimble, Gimbols Gun Training Area, Mobile, Camp Castle, Shinbuk Relay (Hill 754), Watkins Range, Yongpyong (Indian Head TC), Kamaksan ASA (Det M), H220 Heliport, Camp Essayons, Camp Page, Camp Red Cloud, Camp Stanley, Camp Falling Water, Concord, Camp Kyle, La Guardia, Hwaakson Evn ATC, Camp Jackson, Camp Sears, Camp Kwang Sa-Ri	$150	January 1, 2001	
Camp Yongin	$100	February 1, 2003	
Gwang Ju AB	$100	October 1, 2004	
Pohang	$100	November 1, 2003	
Other	$50	January 1, 2001	
Kosovo	$100	September 1, 2007	
Kuwait	$100	March 31, 2003	
Kyrgyzstan	$100	November 1, 2001	
Laos	$150	January 1, 2001	
Latvia	$50	January 1, 2001	
Lebanon	$100	December 1, 2004	
Lesotho	$150	December 1, 2004	
Liberia:			
Monrovia	$100	August 25, 2003	
Other	$0	August 25, 2003	
*Libya	$150 $100	May 8, 2007 April 26, 2011	April 25, 2011
Macedonia	$100	November 1, 2007	
Madagascar	$150	January 1, 2001	
Malawi	$150	December 1, 2004	
Malaysia	$50	October 14, 2001	
Mali	$150	January 1, 2001	
Malta	$50	September 1, 2007	
Marshall Islands:			
Kwajalein Atoll & Other	$50	January 1, 2001	
Majuro	$100	January 1, 2001	
Mauritania	$150	January 1, 2001	
Mauritius	$50	January 1, 2001	

***Figure 17-1. Hardship Duty Location Pay Areas (Continued**

HARDSHIP DUTY LOCATION PAY AREAS-(notes 1 and 2)			
Designated Location	Rates	Effective Dates	
		From	Through
Mexico:			
Ciudad Juarez	$100	September 1, 2007	
Hermosillo	$50	September 1, 2007	
Merida	$50	January 1, 2001	
Metapa	$100	September 1, 2007	
Mexico City	$100	February 1, 2004	
Monterrey	$50	September 1, 2007	
Nogalos	$50	September 1, 2007	
Nuevo Laredo	$50	February 1, 2004	
Tapachula	$100	January 1, 2001	
Tijuana	$50	September 1, 2007	
Tuxtia Gutierrez	$50	January 1, 2001	
Other	$0	January 1, 2001	
Micronesia, Federated States of	$150	December 1, 2004	
Moldova	$150	January 1, 2001	
Mongolia	$150	January 1, 2001	
Montenegro	$100	September 1, 2007	
Mozambique	$150	January 1, 2001	
Namibia:			
Windhoek	$50	September 1, 2007	
Other	$50	January 1, 2001	
Nepal	$150	January 1, 2001	
Nicaragua:			
Managua	$100	December 1, 2007	
Other	$150	February 1, 2004	
Niger	$150	January 1, 2001	
Nigeria	$150	January 1, 2001	
Oman:			
Muscat	$50	January 1, 2001	
Other	$100	April 1, 2002	
Pakistan	$100	November 1, 2001	
Palau	$50	January 1, 2001	
Panama:			
Panama City	$0	January 1, 2001	
Other	$50	January 1, 2001	
Papua New Guinea	$150	January 1, 2001	
Paraguay	$50	January 1, 2001	
Peru	$150	January 1, 2002	
Philippines	$100	January 1, 2001	
Poland:			
Warsaw	$0	December 1, 2007	
Krakow, Other	$50	January 1, 2001	
Puerto Rico:			
Vieques Island	$50	December 10, 2002	
Other	$0	December 10, 2002	

Figure 17-1. Hardship Duty Location Pay Areas (Continued)

HARDSHIP DUTY LOCATION PAY AREAS-(notes 1 and 2)			
Designated Location	Rates	Effective Dates	
		From	Through
Qatar:			
Al Udeid AB, Camp Snoopy and Camp As Syliyah	$50	April 1, 2002	
Other	$0	April 1, 2002	
Romania:			
Bucharest	$100	December 1, 2007	
Clug	$100	December 1, 2007	
Other	$100	December 1, 2007	
Russia:			
Khabarovsk, Vladivostok & Yekaterinburg	$150	January 1, 2001	
Moscow	$150	September 1, 2007	
St. Petersburg	$150	December 1, 2004	
Other	$150	October 14, 2001	
Rwanda	$100	April 1, 2005	
Samoa (formerly Western Samoa, does not include American Samoa)	$100	October 14, 2001	
Sao Tome and Principe	$150	January 1, 2001	
Saudi Arabia:			
Ar'ar Airport and Tabuk AB	$100	August 5, 2003	
Jedda, Riyadh, Taif	$100	September 1, 2007	
Other	$100	September 1, 2007	
Senegal:			
Dakar	$100	January 1, 2001	
Other	$100	September 1, 2007	
Serbia	$100	September 1, 2007	
Sierra Leone	$150	November 1, 2007	
Slovakia	$50	December 1, 2004	
Solomon Islands	$100	January 1, 2001	
South Africa:			
Durban	$50	December 1, 2004	
Johannesburg	$50	December 1, 2004	
Pretoria	$50	December 1, 2004	
Other	$50	September 1, 2007	
Sri Lanka	$150	October 14, 2001	
Suriname	$150	February 1, 2004	
Swaziland	$50	September 1, 2007	
Syria	$100	July 31, 2003	
Taiwan:			
Kaohsiung	$100	February 1, 2004	
Taipei	$50	December 1, 2007	
Other	$150	February 1, 2004	
Tajikistan	$100	November 1, 2001	
Tanzania	$150	February 1, 2004	
Thailand:			
Bangkok & Chiang Mai	$50	January 1, 2001	
Songkhla	$150	September 1, 2007	
Udorn	$150	December 1, 2004	
Other	$150	December 1, 2004	

Figure 17-1. Hardship Duty Location Pay Areas (Continued)

HARDSHIP DUTY LOCATION PAY AREAS-(notes 1 and 2)			
		Effective Dates	
Designated Location	Rates	From	Through
Togo	$150	January 1, 2001	
Trinidad and Tobago	$100	November 28, 2008	
Tunisia	$50	January 1, 2001	
Turkey:			
Afyon	$100	August 5, 2003	
Batman	$100	August 5, 2003	
Corlu	$100	August 5, 2003	
Diyarbakir	$100	August 5, 2003	
Eskisehir	$50	May 23, 2002	
Gaziantep	$100	August 5, 2003	
Iskendrun	$100	August 5, 2003	
Konya	$100	August 5, 2003	
Mardin	$100	August 5, 2003	
Mersin	$100	August 5, 2003	
Nusaybin	$100	August 5, 2003	
Oguzeli	$100	August 5, 2003	
Pirinclik	$100	August 5, 2003	
Sabiha Gokcen	$100	August 5, 2003	
Sanliurfa	$100	August 5, 2003	
Tasucu	$100	August 5, 2003	
Other	$0	May 23, 2002	
Turkmenistan	$150	January 1, 2001	
Uganda	$100	June 23, 2004	
Ukraine	$150	January 1, 2001	
United Arab Emirates:			
Dubai	$0	January 1, 2001	
Other	$100	January 1, 2001	
Uzbekistan	$100	November 1, 2001	
Vanatu	$100	September 1, 2007	
Venezuela	$150	November 28, 2008	
Vietnam	$150	January 1, 2001	
Western Sahara (Disputed Territory):			
Laayoune	$150	December 1, 2001	
MINURSO UN Team Site locations	$150	December 1, 2001	
Other	$0	December 1, 2001	
Yemen	$100	February 1, 2004	
Zambia:			
Lusaka	$150	September 1, 2007	
Other	$150	January 1, 2001	
Zimbabwe:			
Harare	$150	August 1, 2003	
Other	$150	September 1, 2007	

Figure 17-1. Hardship Duty Location Pay Areas (Continued)

NOTES:

1. All members on qualifying duty at places within the listed country, state, or region are entitled to HDP-L. Only land areas are designated for hardship duty, except that any installations located on an ice shelf inside the Antarctic or Arctic Circle Regions are also included in the designation for that area.
2. The special pay is currently payable when ending date is not shown in "Through" column.
3. The HDP-L allowance decreases to a maximum payment of $100 when service members are authorized a concurrent payment of $225.00 for Hostile Fire Pay/Imminent Danger Pay. See paragraph 170301.D.

Figure 17-1. Hardship Duty Location Pay Areas (Continued)

HARDSHIP DUTY LOCATION PAY – CONDITIONS OF ENTITLEMENT				
RULE	**A**	**B**	**C**	**D**
	When a member	**and**	**and**	**then hardship duty location pay**
1	is assigned to permanent duty in a location listed in Figure 17-1 as a hardship duty area		reports PCS to the area	starts on day of arrival for duty (note 1).
2			leaves the area permanently	continues through day of departure (note 4).
3			is discharged and immediately re-enlists at the same duty station	continues to accrue.
4			is on authorized leave and remains within the area	
5			is also entitled to payment of Hostile Fire Pay/Imminent Danger Pay during the same month	is limited to a maximum entitlement of $100.00 for that month effective February 15, 2007.
6		official status is accompanied	leaves the area temporarily to perform more than 30 days of operational flight duty, TDY/TAD, or for hospitalization in one or more HDP-L areas	accrues at the higher area rate during the temporary assignment until return to the PDS (note 2).
7		official status is unaccompanied		accrues at the higher area rate during the first 30 days at the temporary assignment and then at the temporary area rate until return to the PDS (note 2).
8		official status is accompanied	leaves the area temporarily for reasons other than to perform more than 30 days of operational flight duty, TDY/TAD, or for hospitalization in one or more HDP-L areas	continues to accrue.
9		official status is unaccompanied		continues for first 30 days.
10	is not assigned to permanent duty in a location listed in Figure 17-1 as a hardship duty area		is on operational flight duty, TDY/TAD, or hospitalized in one or more HDP-L areas for a continuous period of more than 30 days (including date of arrival and date of departure)	accrues at the applicable area rate retroactive from the date of arrival (notes 1 and 3). Effective February 15, 2007, entitlement is limited to $100.00 when Hostile Fire Pay/Imminent Danger Pay is payable during the same month.

Table 17-1. Hardship Duty Location Pay—Conditions of Entitlement

HARDSHIP DUTY LOCATION PAY – CONDITIONS OF ENTITLEMENT				
RULE	**A**	**B**	**C**	**D**
	When a member	**and**	**and**	**then hardship duty location pay**
11	is entitled to hardship duty location pay for temporary assignment in an area listed in Figure 17-1 under rule 10 above		leaves the area temporarily to perform more than 30 days of operational flight duty, TDY/TAD, or for hospitalization in one or more HDP-L areas	accrues at the higher area rate during the first 30 days at the follow-on assignment and then continues at the follow-on area rate until return to the original temporary area or through day of departure, if not returning (notes 2 and 3).
12	is entitled to hardship duty location pay for temporary assignment in an area listed in Figure 17-1 under rule 10 above		leaves the area temporarily for reasons other than to perform more than 30 days of operational flight duty, TDY/TAD, or for hospitalization in one or more HDP-L areas	continues for first 30 days.
13			leaves the area permanently	continues through day of departure (note 4).
14	is otherwise entitled to hardship duty location pay for assignment in an area listed in Figure 17-1 as a hardship duty area		is in confinement awaiting trial by court-martial and is acquitted or has charges dismissed	accrues retroactive to first day of confinement.
15			is in confinement awaiting trial by court-martial and is convicted	does not accrue from first day of confinement through the day before the date restored to full duty (note 5).
16			is in confinement as result of court-martial sentence	

NOTES:

1. If already in a location when it is designated a hardship duty area, then the day of designation starts pay for those on permanent duty and begins the count towards the 30-day entitlement criteria for those on temporary duty. Absences from an HDP-L area of less than 24 hours do not break continuity. A member on operational flight duty, temporary duty, or hospitalized in an area on the date it becomes designated for HDP-L may count the number of consecutive days already served in that area immediately preceding the date of designation. Additionally the member may count the number of consecutive days served in a different designated area or areas if the member served in such area(s) immediately preceding arrival in the newly designated area. In any case, entitlement to payment for HDP-L cannot accrue for any area prior to the date it is designated.
2. Any enroute TDY/TAD, travel time or leave will accrue hardship duty location pay at the PDS/prevailing area rate. Hardship Duty Pay terminates if more than 30 days pass before a member (other than a member with accompanied status at an HDP-L PDS) reports for duty in another designated area.
3. If time from more than one designated area is combined to meet the 30-day qualifying criteria, then pay the rate for the area at which the greatest time was earned during the first 30 days. After the first 30 days pay the applicable rate for the area in which duty is served, prorated if necessary.
4. Rule 2 applies when a medical evacuee has been reassigned on PCS from the designated area for medical treatment
5. Non-judicial punishment does not result in loss of hardship duty pay.

Table 17-1. Hardship Duty Location Pay—Conditions of Entitlement (Continued)

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1701 - HARDSHIP DUTY ENTITLEMENT

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170102	ASD(FMP) Memo, May 14, 1999
170103	ASD(FMP) Memo, December 21, 2000
170201	ASD(FMP) Memo, February 4, 1999
170202	ASD(FMP) Memo, December 21, 2000
170203	PDUSD(P&R) Memo, December 21, 2000
170301	37 U.S.C. 305
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170301.D	OUSD(P&R) Memo, February 15, 2007
170302	ASD(FMP) Memo, December 21, 2000
Figure 17-1	ASD(FM&P) Memo, December 21, 2000
Afghanistan	ASD(FMP) Memo, October 31, 2001
Alaska	ASD(FMP) Memo, October 31, 2001
	ASD(FMP) Memo, July 11, 2002
	ASD(FMP) Memo, September 26, 2002
	OUSD (P&R) Memo, February 23, 2006
	PDUSD (P&R) Memo, July 28, 2008
Albania	ASD(FMP) Memo, March 13, 2002
Algeria	PDUSD(P&R) Memo, August 29, 2007
American Samoa	PDUSD(P&R) Memo, June 15, 2005
Angola	PDUSD(P&R) Memo, August 29, 2007
Antarctic Region	ASD(FMP) Memo, December 21, 2000
Antigua Air Station	ASD(FMP) Memo, April 18, 2002
Arctic Region	ASD(FMP) Memo, December 21, 2000
Armenia	ASD(FMP) Memo, December 21, 2000
Ascension AAF	ASD(FMP) Memo, April 18, 2002
Australia	ASD(FMP) Memo, December 21, 2000
	ASD(FMP) Memo, July 11, 2002
Azerbaijan	PDUSD(P&R) Memo, October 31, 2007
Azores, Portugal	PDUSD(P&R) Memo, January 28, 2004

Bahamas	ASD(FMP) Memo, December 21, 2000
Bangladesh	ASD(FMP) Memo, December 21, 2000
Belarus	ASD(FMP) Memo, December 21, 2000
Belize	PDUSD(P&R) Memo, January 28, 2004
Benin	ASD(FMP) Memo, December 21, 2000
Bolivia	ASD(FMP) Memo, December 21, 2000
	PDUSD(P&R) Memo, August 29, 2007
Bosnia-Herzegovina	PDUSD (P&R) Memo, September 25, 2006
Botswana	PDUSD(P&R) Memo, August 29, 2007
Brazil	ASD(FMP) Memo, December 21, 2000
	ASD(FMP) Memo, October 14, 2001
	PDUSD(P&R) Memo, January 28, 2004
Brunei	ASD(FMP) Memo, December 21, 2000
Bulgaria	PDUSD(P&R) Memo, January 28, 2004
Burkina	ASD(FMP) Memo, December 21, 2000
Burma	ASD(FMP) Memo, December 28, 2001
Burundi	PDUSD(P&R) Memo, May 10, 2005
Cambodia	ASD(FMP) Memo, October 11, 2001
Cameroon	ASD(FMP) Memo, December 21, 2000
	PDUSD(P&R) Memo, August 29, 2007
Canada	ASD(FMP) Memo, December 21, 2000
Cape Verde	ASD(FMP) Memo, December 21, 2000
Central African Republic	ASD(FMP) Memo, December 21, 2000
Chad	PDUSD(P&R) Memo, August 11, 2008
Chagos Archipelago	ASD(FMP) Memo, December 21, 2000
China	ASD(FMP) Memo, December 21, 2000
	PDUSD(P&R) Memo, April 10, 2003
	PDUSD(P&R) Memo, January 28, 2004
	PDUSD(P&R) Memo, August 29, 2007
Colombia	USD(FMP) Memo, November 30, 2001
Congo, Democratic Republic of	PDUSD(P&R) Memo, June 7, 2005
Cook Islands	ASD(FMP) Memo, December 21, 2000
Costa Rica	PDUSD(P&R) Memo, November 17, 2004
	PDUSD(P&R) Memo, August 29, 2007
Cote d'Ivoire	OUSD(P&R) Memo, March 21, 2003
Croatia	PDUSD(P&R) Memo, August 29, 2007
Cuba	ASD(FMP) Memo, December 21, 2000
	PDUSD(P&R) Memo, October 4, 2006
	PDUSD(P&R) Memo, February 15, 2007
Cyprus	ASD(FMP) Memo, December 21, 2000
	PDUSD(P&R) Memo, November 28, 2008
Djibouti	ASD(FMP) Memo, July 31, 2002
Dominican Republic	PDUSD (P&R) Memo, November 17, 2004
East Timor	ASD(FMP) Memo, October 11, 2001
	ASD(FMP) Memo, October 14, 2001
	ASD(FMP) Memo, October 31, 2001

	Ecuador	ASD(FMP) Memo, December 21, 2000
	Egypt	PDUSD(P&R) Memo, August 5, 2003
		PDUSD(P&R) Memo, August 29, 2007
	El Salvador	ASD(FMP) Memo, May 30, 2001
		PDUSD(P&R) Memo, August 29, 2007
	Equitorial Guinea	PDUSD(P&R) Memo, August 29, 2007
	Eritrea	ASD(FMP) Memo, July 31, 2002
	Estonia	ASD(FMP) Memo, December 21, 2000
	Ethiopia	ASD(FMP) Memo, January 18, 2002
	Fiji	PDUSD(P&R) Memo, January 28, 2004
	Gabon	ASD(FMP) Memo, December 21, 2000
		PDUSD(P&R) Memo, August 29, 2007
	Gambia	ASD(FMP) Memo, December 21, 2000
	Georgia	PDUSD (P&R) Memo, March 27, 2007
	Ghana	ASD(FMP) Memo, December 21, 2000
	Greece	ASD(FMP) Memo, December 21, 2000
		PDUSD(P&R) Memo, November 17, 2004
	Greenland	ASD(FMP) Memo, December 21, 2000
	Grenada	ASD(FMP) Memo, December 21, 2000
	Guatamala	PDUSD(P&R) Memo, January 28, 2004
	Guinea	ASD(FMP) Memo, December 21, 2000
	Guinea Bissau	ASD(FMP) Memo, December 21, 2000
	Guyana	ASD(FMP) Memo, December 21, 2000
	Haiti	USD(P&R) Memo, November 30, 2001
	Hondurus	PDUSD(P&R) Memo, November 28, 2008
	Hungary	ASD(FMP) Memo, December 21, 2000
	Iceland	PDUSD(P&R) Memo, August 29, 2007
	India	PDUSD(P&R) Memo, January 28, 2004
	Indonesia	ASD(FMP) Memo, October 14, 2001
		ASD(FMP) Memo, October 31, 2001
	Iraq	PDUSD (P&R) Memo, March 31, 2003
		USD (P&R) Memo, August 23, 2010
	Israel	PDUSD(P&R) Memo, March 31, 2003
	Jamaica	ASD(FMP) Memo, December 21, 2000
		PDUSD(P&R) Memo, August 29, 2007
*	Japan	PDUSD (P&R) Memo, April 1, 2011
		PDUSD (P&R) Memo, May 1, 2011
	Johnston Island	ASD(FMP) Memo, December 21, 2000
	Jordan	ASD(FMP) Memo, January 18, 2002
		OUSD(P&R) Memo, June 30, 2003
	Kazakstan	ASD(FMP) Memo, December 21, 2000
	Kenya	ASD(FM&P) Memo, May 23, 2002
		ASD(FMP) Memo, July 31, 2002
*	Kiribati, Republic of	PDUSD (P&R) Memo, February 8, 2011
	Korea, Democratic Republic of	ASD(FMP) Memo, December 21, 2000

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Rule 5	PDUSD(P&R) Memo, February 15, 2007
Rule 10	PDUSD(P&R) Memo, February 15, 2007
Notes 1 & 3	USD(P&R) Memo, March 31, 2003

	ASD(FMP) Memo, October 14, 2001
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Table 17-1	
Rule 5	PDUSD(P&R) Memo, February 15, 2007
Rule 10	PDUSD(P&R) Memo, February 15, 2007
Notes 1 & 3	USD(P&R) Memo, March 31, 2003

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 18
"SPECIAL PAY – CAREER SEA PAY"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

This updated chapter supersedes the previously published version dated August 2010.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
180406 Previous Version	Hardship Duty Pay for Certain Places is no longer authorized or paid so the restriction on paying it with Career Sea Pay was deleted.	Delete

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Bibliography

CHAPTER 18

SPECIAL PAY – CAREER SEA PAY

1801 GENERAL PROVISIONS

180101. Entitlement. A member who is entitled to basic pay is entitled to career sea pay (CSP) and career sea pay premium (CSP-P) while serving on sea duty under regulations prescribed by the Secretary concerned and the provisions of this chapter.

180102. Definitions

A. CSP. Career sea pay is special pay for recognition of the greater than normal rigors of assignment to sea duty.

B. CSP-P. Career sea pay premium is special pay that is in addition to CSP and is paid for unusually long periods of continuous sea duty. A member entitled to career sea pay who has served 36 consecutive months of sea duty is also entitled to career sea pay premium for the 37th consecutive month and each subsequent consecutive month of sea duty served.

C. Sea Duty. For the purpose of entitlement to CSP and CSP-P, the term "sea duty" means duty performed by a member under orders meeting one of the following conditions:

1. While permanently assigned for duty to a ship, ship-based staff, or ship-based aviation unit and serving in a ship with a primary mission that is accomplished underway (includes ships designated as destroyer or submarine tenders). Periods when the member is on temporary duty, on leave, hospitalized, or otherwise temporarily absent under orders, not to exceed the first 30 consecutive days of each occurrence, are also counted.

2. While temporarily assigned for duty to a ship, ship-based staff, or ship-based aviation unit and serving in a ship with a primary mission that is accomplished underway (includes ships designated as destroyer or submarine tenders).

3. While permanently or temporarily assigned for duty to a ship or ship-based staff and serving in a ship with a primary mission that is accomplished in port, but only during that period while the ship is away from its homeport. A ship is considered to be away from its homeport whenever it is at sea or is in a port that is more than 50 miles from its homeport.

4. While serving as a member of the off-crew of a two-crewed submarine.

D. Cumulative Sea Duty. Cumulative sea duty is the total time a member has been assigned to qualifying sea duty during their service career, regardless of pay grade. Additionally, it shall include all time during which a member is assigned to a ship or ship-based

staff and actually serving in a ship with a primary mission that is accomplished in port, regardless of whether the ship is at sea or away from homeport.

E. Ship. For the purpose of entitlement to CSP and CSP-P, the term "ship" means a self-propelled vessel in an active status, in commission, or in-service.

1802 CONDITIONS OF ENTITLEMENT

180201. General Conditions. The general conditions of entitlement to CSP are in Table 18-1. Additionally, entitlement to and the rate of CSP is dependent upon the branch of service, pay grade, and total cumulative years of sea duty applicable to the member. All members in pay grades E-1 through O-6 are eligible for payment of CSP, except commissioned officers of the Army and Air Force with 3 or less years of cumulative sea duty and enlisted members of the Air Force in pay grades below E-4.

180202. Career Sea Pay – Premium Conditions. The conditions of entitlement to CSP-P require the member to first be entitled to CSP. The CSP-P is additional to CSP; however, for certain pay grades, it has been included in the CSP rate tables and is not payable as a separate item. When payable as a separate item, CSP-P accrues from the first day following the completion of the 36th month of consecutive sea duty, and will be prorated if beginning on other than the first day of a calendar month. For example, a member beginning a period of sea duty on January 15, 1999 would accrue CSP-P beginning January 15, 2002. The CSP-P is payable for the 37th and each subsequent consecutive month of sea duty regardless of the member's pay grade when the sea duty began, provided the member is concurrently entitled to CSP.

A. The following members of the Navy and Marine Corps may become entitled to CSP-P as a separate item of pay:

1. All officers in pay grades O-1 through O-6.

2. All warrant officers.

3. All enlisted members in pay grades E-1 through E-4.

4. Enlisted members in pay grades E-5 through E-9 with not over 8 years of cumulative sea duty.

B. The following members of the Army may become entitled to CSP-P as a separate item of pay:

1. All officers in pay grades O-1 through O-6.

2. Enlisted members in pay grades E-1 through E-3.

C. The following members of the Air Force may become entitled to CSP-P as a separate item of pay:

1. All officers in pay grades O-1 through O-6.

2. All enlisted members in pay grade E-4.

3. Enlisted members in pay grades E-5 through E-9 with not over 5 years of cumulative sea duty.

D. Members not addressed in subparagraphs 180202.A, B, and C have CSP-P already included in their applicable CSP rate table or are otherwise not eligible to receive a separate CSP-P payment.

1803 RATES PAYABLE

180301. Career Sea Pay. The Secretary concerned shall prescribe the monthly rates for special pay applicable to members of each Military Service under the Secretary's jurisdiction. The monthly rate may not exceed $750 as stated in ***Title 37 United States Code (U.S.C.) section 305a***.

A. The monthly rates of CSP for members of the Army are in Table 18-2.

B. The monthly rates of CSP for members of the Navy and Marine Corps are in Table 18-3.

C. The monthly rates of CSP for members of the Air Force are in Table 18-4.

180302. Career Sea Pay – Premium. The Secretary concerned will prescribe the monthly rate for each pay applicable to members of each Military Service under the Secretary's jurisdiction. The monthly rate may not exceed $350 as stated in ***37 U.S.C. 305a***; however, the Military Department Secretaries have determined the monthly rate for all members is $100.

1804 RESTRICTIONS

180401. Enroute and Transport Restrictions. Do not credit time for sea duty and do not pay CSP or CSP-P to members enroute to or from ships outside the Continental United States (CONUS) or onboard a ship for transportation, regardless of the length of the period. This restriction applies to the periods prior to a member reporting for permanent duty and after being permanently detached from duty onboard a ship.

180402. Midshipmen and Cadet Members. Do not credit time for sea duty and do not pay CSP or CSP-P to midshipmen, aviation cadets, or academy cadets.

180403. Navy and Marine Corps Members. Do not pay CSP-P to Navy and Marine Corps members entitled to CSP in Table 18-3 for duty if in pay grades E-5 through E-9 with over 8 years of cumulative sea duty.

180404. Army Members. Do not pay CSP-P to Army members entitled to CSP in Table 18-2 for duty:

A. Between October 1, 2002 and June 30, 2003 if in pay grades E-5 through E-9.

B. On or after July 1, 2003 if in pay grades E-4 through E-9 or W-1 through W-5.

180405. Air Force Members. Do not pay CSP-P to Air Force members entitled to CSP in Table 18-4 for duty if in pay grades E-5 through E-9 with over 5 years of cumulative sea duty.

CAREER SEA PAY – CONDITIONS OF ENTITLEMENT

RULE	A	B	C	D	E
	When an eligible member	is serving on a ship whose primary mission is accomplished		and	then Career Sea Pay
		underway	in port		
1	reports for permanent duty defined as sea duty	X			starts on date of reporting.
2			X	member is onboard when ship departs from home port	accrues from departure date.
3			X	member reports onboard while ship is away from home port	accrues from day of reporting.
4	is detached from permanent duty defined as sea duty	X	X		terminates on date of detachment, provided member is otherwise entitled on that date.
5	is discharged while on sea duty	X	X	immediately reenlists onboard	continues to accrue, provided member is otherwise entitled.
6	on sea duty is entitled to Career Sea Pay		X	ship returns to home port	accrues through the date the ship returns to home port.
7	on sea duty	X		is on TDY, TAD, temporarily based ashore, under orders, or hospitalized ashore (note 1)	accrues during the first 30 days member is in such status.
8			X		accrues during the first 30 days member is in such status, provided member is otherwise entitled and ship remains away from its home port (note 2).
9	on sea duty is on authorized leave	X	X		accrues for the first 30 days of leave if otherwise entitled. There is no accrual during terminal leave.
10	is based on or stationed ashore	X		the type of duty is TAD or TDY	accrues from date of reporting through date of detachment (note 3).
11			X		accrues as indicated in rules 2 and 3, as applicable, and terminates as indicated in rule 6 or date of detachment if ship remains away from home port.

Table 18-1. Career Sea Pay – Conditions of Entitlement

CAREER SEA PAY - CONDITIONS OF ENTITLEMENT

RULE	A	B	C	D	E
	When an eligible member	is serving on a ship whose primary mission is accomplished: underway	in port	and	then career sea pay
12	is suspended or otherwise removed from duty or confined awaiting trial by court-martial	X	X	is acquitted or charges are dismissed	accrues retroactively from first day of confinement, suspension, or removal from duty, provided member is otherwise entitled.
13		X	X	is convicted	does not accrue beginning first day of confinement, suspension, or removal from duty through date prior to day of return to duty from any status above (note 4).
14	is confined as a result of court-martial	X	X		does not accrue beginning first day of confinement through date prior to date of release from confinement (note 4).
15	is permanently or temporarily assigned to duty on a ship which is undergoing alterations or repairs	X	X (note 5)	ship remains in an active status (in commission or in-service) (note 6)	continues to accrue.
16	is permanently or temporarily assigned to duty on a ship undergoing inactivation processing	X	X		stops when the ship reverts to inactive status.
17	is assigned to an FMF unit based on or stationed ashore	X		the type of duty is TAD or TDY	accrues from the date of embarkation through the date of debarkation (note 3).

NOTES:

1. "Temporarily based ashore" refers to a ship-based aviation unit or ship-based staff that has landed ashore with intent to return to a ship.
2. Entitlement terminates when the ship returns to the home port.
3. Further TAD/TDY ashore from ship will not interrupt Career Sea Pay entitlement for the first 30 days member is in such status, provided member is otherwise entitled and returns to the ship.
4. Where sentence is changed to restriction to ship and member performs duty, Career Sea Pay is resumed. Nonjudicial punishment does not result in loss of career sea pay.
5. Entitlement accrues only when the ship is away from the home port.
6. OPNAVINST 4700.8 series defines ship status assignments for USN ships.

Table 18-1. Career Sea Pay – Conditions of Entitlement (Continued)

MONTHLY CAREER SEA PAY – EFFECTIVE OCTOBER 1, 2002 (ARMY MEMBERS)																		
Cumulative Years of Sea Duty (note)																		
Pay Grade	**1 or less**	**Over 1**	**Over 2**	**Over 3**	**Over 4**	**Over 5**	**Over 6**	**Over 7**	**Over 8**	**Over 9**	**Over 10**	**Over 11**	**Over 12**	**Over 13**	**Over 14**	**Over 16**	**Over 18**	**Over 20**
O-6				225	230	230	240	255	265	280	290	300	310	310	325	340	355	380
O-5				225	225	225	225	230	245	250	260	265	265	265	285	300	315	340
O-4				185	190	200	205	215	220	220	225	225	240	240	270	280	290	300
O-3				150	160	185	190	195	205	215	225	225	240	240	260	270	280	290
O-2				150	160	185	190	195	205	215	225	225	240	240	250	260	270	280
O-1				150	160	185	190	195	205	215	225	225	240	240	250	260	270	280
W-5	210	210	210	310	338	506	534	534	534	534	590	625	660	660	730	730	730	730
W-4	210	210	210	310	338	506	534	534	534	534	590	625	660	660	730	730	730	730
W-3	210	210	210	310	338	478	492	499	506	534	590	625	660	660	695	695	695	695
W-2	210	210	210	310	338	464	471	471	478	534	576	576	625	625	625	625	625	625
W-1	182	189	196	310	338	345	380	450	478	520	555	555	555	555	555	555	555	555
E-9	130	130	156	328	347	425	425	458	477	490	490	503	516	555	588	620	646	646
E-8	130	130	156	328	347	425	425	458	477	490	490	503	516	555	588	620	646	646
E-7	130	130	156	328	347	425	425	458	477	490	490	503	516	555	588	620	620	620
E-6	130	130	156	295	321	380	393	425	425	445	445	445	464	484	503	523	555	555
E-5	65	78	156	295	321	380	393	425	425	425	425	425	425	425	425	425	425	425
E-4	65	78	156	295	308	308	308	308	308	308	308	308	308	308	308	308	308	308
E-3	50	60	120	150	160	170	190	190	190	190	190	190	190	190	190	190	190	190
E-2	50	60	120	150	160	170	170	170	170	170	170	170	170	170	170	170	170	170
E-1	50	60	120	150	160	160	160	160	160	160	160	160	160	160	160	160	160	160

Table 18-2. Monthly Career Sea Pay Rates – Army, Effective October 1, 2002

MONTHLY CAREER SEA PAY – (NAVY AND MARINE CORPS) - EFFECTIVE OCTOBER 1, 2001																		
	Cumulative Years of Sea Duty (note)																	
Pay Grade	1 or less	Over 1	Over 2	Over 3	Over 4	Over 5	Over 6	Over 7	Over 8	Over 9	Over 10	Over 11	Over 12	Over 13	Over 14	Over 16	Over 18	Over 20
O-6	100			315	320	320	335	360	370	395	405	420	435	435	455	475	500	535
O-5	100			315	315	315	315	320	345	350	365	370	370	370	400	420	440	475
O-4	100			260	265	280	285	300	310	310	315	315	335	335	380	395	405	420
O-3	100			210	225	260	265	275	285	300	315	315	335	335	365	380	395	405
O-2	100			210	225	260	265	275	285	300	315	315	335	335	350	365	380	395
O-1	100			210	225	260	265	275	285	300	315	315	335	335	350	365	380	395
W-5	210				240	405	435	435	435	435	490	525	560	560	630	630	700	700
W-4	210				240	405	435	435	435	435	490	525	560	560	630	630	700	700
W-3	210				240	380	395	400	405	435	490	525	560	560	595	595	630	630
W-2	210				240	365	370	370	380	435	475	475	525	525	560	560	560	560
W-1	180	190	195	210	240	245	280	350	380	420	455	455	475	475	505	525	525	525
E-9	135		160	305	320	350	350	375	490	500	500	510	520	550	575	620	620	620
E-8	135		160	305	320	350	350	375	490	500	500	510	520	550	575	600	620	620
E-7	135		160	305	320	350	350	375	490	500	500	510	520	550	575	600	600	600
E-6	135		160	280	300	315	325	350	450	465	465	465	480	495	510	525	550	550
E-5	70	80	160	280	300	315	325	350	450	450	450	450	450	450	450	450	450	450
E-4	70	80	160	280	290	290	290	290	390	390	390	390	390	390	390	390	390	390
E-3	50	60	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
E-2	50	60	75	75	75	75	75	75	75	75	75	75	75	75	75	75	75	75
E-1	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50

Table 18-3. Monthly Career Sea Pay – Navy and Marine Corps, Effective October 1, 2001

MONTHLY CAREER SEA PAY – EFFECTIVE MAY 1, 1988 (AIR FORCE MEMBERS)																		
Cumulative Years of Sea Duty (note)																		
Pay Grade	**1 or less**	**Over 1**	**Over 2**	**Over 3**	**Over 4**	**Over 5**	**Over 6**	**Over 7**	**Over 8**	**Over 9**	**Over 10**	**Over 11**	**Over 12**	**Over 13**	**Over 14**	**Over 16**	**Over 18**	**Over 20**
O-6				225	230	230	240	255	265	280	290	300	310	310	325	340	355	380
O-5				225	225	225	225	230	245	250	260	265	265	265	285	300	315	340
O-4				185	190	200	205	215	220	220	225	225	240	240	270	280	290	300
O-3				150	160	185	190	195	205	215	225	225	240	240	260	270	280	290
O-2				150	160	185	190	195	205	215	225	225	240	240	250	260	270	280
O-1				150	160	185	190	195	205	215	225	225	240	240	250	260	270	280
E-9	100	100	120	175	190	350	350	375	390	400	400	410	420	450	475	520	520	520
E-8	100	100	120	175	190	350	350	375	390	400	400	410	420	450	475	500	520	520
E-7	100	100	120	175	190	350	350	375	390	400	400	410	420	450	475	500	500	500
E-6	100	100	120	150	170	315	325	350	350	365	365	365	380	395	410	425	450	450
E-5	50	60	120	150	170	315	325	350	350	350	350	350	350	350	350	350	350	350
E-4	50	60	120	150	160	160	160	160	160	160	160	160	160	160	160	160	160	160

Table 18-4. Monthly Career Sea Pay Rates – Air Force, Effective May 1, 1988

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1804 – RESTRICTIONS	37 U.S.C. 305a(d)
Table 18-2	ASA(M&RA) Memo, September 20, 2002 Army DCSPER Memo, August 20, 2002
Table 18-3	OPNAVINST 7220.14, dated December 24, 2005
Table 18-4	Public Law 100-180, section 621 December 4, 1987

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 19
"FOREIGN LANGUAGE PROFICIENCY BONUS"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
190102 Bibliography	Removed Definitions and inserted certification information.	Delete/Add
190201 Bibliography	Inserted service specific regulations with hyperlinks.	Add
190203 Bibliography	Revised repayment guidance.	Update
Table 19-1 Bibliography	Insert Foreign Language Proficiency Bonus Rates Table.	Add

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* Table 19-1 Foreign Language Proficiency Bonus Rates

CHAPTER 19

FOREIGN LANGUAGE PROFICIENCY BONUS

1901 ENTITLEMENT PROVISIONS AND POLICY

* 190101. Eligibility

A. The Secretary of the Military Department concerned shall pay a Foreign Language Proficiency Bonus (FLPB) to a member of the uniformed services who meets at least one of the following conditions:

1. Is qualified in a military career specialty requiring proficiency in a foreign language.

2. Has received training under regulations prescribed by the Secretary of the Military Department concerned designed to develop proficiency in a foreign language.

3. Is assigned to military duties requiring a proficiency in a foreign language.

4. Is proficient in a foreign language for which the Secretary of the Military Department concerned has identified a critical need.

B. Reserve Component members must meet the requirements:

1. Of eligibility outlined in subparagraph 190101.A; and

2. Of certification outlined in paragraph 190102; and

3. Must fulfill minimum annual service requirements for retirement eligibility under ***Title 10, United States Code (U.S.C.), section 12732***, unless waived by Secretary of the Military Department concerned.

* 190102. Certification

A. A member must be eligible and certified by the Secretary of the Military department concerned as being proficient in the foreign language for which the bonus is offered.

B. The certification of members' language proficiency will expire at the end of the 1-year period beginning on the first day of the first month after the certification date. Members must test annually in each language for which they are receiving FLPB in order to continue receiving FLPB unless they are recertified under the conditions stipulated in subparagraph 190102.D. Members may retest no earlier than 6 months from the last administration of a test in that foreign language or upon completion of a significant language education or training event in that foreign language.

C. A member must be certified as proficient in any combination of 2 of 3 modalities (reading, listening and speaking) to receive FLPB.

D. The Secretary of the Military Department concerned may elect to recertify members' foreign language proficiency using their last recorded score when:

1. Members are assigned to duty in connection with a contingency operation or assigned outside the continental United States to a location where web-delivered testing facilities are not available and/or accessible. In such cases, members will complete the certification requirements provided in paragraph 190102 in the foreign language for which they receive FLPB not later than the end of the 180-day period beginning on the date they are released from the duty assignment.

2. Members whose certification in the foreign language for which they receive FLPB expires while attending a significant education or training event in which Defense Language Proficiency Testing is required for course completion. In such cases, members' next 1-year certification period shall begin when they test and/or immediately upon completion of the significant education or training event.

190103. Amount and Method of Payment

A. The bonus rate of FLPB may not exceed $12,000 per 1-year certification period. The Secretary of the Military Department concerned may pay the bonus in monthly installments, or in a lump sum during the certification period.

B. The monthly rate shall not exceed $500 per month for a single language, or $1,000 per month for any combination of languages. The bonus is in addition to any other pay or allowance payable to a member under any other provision of law.

* C. To receive the maximum monthly bonus installment allowed in any payment category (A, B, or C), Service members must acquire proficiency in all three modalities or attain an Interagency Language Roundtable (ILR) skill level 4 or above in any two modalities. See Table 19-1.

* D. The Secretary of the Military Department concerned:

1. Shall submit a waiver request to Deputy Under Secretary of Defense (Plans) for approval to pay Service members a bonus for foreign languages that are not identified on the Strategic Language List (SLL) or other DoD-approved language list.

2. May authorize FLPB at either Payments A, B or C rates (see Table 19-1) for DoD-approved languages not on the SLL and where there is a need to ensure sufficient number of proficient personnel to accomplish DoD Component-specific missions.

3. May, in the case of foreign languages considered dominant in the force, limit the payment of FLPB to those Service members whose duties require proficiency in such languages or as determined by the Military Secretary concerned.

4. May authorize the payment of FLPB to Service members whose duties require an ILR skill below level 2 in the listening and reading or speaking modalities.

1902 CONDITIONS OF ENTITLEMENT

* 190201. Guidance. The member must qualify under any additional eligibility requirements prescribed by the Secretary of the Military Department concerned, and is subject to Service specific certification requirements and amount of payment restrictions as outlined in:

A. DoD: ***DoDI 7280.03*** (FLPB) and ***DoDI 5160.71*** (DoD Language Testing Program)

B. Army: ***AR 11-6***

C. Navy: ***OPNAV Instruction 7220.7F***

D. Air Force: ***AFI 36-2605***

E. Marine Corps: ***MCO 7220.52E***

190202. Tax. FLPB is an item of pay subject to federal withholding tax. It is not subject to the Federal Insurance Contributions Act tax.

* 190203. Repayment. A member who receives FLPB, but does not satisfy eligibility and certification requirements specified in section 1901 of this chapter will be subject to the repayment provisions of ***Chapter 2*** of this volume.

Foreign Language Proficiency Bonus Installment Rates			
Proficiency in any combination of the reading, listening, and speaking modality	Payment A For foreign languages on the SLL (Immediate Investment)	Payment B For foreign languages on the SLL (Strategic Stronghold)	Payment C For other DoD-approved foreign languages not on the SLL
ILR SKILL LEVELS	MONTHLY PAY	MONTHLY PAY	MONTHLY PAY
1/1	$100.00	$ 50.00	$ 25.00
2/2	$200.00	$150.00	$125.00
2/2+	$250.00	$175.00	$150.00
2+/2+ or 2/3	$300.00	$200.00	$175.00
2+/3	$350.00	$250.00	$200.00
3/3	$400.00	$300.00	$275.00
3/3/3 or 4/4	$500.00	$400.00	$300.00

*** Table 19-1. Foreign Language Proficiency Bonus Installment Rates**

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1901 – ENTITLEMENT PROVISIONS AND POLICY

	190101	37 U.S.C. 316 Public Law 109-163, section 639 January 6, 2006
	190101.B.	DoDI 7280.03, August 20, 2007
*	190102	37 U.S.C. 316(c)(d) DoDI 7280.03, August 20,2007
	190103.A.	37 U.S.C. 316(b)
	190103.B.	DoDI 7280.03, August 20, 2007
*	190103 C.	DoDI 7280.03, August 20, 2007
*	190103 D.	DoDI 7280.03, August 20, 2007

1902 – CONDITIONS OF ENTITLEMENT

	190201	37 U.S.C. 316(f)
	190203	37 U.S.C. 316(e) DoDI 7280.03, August 20, 2007
*	Table 19-1	DoDI 7280.03, August 20, 2007

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 20
"AVIATOR RETENTION BONUS"

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This updated chapter supersedes the previously published version dated May 2011.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
2002	Duration of Authority for Aviator Retention Bonus extended to December 31, 2012.	Update
Bibliography	Statutes updated.	Update

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CHAPTER 20

AVIATOR RETENTION BONUS

2001 ENTITLEMENT

An aviation officer, who executes a written agreement to remain on active duty in aviation service for at least one year may, upon acceptance by the Secretary concerned, be paid a retention bonus. An aviation officer eligible under this chapter is entitled to a retention bonus in addition to any other pay and allowances to which the officer is entitled.

*2002 DURATION OF AUTHORITY

No agreement under this chapter may be entered into after December 31, 2012 unless this bonus authority is extended by the Congress.

2003 ELIGIBILITY REQUIREMENTS

200301. To qualify for an aviation bonus under this chapter, an officer shall:

A. Be entitled to aviation career incentive pay (ACIP); and

B. Be in a pay grade below O-7 (although the Secretary of the Military Department concerned may establish more restrictive requirements); and

C. Be qualified to perform operational flying duty; and

D. Have completed any active duty service commitment incurred for undergraduate aviator training, or be within one year of completing such commitment.

200302. Definitions of select terms used in this chapter are as follows:

A. Aviation Service. Aviation service is service performed by an officer (except a flight surgeon or other medical officer), while holding an aeronautical rating or designation or while in training to receive an aeronautical rating or designation.

B. Operational Flying Duty. Operational flying duty is flying performed under competent orders by rated or designated members while serving in assignments in which basic flying skills normally are maintained in the performance of assigned duties as determined by the Secretary of the Military Department concerned, and flying performed by members in training that leads to the award of an aeronautical rating or designation.

2004 AMOUNT

The amount of a retention bonus authorized under this chapter, for agreements submitted on or after October 1, 1999, may not be more than $25,000 for each year covered by the agreement to remain on active duty.

2005 PAYMENT

200501. The term of the written agreement and the amount of payment may be prorated, so long as an agreement does not extend beyond the date on which the officer would complete 25 years of aviation service.

200502. Upon the Secretary of the Military Department concerned acceptance of the agreement, the total amount payable becomes fixed and may be paid either in a lump sum or in installments.

200503. If a member dies before receiving the full amount of the bonus due (including contracted future year anniversary payments) and death is not caused by the member's misconduct, the remaining unpaid bonus balance is payable as a lump sum for inclusion in the settlement of the deceased member's final military pay account. If death is determined to be the result of the member's own misconduct, termination of future payments and proration or repayment of the bonus, as applicable, shall be made in accordance with procedures established by the cognizant Military Department for members whose inability to complete a contracted period of service is voluntary or the result of misconduct.

2006 REPAYMENT

An officer who fails to fulfill the service conditions specified in the written agreement for the retention bonus will be subject to the repayment provisions of ***Chapter 2***.

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CHAPTER 20 - AVIATOR RETENTION BONUS

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2002 – DURATION OF AUTHORITY

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2003 – ELIGIBILITY REQUIREMENTS

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200203 37 U.S.C. 301b(j)

2004 – AMOUNT

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2005 – PAYMENT

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200503 ASD(FMP) Memo, June 29, 1999

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SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 21
"SPECIAL PAYS FOR NURSE CORPS OFFICERS"

All changes are denoted by blue font.

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PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
210105	Extended duration of authority for Registered Nurse Accession Bonus to December 31, 2012.	Update
210201	Updated General Eligibility Requirements to reflect current policy.	Update
210202	Updated Nurse Corps Officer serving on Active Duty for 1-Year or more to reflect current policy.	Add
210203	Updated Nurse Corps Officer serving on Active Duty for Less than 1-Year to reflect current policy.	Add
210207	Extended duration of authority for Incentive Special Pay (ISP) for Specialty Nurses to December 31, 2012.	Update
210202 Through 210205	Renumbered to 210204 through 210207.	Update
210301	Updated Nurse Corps Officer serving on Active Duty for 1-Year or more to reflect current policy.	Update
210302	Updated Nurse Corps Officer serving on Active Duty for Less than 1-Year to reflect current policy.	Update
210304	Inserted monthly payment for reserve, recalled, or retained nurse corps officers.	Add
210307	Extended duration of authority for Incentive Special Pay (ISP) for Certified Registered Nurse Anesthetist (CRNA) Bonus to December 31, 2012.	Update
210302 Through 210305	Renumbered to 2103030 through 210307.	Update

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 21
"SPECIAL PAYS FOR NURSE CORPS OFFICERS"

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This updated chapter supersedes the previously published version dated May 2011.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
210402	Inserted monthly payment for reserve, recalled, or retained nurse corps officers.	Add
210501	Inserted Army Nurse Special Pay Plan hyperlink.	Add
Bibliography	Updated statutes and public laws.	Update

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* 210201 General Eligibility Requirements
* 210202 Eligibility for Officers Serving on Active Duty for 1-Year or More
* 210203 Eligibility for Officers Serving on Active Duty for Less than 1-Year
* 210204 Amount
* 210205 Termination of Entitlement
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* 210207 Duration of Authority

2103 Incentive Special Pay (ISP) for Certified Registered Nurse Anesthetists (CRNA)

* 210301 Eligibility for Officers Serving on Active Duty for 1-Year or More
* 210302 Eligibility for Officers Serving on Active Duty for Less than 1-Year
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2104 Non-Physician Healthcare Provider Board Certification Pay

210401 Eligibility
* 210402 Amount

2105 References

* 210501 Army
210502 Navy
210503 Air Force

*Bibliography

CHAPTER 21

SPECIAL PAYS FOR NURSE CORPS OFFICERS

2101 REGISTERED NURSE ACCESSION BONUS

210101. Eligibility. To be eligible for the accession bonus, a person must:

A. Hold a baccalaureate of science degree in nursing (BSN) from an accredited school of nursing.

B. Be fully qualified to serve as a commissioned officer.

C. Execute a written agreement to accept a commission as an officer of the Nurse Corps of the Army or Navy, or an officer of the Air Force designated as a nurse, to serve on active duty for a period of not less than 3 years.

D. Be qualified to become and remain a licensed BSN registered nurse as determined by the Secretaries concerned.

NOTE: A former nurse officer who no longer holds an appointment, and is otherwise eligible, must have been discharged from any Uniformed Service at least 2 years prior to execution of the written agreement to receive the accession bonus.

210102. Limitation on Eligibility. A person may not be paid a bonus if:

A. The person, in exchange for an agreement to accept an appointment as an officer, accepts financial assistance from either the Department of Defense or the Department of Health and Human Services to pursue a baccalaureate degree. This includes, and is not limited to, participants of the Armed Forces Health Professionals Scholarship Program and Financial Assistance Program;

B. The Secretaries concerned determine that the person is not qualified to become and remain licensed as a registered nurse; or

C. The person holds an appointment as a nurse officer in either the Active or Reserve Component.

210103. Amount. The Secretaries concerned may, upon acceptance of the written agreement, pay an accession bonus to an eligible person in an amount not to exceed:

A. $20,000 for a 3-year contract; or

B. $30,000 for a 4-year contract.

210104. Repayment. An individual receiving a Registered Nurse Accession Bonus who fails to remain qualified as a licensed registered nurse for the duration of the agreed upon period, or who voluntarily terminates service on active duty before the end of the obligated period for which the payment is made will be subject to the repayment provisions of ***Chapter 2***.

* 210105. Duration of Authority. Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2012.

2102 INCENTIVE SPECIAL PAY (ISP) FOR SPECIALTY NURSES

* 210201. General Eligibility Requirements. In order to be eligible for the Incentive Special Pay (ISP) for Specialty Nurses, a person must:

A. Be an officer of the Nurse Corps of the Army or Navy, or an officer of the Air Force designated as a nurse;

B. Be a fully qualified registered nurse with an active, full unrestricted license in a designated specialty of:

1. Preoperative nursing.

2. Critical-care nursing.

3. Emergency nursing.

4. Obstetrics/gynecological nursing.

5. Medical-Surgical nursing.

6. Psychiatric/Mental Health nursing.

7. Community/Public Health nursing.

8. Pediatric nursing.

9. Neonatal Intensive Care nursing.

10. Nurse Midwife.

11. Any Nurse Practitioner.

C. Hold a nationally recognized certification in one of the clinical nursing specialties listed in subparagraph 210201.B;

D. Have completed a specialty nursing course approved by the Service Surgeon General or a graduate program in one of the clinical specialties listed in subparagraph 210201.B; and

E. Meet the eligibility criteria of paragraph 210202 or 210203.

* 210202. Eligibility for Officers Serving on Active Duty for 1-Year or More. An officer on active duty under a call or order to active duty for a period of not less than 1-year is eligible for ISP if the officer executes a written agreement to remain on active duty for a period of 1 year or more, which is accepted by the Secretary concerned.

* 210203. Eligibility for Officers Serving on Active Duty for Less than 1-Year. An officer is eligible for ISP if the officer is one of the following:

A. A reservist called to active duty for more than 30 days but less than 1- year, other than active duty for training;

B. An officer involuntarily retained on active duty under ***Title 10 United States Code (U.S.C.) 12305***;

C. A retired nurse corps officer recalled to active duty for more than 30 days under ***10 U.S.C. 688***; or

D. An officer who voluntarily agrees to remain on active duty for less than 1- year at a time when:

1. Officers are involuntarily retained on active duty under ***10 U.S.C. 12305***; or

2. The Secretary of Defense determines that special circumstances justify the payment of special pay under ***37 U.S.C. 302f.***

NOTE: For Service specific eligibility, follow the hyperlinks in section 2105.

* 210204. Amount. The Secretaries concerned may, upon acceptance of the written agreement, pay an eligible individual incentive pay in an annual amount not to exceed:

A. $5,000 a year for a 1-year contract.

B. $10,000 a year for a 2-year contract.

C. $15,000 a year for a 3-year contract.

D. $20,000 a year for a 4-year contract.

NOTE: Based upon the Service-unique requirements, the Secretaries concerned may decline to offer the Specialty Nurse ISP to any group that is otherwise eligible, or restrict the length of the contract for any or all eligible groups to less than 4 years. Each Secretary may establish separate rates for each specialty listed in subparagraph 210201.B. Secretaries may set rates for individuals with service obligations separately from those without any service obligations. Secretaries may restrict eligibility to individuals who have completed their initial service obligation.

* 210205. Termination of Entitlement. The Secretary of the Military Department concerned will prescribe regulations to terminate at any time a Nurse Corps officer's entitlement to Specialty Nurse ISP. Reasons for termination may include, but are not necessarily limited to, the following:

A. Loss of privileges;

B. Courts Martial convictions;

C. Violations of the Uniform Code of Military Justice;

D. Failure to maintain a current, unrestricted license; or

E. Reasons that are in the best interest of the Military Department concerned.

NOTE: If the entitlement to ISP is terminated, then the officer will be paid, on a pro-rata basis, the portion served up to the official date of termination. The Military Departments shall establish regulations that specify the conditions and procedures under which termination may take place. The regulations and conditions for termination shall be included in the written agreement.

* 210206. Repayment. An officer in receipt of a special incentive pay who fails to maintain the eligibility requirements listed in paragraph 210201, and who voluntarily terminates service on active duty before the end of the obligated period for which the payment is made, will be subject to the repayment provisions of ***Chapter 2***.

* 210207. Duration of Authority. Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2012.

2103 INCENTIVE SPECIAL PAY (ISP) FOR CERTIFIED REGISTERED NURSE ANESTHETISTS (CRNA)

* 210301. Eligibility for Officers Serving on Active Duty for 1-Year or More. An officer on active duty under a call or order to active duty for a period of not less than 1-year is eligible for ISP if the officer:

A. Is an officer of the Nurse Corps of the Army or Navy, or an officer of the Air Force designated as a nurse;

B. Is a qualified Certified Registered Nurse Anesthetists (CRNA) with an active, full unrestricted license; and

C. Executes a written agreement to remain on active duty for a period of 1 year or more, which is accepted by the Secretary concerned.

* 210302. Eligibility for Officers Serving on Active Duty for Less than 1-Year. An officer is eligible for ISP if the officer:

A. Is an officer of the Nurse Corps of the Army or Navy, or an officer of the Air Force designated as a nurse;

B. Is a qualified Certified Registered Nurse Anesthetist (CRNA) with an active, full unrestricted license; and

C. Is one of the following:

1. A reservist called to active duty for more than 30 days but less than 1-year, other than active duty for training;

2. An officer involuntarily retained on active duty under ***10 U.S.C. 12305***;

3. A retired nurse corps officer recalled to active duty for more than 30 days under ***10 U.S.C. 688***; or

4. An officer who voluntarily agrees to remain on active duty for less than 1-year at a time when:

a. Officers are involuntarily retained on active duty under ***10 U.S.C. 12305***; or

b. The Secretary of Defense determines that special circumstances justify the payment of special pay under ***37 U.S.C. 302f***.

* 210303. Amount. The Secretaries concerned may, upon acceptance of the written agreement, pay an eligible individual incentive pay in an annual lump-sum payable at the beginning of the 12 month period for which the officer is to receive the payment, in an amount not to exceed:

A. $20,000 a year for a 1-year contract.

B. $25,000 a year for a 2-year contract.

C. $35,000 a year for a 3-year contract.

D. $50,000 a year for a 4-year contract.

NOTE: Each Secretary will set one rate for each category. Secretaries may set rates for obligated individuals separately from those without obligations within the above schedule.

* 210304. Monthly Payments. Payment of ISP to reserve, recalled or retained nurse corps officers for CRNA may be made on a monthly basis.

* 210305. Termination of Entitlement. See paragraph 210205.

* 210306. Repayment. An officer in receipt of a special incentive pay who fails to maintain the eligibility requirements listed in paragraph 210301, and who voluntarily terminates service on active duty before the end of the obligated period for which the payment is made, will be subject to the repayment provisions of ***Chapter 2***.

* 210307. Duration of Authority. Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2012.

2104 NON-PHYSICIAN HEALTHCARE PROVIDER BOARD CERTIFICATION PAY

210401. Eligibility. The Secretary concerned may authorize the payment of Non-Physician Healthcare Provider Board Certification Pay (NPBCP) to an officer who:

A. Is an officer in the Nurse Corps of the Army or Navy, or an officer of the Air Force designated as a nurse;

B. Is a healthcare provider in a clinical specialty that is privilegeable;

C. Has a post-baccalaureate degree in his/her clinical specialty; and

D. Is certified by a professional board in his/her clinical specialty.

* 210402. Amount. The rate of NPBCP to which an officer is entitled shall be paid in equal monthly amounts. Payment of NPBCP to reserve, recalled or retained Nurse Corps Officers may be made on a monthly basis.

Years of Creditable Service	**Annual Payments**
Less than 10 years	$2,000
At least 10 but less than 12 years	$2,500
At least 12 but less than 14 years	$3,000
At least 14 but less than 18 years	$4,000
18 or more years	$5,000

NOTE: Creditable service, for purposes of NPBCP, is defined as all periods of active service after the officer was qualified in the healthcare provider specialty for which NPBCP is being received.

2105 REFERENCES The following source directives contain detail on entitlements, policies, and procedures for Special Pay for Nurse Corps Officers:

* 210501. Army: ***Army Nurse Special Pay Plan***.

210502. Navy: ***OPNAVINST 7220.17*** and ***Annual FY Medical Special Pay Plan NAVADMIN***.

210503. Air Force: ***Air Force Nurse Special Pay Plan***.

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2101 – REGISTERED NURSE ACCESSION BONUS

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		ASD(HA) Memo, September 27, 2010
*		Public Law 112-81, section 612 (b) (2), December 31, 2011

2102 – INCENTIVE SPECIAL PAY (ISP) FOR SPECIALTY NURSES

		37 U.S.C. 302e
*	210202	37 U.S.C 302f
*	210203	37 U.S.C. 302f
		ASD(HA) Memo, September 27, 2010
*		Public Law 112-81, section 612 (b) (3), December 31, 2011

2103 – INCENTIVE SPECIAL PAY (ISP) FOR CERTIFIED REGISTERED NURSE ANESTHETISTS (CRNA)

		37 U.S.C. 302e(b)(2)
		ASD(HA) Memo, September 27, 2010
*		Public Law 112-81, section 612 (b) (3), December 31, 2011
*	210304	37 U.S.C. 302f
		37 U.S.C. 206

2104 – NON-PHYSICIAN HEALTHCARE PROVIDER BOARD CERTIFICATION PAY

	210401	37 U.S.C. 302c(d)(1)
*	210402	37 U.S.C. 302f
		37 U.S.C. 206

SUMMARY OF MAJOR CHANGES TO
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"AVIATION INCENTIVE PAYS"

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PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
220405.B Bibliography	Extended program termination date to December 31, 2011.	Update
220505.B Bibliography	Extended program termination date to December 31, 2011.	Update

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CHAPTER 22

AVIATION INCENTIVE PAYS

2201 HAZARDOUS DUTY INCENTIVE PAY (HDIP) FOR FLYING DUTY

220101. Entitlement. Members required by competent orders to participate in regular and frequent aerial flights as crew or non-crew members, who otherwise meet the requirements of this section, are entitled to HDIP for flying duty.

A. Officers, including aviation cadets, entitled to Aviation Career Incentive Pay (ACIP) under section 2202, are not entitled to payments under this section for the same period of service.

B. Enlisted members receiving Career Enlisted Flyer Incentive Pay (CEFIP) under section 2203, are not entitled to payments under this section for the same period of service.

220102. Monthly Rates

A. Rates

1. Crew members, except air weapons controller crew members, are shown in Table 22-1.

2. Air weapons controller crew members are shown in Table 22-7.

3. Non--crew members are $150.

B. Definitions

1. Aerial Flights. This term is defined as flights in military aircraft or spacecraft, and also flights in nonmilitary aircraft when required by competent orders to fly in such aircraft. A flight begins when the aircraft or spacecraft takes off from rest at any point of support located on the surface of the earth and terminates when it next comes to a complete stop at a point of support located on the surface of the earth.

2. Aviation Accident. This term means an accident in which a member, who is required to participate frequently and regularly in aerial flights, is injured or otherwise incapacitated as the result. The injury or incapacitation, as certified by the appropriate medical authority of the Uniformed Service concerned, may result from:

a. Jumping from, being thrown from, or being struck by, an aircraft or spacecraft, or any part or auxiliary thereof, or

b. Participation in any duty authorized aerial flight or other aircraft or spacecraft operations. This term also means an incapacity incurred as the result, as

certified by appropriate medical authority, of performance of flying duty, even though such incapacity is not the result of an actual aviation accident.

220103. Flight Requirements. Generally a member, to be eligible for HDIP for flying duty required by competent orders to participate frequently and regularly in aerial flights, other than glider flights, must complete 4 hours of aerial flight each month. Hours that are flown in excess of this requirement may usually be banked for application of up to 5 subsequent months where there may be deficiencies of flying hours. Additionally, a member who still has a shortage of flying hours after application of banked excess hours may, under certain conditions, enter a 3-month grace period wherein hours earned in future months may be retroactively applied to prior month requirements. Specific requirements for aerial flight performance are listed in this chapter.

A. Minimum Flying Time Each Month

1. During 1 Calendar Month--4 hours of Aerial Flight. If a member does not fly 4 hours in any month, then any hours flown during the last 5 preceding months (which have not already been used to qualify for flight pay) may be applied to meet this 4-hour requirement.

2. During 2 consecutive calendar months when the requirements of subparagraph 220103.A.1, have not been met--8 hours of aerial flight.

3. During 3 consecutive calendar months when the requirements of subparagraph 220103.A.2, have not been met--12 hours of aerial flight.

B. Fractions of a Calendar Month. For fractions of a calendar month, calculate the percentage that the period in question is of the calendar month. The flying time required is that same percentage of the aerial flight time required for a full calendar month. (See Table 22-2.)

C. Fractions of 2 Consecutive Calendar Months. For fractions of 2 consecutive calendar months, consider the whole period in question. Calculate the percentage that the period in question is of the calendar month. The flying time required is that same percentage of the aerial flight time required for a full calendar month. (See Table 22-2.)

D. Application of Hours Flown. Hours flown in any month apply to the extent of hours available:

1. First, to meet flight requirements for that month.

2. Next, if the member has entered a grace period for meeting flight requirements, to the prior month or months, as applicable.

3. Next, in order, to the first, second, third, fourth, and fifth succeeding months, but only to the extent that the member fails, during each such month, to fly

the required 4 hours. (Such hours available to meet requirements of later months are referred to as "excess" flight time.) See examples in Tables 22-4 and 22-5.

E. Military Operations or Unavailability of Aircraft. When, under authority conferred by the Secretary of the Military Department concerned, the commanding officer certifies that a member is unable to meet normal flight requirements because of military operations (combat or otherwise) or the nonavailability of aircraft in order to complete those requirements, the member may comply with the minimum flight requirements by performing 24 hours of aerial flight over a period of 6 consecutive calendar months. The commanding officer shall certify that only those conditions specified in this subparagraph prevented completion of normal flight requirements. The 24-hour flight requirement may be met at any time during the 6-calendar-month period and in any combination of flights.

1. If the member is in a 3-calendar-month grace period when military operations or aircraft nonavailability prevents fulfillment of flight requirements, then the 6-calendar-month period for meeting the 24-hour flight requirement under this subparagraph begins on the first day of the grace period.

2. If the member is not in a 3-calendar-month grace period, then the first month in which military operations or aircraft nonavailability prevents fulfillment of flight requirements is the beginning of the 6-calendar-month period for meeting the 24-hour flight requirement under this subparagraph.

3. During the 6-calendar-month period, hazardous duty incentive pay for flying may be paid for any single month, or for multiple months, when minimum requirements have been met.

4. At the end of the 6-calendar-month period, hazardous duty incentive pay for flying may be paid for missed months in the period to the extent that the remaining hours flown are applicable. Excess hours are applied prospectively under subparagraph 220103.D, if the member continues to fly under the same orders.

220104. Determination of a 3-Calendar-Month Period

A. When 3-Month Period Starts and Ends. The 3-calendar-month period in which flight requirements must be met begins with the first month in which flight requirements are not met. If the member flies enough time in the second month to cover the first and second months, then the period ends with the second month. If not, the period extends through the third month.

B. Deficiencies for Fraction of a Month. If a member fails to qualify for a fraction of a month (because flying status or active duty began on an intermediate day of the month), then the 3-month period ends on the last day of the second full month following the fractional month.

C. When Next 3-Month Period Starts. A new 3-month period starts with the first month in which flight requirements are not met following a month in which flight requirements were met. For a new 3-month period to begin immediately after a prior 3-month period, flight requirements must have been met for the entire prior 3-month period, not merely for the last month. If the requirements for the entire prior 3-month period were not met, a new period does not begin until flight requirements are met for at least 1 month after the prior 3–month period. After a month when flight requirements are met, any month in which flight requirements are not met begins a new 3-month period. A new period may not start with the second or third month in which flight requirements are not met; nor may a new period start with the fourth month in which flight requirements are not met. There must be at least 1 month in which requirements are met before a new 3-month period begins. Tables 22-4 and 22-5 identify the application of the above rules.

220105. Entitlement to Pay When No Flights Performed in First Month of 3-Month Period. Assume, for the purposes of this paragraph that the member had no excess flight time from prior months.

A. Second Month. If a member performs no aerial flights during the first month of a 3-month period and, in the second month, performs at least 4 hours but less than 8 hours, he or she is entitled to pay only for the second month. For example: In January, no aerial flights are performed; in February, 5 hours of aerial flight are performed. Flying pay is payable only for February.

B. Third Month. If a member performs no aerial flights during the first 2 months of a 3-month period, he or she must perform 12 hours of aerial flight in the third month to be entitled to incentive pay for all 3 consecutive months. For example: If flight requirements are met for January and a member performs no flights during the months of February and March, he or she must perform at least 12 hours in April to be entitled to receive the incentive pay for the period 1 February to 30 April. If the member performs 4 or more hours, but less than 12 hours in April, he or she is entitled to incentive pay only for April.

C. First and Third Months. If a member performs no aerial flights during the first month and, in the second month, performs only sufficient flights to qualify for the second month, then he or she must perform enough hours of flight to total 12 hours during the third month in order to qualify for the incentive pay for the first and third months of the 3-month period. For example: In January, no aerial flights are performed; in February, 5 hours of aerial flight are performed. The deficiency in January must be made up in March; that is, if at least 7 hours are accomplished in March, then flying pay for January and March is payable. If only 6 hours are flown in March, then flying pay is payable only for March (the payment for February previously having been made) and incentive pay for January is lost.

220106. Injury or Incapacity Resulting From Performance of Hazardous Duty

A. Flight Requirements. When a member in a flying status is injured or otherwise incapacitated as a result of performance of flying or other hazardous duty to which ordered, he or she is considered to have met flight requirements during the incapacity, but not for

longer than 3 months. Appropriate medical authority determines the cause of the incapacity and the date of recovery. If the member has met flight requirements for the month in which the incapacity occurs, then the 3-month period begins the first day of the following month. If the member has not met flight requirements for the month in which the incapacity occurs, the 3 month period begins the first day of the month in which the incapacity occurs.

B. Change of Station for Medical Treatment. When a member in receipt of flying pay under the terms of subparagraph 220106.A, is ordered to a medical facility on permanent change of station, temporary duty, or temporary additional duty orders, he or she is entitled to flying pay for the period of incapacity, but not longer than 3 months, notwithstanding the change of station, provided his or her continued flying status is not terminated.

C. Incapacity Due to Shock, Derangement, or Exhaustion. A member who becomes incapacitated for flying duty by reason of shock, derangement, or exhaustion of the nervous system, which can be attributed to an aviation accident or the performance of aerial flights, is deemed to have met the flight requirements for not more than 3 months following the date of the incapacity, as determined by appropriate medical authority. The 3-month period is determined under the provisions of subparagraph 220106.A. See also subparagraph 220102.B.

D. Hazardous Duty for Stated Period. If a member has been placed on flying status for a definite period and is entitled to flying pay while incapacitated as a result of performance of flying duty, then flying pay normally is not payable beyond the ending date of duty period stated in the orders. If evidence is furnished that the member would have continued in flying status had it not been for the incapacity, then flying pay may be paid beyond the ending date of the duty.

220107. Incapacity Not the Result of Performance of Hazardous Duty. The right of a member on flying status to flying pay during an incapacity, which is not the result of performing hazardous duty, depends on fulfillment of flight requirements under paragraph 220103.

220108. Right to Flying Pay Under Certain Conditions. See Table 22-3.

220109. Determinations Affecting Entitlement to Flying Pay

A. Flying Pay From Date of Reporting for Duty. A member is entitled to flying pay on and after the date that he or she reports for and enters upon duty under competent orders, subject to meeting flight requirements. A member in a non-duty status (such as on leave or sick) at the time that flying status orders are issued is not entitled to flying pay for any period before he or she reports for and enters on duty under such orders.

B. Excess Flight Time. When authorized under paragraph 220103, flight time in excess of the time required or insufficient to qualify for a particular month, may be applied against a later month in which minimum requirements are not met provided that the orders under which flying time was logged remain in effect.

C. Change of Designation, Non-crew Member to Crew Member or Vice Versa. A member whose status changes from non-crew member to crew member (or vice versa) within a month or other qualifying period, may not combine time flown in both categories for pay purposes. The member is entitled to flying pay as a non-crew member for the period of time member held that status if he or she met the pro rata requirements as a non-crew member. The member is entitled to flying pay as a crew member for the period of time he or she held that status if the pro rata requirements as a crew member were met.

D. Change From One Crew Member Status to Another Crew Member Status. Flights as one type of crew member may be combined with flights as another type of crew member if the member remains on continuous active duty and continuous flying status. Total requirements may be met in either crew member status or a portion may be met in each status.

Example: An aviation cadet is given a rating as a navigator and issued new flying status orders immediately following termination of his or her former orders.

E. Missing, Missing-in-Action. A member assigned to flying duty, who is declared missing by competent authority, is entitled to the incentive pay during the entire period of absence and, for any additional period not to exceed 1 year, required for hospitalization and rehabilitation after termination of missing status. Upon return from a missing status and completion of any required period of hospitalization and rehabilitation (not to exceed 1 year), entitlement to HDIP for flying duty shall be contingent on a determination of continued eligibility under paragraph 220101, and the applicable flight requirement provisions of paragraph 220103. A new 3-month grace period does not start when the missing status and hospitalization ends; rather, it starts with the first month of deficiency, after entering a missing status. If the missing status and hospitalization goes beyond the 3-month grace period, the member must meet flight requirements for at least 1 month to again become entitled to flight pay. If the member does not meet flight requirements upon the completion of an authorized missing and hospitalization period, then he or she is entitled to pro rata HDIP for flying duty through the date of such authorized period.

F. Death

1. Death Due to Aviation Accident. If death occurs on the date an aviation accident, then flying pay accrues to include the date of death. If, however, death occurs after the 3-month period has expired, then flying pay is not authorized for any day after the expiration of that period. Flying pay for the month or period before the month in which the accident occurred is not authorized unless flight requirements were met for that period.

2. Death Due to Other Causes. If death occurs from causes other than an aviation accident, then flying pay is payable to and including the date of death if the member has met pro rata flight requirements for the month of death and was on flying status.

220110. Suspensions From Flying Status, Effect on Flying Pay

A. Flying Pay for Period of Suspension. Except under subparagraphs 220110.B and C, members are not entitled to flying pay for any period while suspended from flying status. Members are considered suspended on the effective date of suspension. Members are considered to be in a flying status on the day that the suspension is removed or terminated. Payment for a period of suspension cannot be made in any case until the suspension has been removed or terminated.

B. Suspension for Other Than Physical Incapacity for Members Required to Perform Minimum Flight Requirements. Members are entitled to flying pay for a period of suspension from flying status, provided the suspension is removed or terminated and they meet flight requirements as prescribed in paragraph 220103. If the member has excess flights performed before suspension, then the grace period specified in paragraph 220103 begins on the first month of the period of suspension not covered by excess flights.

Example: A member was suspended from flying status on February 1. He had 16 hours excess flying time as of January 31. Flying pay is stopped on January 31. The suspension subsequently is removed (or terminated) on June 30. He flew 12 hours in the month of July. After removal of the suspension, pay flying pay for February 1 through May on the basis of the 16 excess hours accumulated in the 5 months before February 1. The grace period, authorized as stated in paragraph 220103, started on June 1. The hours flown in July qualify the member for flying pay for June and July.

C. Suspension for Physical Incapacity of Members Subject to Minimum Flight Requirements. A member is entitled to flying pay during a period of grounding due to physical incapacity if he or she meets the flight requirements stated in paragraph 220103. The member also is entitled during a period of suspension, if the suspension is removed or terminated and flight requirements actually are met. There are no flight requirements during the first 3 months of a period of incapacity incurred as the result of performance of an assigned hazardous duty. See paragraph 220106.

D. Suspension Removed or Terminated. If a suspension is removed or terminated after the member can no longer qualify for flying pay under subparagraphs 220110.B or C, then there is loss of pay for any period that is not covered by paragraph 220103. Flying pay accrues after the suspension is removed or terminated for members required to meet minimum flight requirements from the date of reporting for flying duty after the suspension is removed or terminated, if flight requirements are met.

220111. Payment of Flying Pay and Incentive Pay for Other Hazardous Duty. A member who qualifies for flying pay and incentive pay for one or more other types of hazardous duty may receive the flying pay and incentive pay only for one other hazardous duty for the same period. Dual hazardous duty incentive pay is limited to those members required by orders to perform specific multiple hazardous duty necessary for successful accomplishment of the mission of the unit to which assigned.

A. Conditions of Entitlement. The hazardous duties for which dual incentive pay is payable shall be an integral part of the member's assigned mission. Accomplishment of

the assigned mission shall require the member to perform specific multiple hazardous duties. A member shall meet minimum requirements for each of the hazardous duties, except for injury or incapacity that results from the performance of hazardous duty.

B. Types of Duties That Qualify Member for Dual Payment of Hazardous Duty Incentive Pay: (See also subparagraph ***240103.A***)

1. Air Force pararescue team members placed on orders to perform duties both as crew members and parachutists.

2. Other combinations of hazardous duties for which dual payments of incentive pay are authorized by the Military Services concerned.

C. Injury or Incapacity as a Result of Performance of Hazardous Duty or Dual Hazardous Duties. If a member, who is required to perform more than one hazardous duty, becomes injured or otherwise incapacitated as a result of any of the duties, he or she then is entitled to dual incentive pay during the incapacity, but for no longer than 3 months. If not entitled to dual incentive pay at the time of the incapacity, the member then is entitled to the type of incentive pay that he or she was receiving at the time of the incapacity. The beginning date of the 3-month period shall be determined separately for each type of incentive pay. Use paragraph 220106, or ***Table 24-1***, as applicable, to determine the 3-month period separately for each incentive pay.

220112. Restriction on Payment of Flying Pay and Diving Duty Pay. See ***paragraph 110501***.

220113. Restriction on Payment of Flying Pay and Aviation Officer Continuation Pay (AOCP). No agreement to ACOP would be accepted by the Secretary of Defense after December 31, 1988.

220114. Authority to Issue Orders. Authority to issue orders requiring the performance of flying duty, granting waivers of performance requirements, or extending time periods during which requirements may be met, as appropriate, is delegated by the Secretaries of the Military Departments to specific commanders within each Military Service. Such delegations are contained in the personnel administrative regulations of the respective Military Services.

2202 AVIATION CAREER INCENTIVE PAY (ACIP) FOR RATED OR DESIGNATED OFFICERS, AVIATION CADETS AND WARRANT OFFICERS

220201. Entitlement

A. Entitlement to ACIP shall be restricted to regular and reserve officers who hold, or are in training leading to, an aeronautical rating or designation and who engage and remain in aviation service on a career basis. Entitlement to ACIP may be on a continuous or

conditional (month to month) basis. Officers above pay grade O-6 with over 25 years of aviation service are not entitled to ACIP, either continuous or conditional.

1. Continuous ACIP. Qualification for entitlement to continuous ACIP is earned by completing a prescribed minimum number of operational flying years before reaching a specific control or gate year of aviation service. The detailed requirements are described below. Entitlement to continuous ACIP ceases for an officer (other than a warrant officer) upon completion of 25 years of aviation service. Flight surgeons and other medical officers are not entitled to continuous ACIP.

a. An officer qualified for aviation service (except a flight surgeon or medical officer) is entitled to continuous ACIP starting when he or she enters flight training leading to the original rating or when appointed as an officer, whichever is later, and continues until he or she completes 12 years of aviation service.

b. An officer qualified for aviation service (except a flight surgeon or other medical officer), who has performed at least 8 years of operational flying duty upon completion of 12 years of aviation service, is entitled to continuous ACIP for the first 18 years of aviation service.

c. An officer qualified for aviation service (except a flight surgeon or other medical officer), who has performed at least 10 (but less than 12) years of operational flying duty upon completion of 18 years of aviation service is entitled to continuous ACIP for the first 22 years of aviation service.

d. An officer qualified for aviation service (except a flight surgeon or other medical officer), who has performed at least 12 years of operational flying duty upon completion of 18 years of aviation service, is entitled to continuous ACIP for the first 25 years of aviation service.

e. The Secretary of the Military Department concerned may permit, on a case by case basis, an officer to continue to receive continuous monthly incentive pay despite the failure of the officer to perform the prescribed operational flying duty requirements during the prescribed periods of time, so long as the officer has performed those requirements for not less than 6 years of aviation service. The Secretary of the Military Department concerned may not delegate this approval authority.

2. Conditional ACIP. Qualification for entitlement to conditional ACIP is earned by completing a prescribed minimum number of operational or proficiency flying hours per month. The detailed flying hour requirements are described in paragraph 220203. Flight surgeons and other medical officers who have aeronautical ratings or designations and are qualified for aviation service, as well as other aviation officers who do not qualify for continuous ACIP because of missed gate year requirements or aviation duty in excess of 25 years, may qualify for entitlement to conditional ACIP.

B. A rated or designated officer qualified for aviation service, but not

receiving continuous or conditional ACIP, may be required by competent orders to perform hazardous duty for flying as a crew member or non-crew member. When the minimum flight requirements are met under the provisions of section 2201, the officer is entitled to HDIP for flying. A member entitled to ACIP is not entitled to HDIP when flying as crew member or non-crew member.

C. The provisions of this paragraph apply to Reserve Component officers so long as the requirements are met for an aviation service career (not on extended active duty) defined in the definitions.

220202. Rates and Definitions

A. Rates. The rates for continuous and conditional ACIP are identical and are listed in Table 22-6.

1. Warrant officers qualified for either continuous or conditional ACIP shall continue to receive the rate prescribed for officers with over 14 years of aviation service, without reduction, when aviation service exceeds 22 years.

2. An officer in pay grade O-7 may not be paid ACIP at a rate greater than $200 per month. An officer in pay grade O-8 or above may not be paid ACIP at a rate greater than $206 per month. Officers above pay grade O-6 with over 25 years of aviation service may not be paid ACIP, either continuous or conditional.

3. In time of war, the President may suspend the payment of ACIP.

B. Definitions

1. The terms “aerial flights and aviation accident” are defined in subparagraph 220102.B.

2. Aviation Service. This term means service performed by an officer (except a flight surgeon or other medical officer) while holding an aeronautical rating or designation or while in training to receive an aeronautical rating or designation. For the purposes of Table 22-6, aviation service as an officer begins on the day, month, and year the officer first reports under competent flight orders to the aviation facility having aircraft in which the officer receives flight training leading to the award of an aeronautical rating or designation, and continues to accumulate from that date, without exception, so long as the flight rating remains in effect.

3. Operational Flying. Operational flying is flying performed by officers in training that leads to the award of an aeronautical rating or designation, and flying performed under competent orders by rated or designated officers while serving in assignments in which basic flying skills (as determined by the Secretary concerned) normally are maintained in the performance of assigned duties.

4. Proficiency Flying. This term means flying performed under competent orders by rated or designated members while serving in assignments in which such skills would normally not be maintained in the performance of assigned duties.

5. Aviation Cadet. This term applies to a member enlisted and designated as an aviation cadet under ***Title 10 United States Code section 6911(10 U.S.C. 6911)***. Service as an aviation cadet on or after November 14, 1986, counts for entitlement to ACIP. Where the term "aviation cadet" is not specified in section 2202, the term "officer" includes members so designated.

220203. Flight Requirements for Monthly (Conditional) ACIP. An officer covered by subparagraph 220201.A, shall meet the minimum flight requirements of this subparagraph to be for entitlement to monthly (conditional) ACIP.

A. Minimum Flying Time Each Month

1. During 1 calendar month -- 4 hours of aerial flight. If an officer does not fly 4 hours in any month, then the hours flown during the last 5 preceding months (which have not already been used to qualify for ACIP) may be applied to meet this 4-hour requirement.

2. During 2 consecutive calendar months when the requirements of subparagraph 220203.A.1, have not been met -- 8 hours of aerial flight.

3. During 3 consecutive calendar months when the requirements of subparagraph 220203.A.2, have not been met -- 12 hours of aerial flight.

B. Fractions of a Calendar Month. For fractions of a calendar month, calculate the percentage that the period in question is of the calendar month. The flying time required is that same percentage of the aerial flight time required for a full calendar month. (See Table 22-2.)

C. Fractions of 2 Consecutive Calendar Months. For fractions of 2 consecutive calendar months, consider the whole period in question. Calculate the percentage that the period in question is of a calendar month. The flying time required is that same percentage of the aerial flight time required for a full calendar month. (See Table 22-2.)

D. Application of Hours Flown. Hours flown in any month apply to the extent of hours available:

1. First, to meet flight requirements for that month.

2. Next, if the officer has entered a grace period for meeting flight requirements, to the prior month or months as explained in paragraph 220205.

3. Next, in order, to the first, second, third, fourth, and fifth

succeeding months, but only to the extent that the officer fails, during each such month, to fly the required 4 hours. (Such hours available to meet requirements of later months are referred to as "excess" flight time.) (See examples in Tables 22-4 and 22-5.)

E. Military Operations or Unavailability of Aircraft. When an officer is unable to meet normal flight requirements because of military operations (combat or otherwise) or the nonavailability of aircraft, he or she may comply with the minimum flight requirements by performing 24 hours of aerial flight over a period of 6 consecutive calendar months. The commanding officer shall certify that only the conditions specified in this subparagraph prevented completion of normal flight requirements. The 24-hour flight requirement may be met at any time during the 6 calendar-month period and in any combination of flights.

1. If the officer is in a 3-calendar-month grace period when military operations or aircraft nonavailability prevents fulfillment of flight requirements, then the 6-calendar-month period for meeting the 24-hour flight requirement under this subparagraph begins on the first day of the grace period.

2. If the officer is not in a 3-calendar-month grace period, then the first month in which military operations or aircraft nonavailability prevents fulfillment of flight requirements is the beginning of the 6-calendar-month period for meeting the 24-hour flight requirement under this subparagraph.

3. During the 6-calendar-month period, monthly (conditional) ACIP may be paid for any single month, or for multiple months, when minimum requirements have been met.

4. At the end of the 6-calendar-month period, monthly (conditional) ACIP may be paid for missed months in the period to the extent that the remaining hours flown are applicable. Excess hours are applied prospectively under subparagraph 220203.D, if the officer continues to fly under the same orders.

F. Flight Requirements for Reserve Component Personnel (Not on Extended Active Duty). Minimum monthly flight requirements are contained in Chapters ***57*** and ***58***.

220204. Determination of a 3-Calendar-Month Period for Entitlement to Monthly (Conditional) ACIP

A. First Month. The first month in which an officer fails to meet flight requirements marks the beginning of the initial 3-calendar-month grace period allowed for meeting flight requirements. Succeeding grace periods begin according to subparagraph 220204.D.

B. Second and Third Month. If the officer flies enough hours in the second month to cover the first and second months, then the grace period ends with the second month. If not, grace period extends through the third month.

C. Deficiencies for Fraction of a Month. If the officer fails to qualify for a fraction of a month because flying status or active duty began on an intermediate day of the month, then the 3-calendar-month period ends on the last day of the second full month following the fractional month.

D. When Next 3-Calendar-Month Period Starts. A new 3-calendar-month period starts on the first day of the month in which flight requirements are not met (month of failure). The foregoing is subject to the following limitations. (See Tables 22-4 and 22-5 for examples.)

1. If a month in which flight requirements are not met immediately follows a 3-calendar-month period in which all flight requirements were met (not merely for the last month), then a new 3-calendar-month period starts with the month in which those requirements were not met.

2. If a month in which flight requirements are not met immediately follows a 3-calendar-month period in which all flight requirements were not met, then a month in which those requirements were not met does not start a new 3-calendar-month period. The officer must meet flight requirements for at least 1 month after which a new 3-calendar-month period may start.

3. After any month in which flight requirements are met following a 3-calendar-month period, a new 3-calendar-month period starts with the next month in which flight requirements were not met, without regard to whether requirements were met for the most recent 3-calendar-month period.

220205. Entitlement to Monthly (Conditional) ACIP When No Flights Performed in First Month of 3-Calendar-Month Period. Assume, for the purpose of this paragraph, that the officer had no excess flight time from prior months.

A. Second Month. If an officer does not fly during the first month of a 3–calendar-month period and, in the second month, flies at least 4 hours but less than 8 hours, the officer is entitled to conditional ACIP only for the second month. For example: If 0 hours are flown in January and 7 hours flown in February, then conditional ACIP is due for February.

B. Third Month. If an officer does not fly during the first 2 months of a 3–calendar-month period, then he or she must fly at least 12 hours in the third month to be entitled to conditional ACIP for more than the third month. Example 1: 0 hours flown in January; 0 hours flown in February; 12 hours flown in March. Conditional ACIP is due for January, February, and March. Example 2: 0 hours flown in January; 0 hours flown in February; 10 hours flown in March. Conditional ACIP is due only for March. Excess hours flown in March are carried forward.

C. First and Third Months. If an officer does not fly during the first month and, in the second month, flies only enough hours to qualify for the second month, then he or she must fly enough hours in the third month to total 12 hours to qualify for conditional ACIP for the

first and third months of the 3-calendar-month period. Example 1: 0 hours are flown in January, 5 hours are flown in February, and 7 hours are flown in March. Conditional ACIP is due for January, February, and March. Example 2: If 0 hours are flown in January, 5 hours are flown in February, and 6 hours are flown in March, then conditional ACIP is due only for February and March. Excess hours from February and March are carried forward.

220206. Injury or Incapacity Resulting From Performance of Flying Duty. An officer, who is medically incapacitated, shall be considered qualified for aviation service until disqualified for aviation service. Effective December 15, 1994, disqualification due to medical incapacity shall be effected on the first day following a period of 365 days that commences on the date of incapacitation, or on the date a competent medical authority determines the medical incapacitation to be permanent, whichever is earlier (referred to as the "incapacitation period"). No entitlement to ACIP exists during a period of disqualification. Entitlement for the period of incapacity before medical disqualification is shown in the subparagraphs A and B.

A. Officer Entitled to Continuous ACIP. When an officer, who is entitled to continuous ACIP, is injured or otherwise incapacitated as a result of flying or as a result of shock, derangement, or exhaustion of the nervous system attributed to an aviation accident or the performance of aerial flight, entitlement continues past the date of incapacitation and through the day before the date of disqualification for aviation service.

B. Officer Entitled to Monthly (Conditional) ACIP. Although a medically incapacitated officer, who is entitled to monthly (conditional) ACIP, remains qualified for aviation service during the incapacitation period described in paragraph 220206, entitlement for this period is based on the following:

1. Flight Requirements. When an officer in this category is injured or otherwise incapacitated as a result of the performance of flying duty to which ordered, he or she is considered to have met flight requirements during the incapacity, but for not longer than 3 months. Appropriate medical authority determines the date and cause of incapacity, and the date of recovery. If the officer has met flight requirements for the month in which the incapacity occurs, then the 3-month period begins the first day of the following month. If the officer has not met flight requirements for the month in which the incapacity occurs, then the 3-month period begins on the first day of the month in which the incapacity occurs. The officer shall have logged enough hours to meet minimum flight requirements for the remaining months of the period before disqualification. An officer may not use hours flown after a period of disqualification to meet minimum flight requirements for a period before disqualification.

2. Change of Station for Medical Treatment. When an officer, who is receiving monthly (conditional) ACIP as stipulated in subparagraph 220206.B.1, is ordered to a medical facility upon permanent change of station, temporary duty, or temporary additional duty orders, the entitlement to pay continues for the period of incapacity, but not longer than 3 months. (This is true in the case of a change of station provided the officer's orders to fly are not terminated.)

3. Incapacity Due to Shock, Derangement, or Exhaustion. An officer entitled to monthly (conditional) ACIP, who becomes incapacitated for flying duty by reason of shock, derangement, or exhaustion of the nervous system which can be attributed to an aviation accident or the performance of aerial flights, is considered to have met the flight requirements for not more than 3 months following the date of the incapacity, as determined by appropriate medical authority. The 3-month period is determined according to subparagraph 220206.B.1.

4. Flying Duty for Stated Period. When an officer, ordered to flying duty for a definite period, is entitled to monthly (conditional) ACIP while incapacitated as a result of performing flying duty, the entitlement normally does not extend beyond the ending date of the duty period stated in orders. If evidence is furnished that the officer would have continued under orders to fly had it not been for the incapacity, then monthly (conditional) ACIP may be paid beyond the ending date of the duty but no longer than 3 months after the incapacity.

220207. Incapacity Not the Result of Performance of Flying Duty. An officer who is medically incapacitated shall be considered qualified for aviation service until such time as he or she is disqualified for aviation service. Disqualification for medical incapacity will be effected on the first day following a period of 365 days that commences on the date of incapacitation, or on the date a competent medical authority determines the medical incapacitation to be permanent, whichever is earlier. No entitlement to ACIP exists during a period of disqualification. Entitlement for the period of incapacitation before disqualification is shown in the following subparagraphs:

A. Officer Entitled to Continuous ACIP. When an officer, who is entitled to continuous ACIP, is incapacitated not as the result of performing flying duty, entitlement continues past the date of incapacitation and through the day before the date of disqualification for aviation service.

B. Officer Entitled to Monthly (Conditional) ACIP. When an officer, who is entitled to monthly (conditional) ACIP, is incapacitated not as the result of performing flying duty, continuation of entitlement for the period before disqualification is dependent on the officer meeting the minimum flight requirements under paragraph 220203. The officer is not entitled to 3-month grace period under subparagraph 220206.B.1.

220208. Right to ACIP Under Certain Conditions. See Table 22-3.

220209. Determinations Affecting Entitlement to ACIP

A. From Date of Reporting for Duty (Not Applicable to Continuous ACIP). An officer, who is entitled to monthly (conditional) ACIP, is entitled to such pay on and after the date he or she reports for and enters upon duty under competent orders, subject to minimum flight requirements and the following qualification. An officer in a non-duty status (such as on leave or sick) at the beginning date for a period of flying under competent orders is not entitled to monthly (conditional) ACIP for any period before he or she reports for and enters on duty under such orders.

B. Excess Flight Time (Not Applicable to Continuous ACIP). When authorized under paragraph 220203, flight time in excess of the time required or insufficient to qualify a particular month for pay, may be applied against a later month in which minimum requirements are not met, provided that the aeronautical orders under which the flying time was logged remain in effect (that is, continuous flying status exists for member concerned).

C. Death Due to Aviation Accident

1. If death occurs on the date of an aviation accident, then ACIP (either continuous or conditional) is payable for the month of death through the date of death. (Note also the following subparagraph 220209.C.2.)

2. Entitlement to continuous ACIP for the period before the month in which an aviation accident occurs is continuous. Entitlement to monthly (conditional) ACIP for the period before the month, in which an aviation accident occurs, however, is subject to minimum flight requirements. Therefore, a situation may exist in which monthly (conditional) ACIP is payable according to subparagraphs 220209.C.1, C.3, or C.5, but not for the period immediately before the officer's aviation accident.

3. If death occurs within the 3-month grace period specified in paragraph 220206, then ACIP (either continuous or conditional) is payable from the month of medical incapacitation through the date of death.

4. If death occurs after the expiration of the 3-month grace period under paragraph 220206, but before the first day following the incapacitation period described in paragraph 220206, then continuous ACIP is payable through the date of death.

5. If death occurs after the expiration of the 3-month grace period under paragraph 220206, but before the first day following the incapacitation period described in paragraph 220206, then monthly (conditional) ACIP is payable through the 3-month period. It also is payable after the 3-month period through the date of death to the extent excess flying hours are available for application.

6. If death occurs on or after the first day following the incapacitation period described in paragraph 220206, then continuous ACIP is payable through the incapacitation period.

7. If death occurs on or after the first day following the incapacitation period described in paragraph 220206, then monthly (conditional) ACIP is payable after the 3–month period through the incapacitation period to the extent excess flying hours are available for application.

D. Death Due to Other Causes

1. If death occurs from causes other than an aviation accident and the date of death also is the date of medical incapacitation, then continuous ACIP is payable through

the date of death. Monthly (conditional) ACIP is payable through the date of death, subject to minimum flight requirements.

2. If death occurs from causes other than an aviation accident and the date of death is before the first day following the incapacitation period described in paragraph 220206, then continuous ACIP is payable through the date of death. Monthly (conditional) ACIP is payable to the extent excess flying hours are available for application.

3. If death occurs from causes other than an aviation accident and the date of death is on or after the first day following the incapacitation period described in paragraph 220206, then continuous ACIP is payable through the incapacitation period. Monthly (conditional) ACIP is payable through the incapacitation period to the extent excess flying hours are available for application.

220210. Disqualification for Aviation Service, Suspension of Aviation Service. Periods of disqualification and/or suspension are established by competent orders.

A. Disqualification. An officer may be disqualified for aviation service for medical or professional reasons according to regulations of the Military Service concerned. In the case of disqualification for medical reasons, the following applies for all Military Services. Disqualification for medical incapacity will be effected on the first day following a period of 365 days that commences on the date of incapacitation, or on the date a competent medical authority determines the medical incapacitation to be permanent, whichever is earlier. ACIP is not authorized on any basis for any period during which an officer is disqualified for aviation service. After a period of disqualification, entitlement to ACIP resumes as follows:

1. Officer Entitled to Continuous ACIP. Entitlement resumes on the date that the officer again is qualified for aviation service. (For example, an officer who requalifies on the 20th of the month is entitled to 11/30 of ACIP for that month.)

2. Officer Entitled to Monthly (Conditional) ACIP. Minimum flight requirements shall be met beginning with the date that the officer is again qualified for aviation service. (For example, an officer who requalifies on the 16th of the month, and flies 2 or more hours, is entitled to 15/30 of ACIP for that month.) An officer may not use hours flown after a period of disqualification to meet minimum flight requirements for a period before disqualification.

B. Suspension

1. An officer shall be suspended by competent orders to invoke a temporary termination of aviation service when the status of future aviation service is uncertain.

2. When the officer is removed from suspended status, he or she either will be disqualified for aviation service or again qualified for aviation service.

C. Entitlement to ACIP for a Period of Suspension Changed to Disqualified. ACIP (continuous or conditional) to which an officer otherwise would be entitled is stopped during a period of suspension starting with the effective date of suspension in competent orders. If the suspended status is resolved so that the officer is disqualified for aviation service, then no entitlement to ACIP exists for the period of disqualification. (The effective date for disqualification must be the same as the effective date for suspension.)

D. Entitlement to ACIP for Period of Suspension Changed to Qualified. ACIP (continuous or conditional), to which an officer otherwise would be entitled, is stopped during any period of suspension starting with the effective date of suspension in competent orders. If the suspended status is resolved so that the officer is qualified for aviation service, then entitlement to ACIP is based on subparagraphs 220210.D.1 and D.2. (The effective date for qualification must be the same as the effective date for suspension.)

1. Officer Entitled to Continuous ACIP. The officer is entitled to continuous ACIP beginning with the date on which he or she again is qualified for aviation service.

2. Officer Entitled to Monthly (Conditional) ACIP. Subject to the minimum flight requirements of paragraphs 220203 and 220204, an officer is entitled to monthly (conditional) ACIP beginning with the date on which he or she again is qualified for aviation service.

220211. Concurrent Entitlement to ACIP and Hazardous Duty Incentive Pay (HDIP). Officers, who are entitled to ACIP, also may be entitled to HDIP under the provisions of ***Chapter 24*** if the conditions for entitlement have been met independently. Entitlement to HDIP is limited to no more than two payments for the same period of time that the officers qualify for more than one payment of that pay. (See ***paragraph 240103***)

220212. Authority To Issue Orders. Authority to issue orders requiring performance of flying duty, granting waivers of performance requirements, or extending time periods during which requirements may be met, as appropriate, is delegated by the Secretaries of the Military Departments to specific commanders within each Military Service. Such delegations are contained in the personnel administrative regulations of the Military Services concerned.

220213. Missing, Missing-in-Action, Officer's Entitlement

A. General. An officer, who is receiving ACIP at the beginning of a period of missing status, is entitled to ACIP during the entire period of absence and also (if applicable) for the period, not to exceed 1 year, required for hospitalization and rehabilitation after missing status ends. (For the purpose of this paragraph, an officer entitled to conditional ACIP is considered to be receiving ACIP when under competent orders to perform flying duty whether or not the officer has met the minimum flight requirements.)

B. Officer Entitled to Continuous ACIP. Entitlement to continuous ACIP upon termination of the period of absence, or the termination of any period, not to exceed 1 year, that is required for hospitalization and rehabilitation, is contingent only upon continued eligibility under paragraph 220201.

C. Officer Entitled to Monthly (Conditional) ACIP. Entitlement to monthly (conditional) ACIP, upon termination of the entire period of absence or the termination of any period, not to exceed 1 year, that is required for hospitalization and rehabilitation, is contingent upon continued eligibility under paragraph 220201. In addition, the officer must again meet minimum flight requirements subject to the following:

1. The 3-calendar-month grace period for meeting minimum flight requirements does not start with the end of the period authorized under subparagraph 220213.A. Instead, it starts with the first month of missing status in which the officer does not fly. Therefore, if the officer has met flight requirements for the month in which the missing status begins, the next calendar month is designated as the first month of a 3-calendar-month grace period. If the officer has not met flight requirements for the month in which the missing status begins, then that month is designated as the first month of a 3-calendar-month grace period for meeting minimum flight requirements. (This applies even though under later application of paragraph 220204, the month so designated is considered to be a month in which requirements are met based on performance-free entitlement due to missing status.)

2. If the missing status is terminated before the end of the 3-calendar-month period started according to subparagraph 220213.C.1, then the officer shall meet flight requirements for the month(s) not covered by performance-free entitlement. If the officer fails to complete requirements for this entire 3-calendar-month period, then the officer shall meet flight requirements for 1 month following that 3-calendar-month period before a new 3-calendar-month period may start.

3. If the missing status is terminated after or at the end of the 3–calendar-month period started according to subparagraph 220213.C.1, then the officer is considered to have met all flight requirements for the 3-calendar-month period plus any additional months of missing status by performance-free entitlement due to missing status. Therefore, a new 3–calendar-month period starts with the first month in which flight requirements are not met after the end of period authorized under subparagraph 220213.A.

D. Excess Flight Time. Excess flight time accumulated by the officer before having declared missing may be applied to months following the months covered by performance-free entitlement if the period authorized under 220213.A, is terminated within the 5–calendar-month period permitted by paragraph 220203.

220214. Air Battle Manager. An officer serving as an air battle manager, who is entitled to ACIP under this section and who, before becoming entitled to aviation career incentive pay, was entitled to HDIP as an air weapons controller under section 2201 of this chapter, shall be paid the monthly incentive pay at the higher of the following rates:

A. The ACIP rate otherwise applicable to the officer under this section, or

B. The rate at which the officer was receiving HDIP under section 2201, immediately before the officer's entitlement to ACIP under this section.

2203 CAREER ENLISTED FLYER INCENTIVE PAY (CEFIP) FOR CAREER AIRCREW MEMBERS

220301. Entitlement. An active or reserve component enlisted member of the armed forces is entitled to CEFIP if that member:

A. Is entitled to basic pay pursuant to ***37 U.S.C. 204*** or ***37 U.S.C. 206***

B. Holds an enlisted military occupational specialty or enlisted military rating designated as a career enlisted flyer specialty or rating by the Secretary concerned, performs duty as a dropsonde system operator, or is in training leading to qualification and designation of such a specialty or rating or the performance of such duty.

C. Is qualified for aviation service under regulations prescribed by the Secretary concerned.

D. Satisfies the operational flying duty requirements applicable under this section.

220302. Rates and Definitions

A. Rates

1. Monthly CEFIP rates for Air Force career aircrew members are shown in Table 22-8.

2. Monthly CEFIP rates for Navy career aircrew members are shown in Table 22-9, 22-10, and 22-11.

B. Definitions

1. Aviation Service. This term means participation in aerial flight performed, under regulations prescribed by the Secretary concerned, by an eligible career enlisted flyer.

2. Operational Flying Duty. This term means flying performed under competent orders while serving in assignments, including an assignment as a dropsonde system operator, in which basic flying skills normally are maintained in the performance of assigned duties as determined by the Secretary concerned, and flying duty performed by members in training that leads to the award of an enlisted aviation rating or military occupational specialty designated as a career enlisted flyer rating or specialty by the Secretary concerned.

220303. Eligibility

A. Incentive Pay Authorized. The Secretary concerned may pay monthly incentive pay to an eligible career enlisted flyer in an amount not to exceed the monthly maximum amounts specified in Tables 22-8, 22-9, 22-10, and 22-11. This incentive pay may be paid as continuous monthly incentive pay or on a month-to-month basis, dependent upon operational flying duty performed by the eligible career enlisted flyer as prescribed in subparagraph 220303.C.

B. Continuous Monthly Incentive Pay. This incentive pay may not be paid to an eligible career enlisted flyer after the member completes 25 years of aviation service. Thereafter, an eligible career enlisted flyer may still receive incentive pay on a month-to-month basis under subparagraph 220303.C. for the frequent and regular performance of operational flying duty.

C. Operational Flying Duty

1. An eligible career enlisted flyer must perform operational flying duties for 6 of the first 10, 9 of the first 15, and 14 of the first 20 years of aviation service, to be eligible for continuous monthly incentive pay under this section.

2. Upon completion of 10, 15, or 20 years of aviation service, an enlisted member who has not performed the minimum required operational flying duties specified in subparagraph 1 of this subparagraph during the prescribed period, although otherwise meeting the definition in paragraph 220301, may no longer be paid continuous monthly incentive pay except as provided in subparagraph 220301.C.3. Payment of continuous monthly incentive pay may be resumed if the member meets the minimum operational flying duty requirement upon completion of the next established period of aviation service.

3. For the needs of the Service, the Secretary concerned may permit, on a case-by-case basis, a member to continue to receive continuous monthly incentive pay despite the member's failure to perform the operational flying duty required during the first 10, 15, or 20 years of aviation service, but only if the member otherwise meets the definition in paragraph 220301 and has performed at least 5 years of operational flying duties during the first 10 years of aviation service, 8 years of operational flying duties during the first 15 years of aviation service, or 12 years of operational flying duty during the first 20 years of aviation service. The authority of the Secretary concerned under this paragraph may not be delegated below the level of the Service Personnel Chief.

4. If the eligibility of an eligible career enlisted flyer to continuous monthly incentive pay ceases under paragraph A or paragraph B of this subparagraph, the member may still receive month-to-month incentive pay for subsequent frequent and regular performance of operational flying duty. The rate payable is the same rate authorized by the Secretary concerned under paragraph 220302 for a member of corresponding years of aviation service.

2204. AIR FORCE REMOTE PILOTED AIRCRAFT (RPA) INCENTIVE PROGRAM. On November 27, 2009, the Office of the Under Secretary of Defense (Personnel and Readiness) (OUSD(P&R)) authorized the Secretary of the Air Force (SAF) to establish an incentive pay program under ***37 U.S.C. 307a*** for operators of remotely piloted aircraft. The Air Force established its RPA incentive program on November 30, 2009.

220401. Eligibility

A. Active duty Air Force officers with an 18XX rated Air Force Specialty Code (AFSC) assigned as RPA pilots performing RPA pilot duties are eligible.

B. Active duty Air Force Officers assigned to Undergraduate RPA training to receive the 18XX AFSC rating are eligible.

C. In order to be eligible, officers must be on aeronautical orders and be medically qualified.

220402. Payment. Payment will be made for each full month served, with partial months being paid on a pro-rated basis. RPA Incentive pay is calculated based upon Years of Aviation Service established by an Aviation Service Date. Pay rates are:

Years of Aviation Service	Monthly Allowance
2 or less	$125
Over 2 years	$156
Over 3 years	$188
Over 4 years	$206
Over 6 years	$650

220403. Restriction. Officers will not receive RPA pilot incentive pay and ACIP at the same time.

220404. Concurrent Assignment Incentive Pay (AIP) Payments. Officers may receive AIP for other approved AIP programs under ***37 U.S.C. 307a*** and ***Chapter 15*** concurrently with RPA incentive pay, provided the total amount received does not exceed the statutory limit of $3,000 per month pursuant to ***37 U.S.C. 307a***

220405. Termination

A. Payment of this incentive pay will terminate when a member is reassigned to a non-flying aircrew position indicator billet.

* B. Authority for this program will continue until December 31, 2011, unless reauthorized by the OUSD(P&R).

2205. AIR FORCE REMOTE PILOTED AIRCRAFT (RPA) SENSOR OPERATOR INCENTIVE PROGRAM. On January 29, 2010, OUSD(P&R) authorized the SAF to establish an incentive pay program under ***37 U.S.C. 307a*** for sensor operators of remotely piloted aircraft. The Air Force established its RPA sensor operator incentive program on January 29, 2010.

220501. Eligibility

A. Active duty Air Force and Air Reserve Component enlisted personnel are eligible.

B. Eligible personnel possess a 1U0X1 AFSC and are assigned as RPA sensor operators performing RPA sensor duties. Members assigned to RPA training in order to receive the 1U0X1 AFSC are also eligible.

C. In order to be eligible, enlisted personnel must be on aeronautical orders and medically qualified.

220502. Payment. Payment will be made for each full month served, with partial months being paid on a pro-rated basis. Eligible Reserve Component members will be paid a pro-rata amount based upon the number of days of qualifying service while entitled to basic pay. Payment for RPA sensor operator incentive pay is as follows:

Years of Aviation Service	Monthly Allowance
4 or less	$150
Over 4 years	$225
Over 8 years	$350
Over 14 years	$400

220503. Restriction

A. Enlisted personnel will not receive RPA sensor operator incentive pay and CEFIP at the same time.

B. Payment of RPA sensor incentive pay is not authorized for members performing "Inactive Duty for Training."

220504. Concurrent Assignment Incentive Pay (AIP) Payments. Enlisted personnel may receive AIP for other approved AIP programs under ***37 U.S.C. 307a*** and ***Chapter 15*** concurrently with RPA sensor operator incentive pay, provided the total amount received does not exceed the statutory limit of $3,000 per month pursuant to ***37 U.S.C. 307a***

220505. Termination

A. Payment of this incentive pay will terminate when a member is reassigned to a non-flying position or billet.

* B. Authority for this program will continue until December 31, 2011, unless reauthorized by the OUSD(P&R).

MONTHLY HAZARDOUS DUTY INCENTIVE PAY (HDIP) RATES FOR AIR CREW MEMBERS (EXCEPT FOR AWACS) (EFFECTIVE OCTOBER 1, 1998)					
Pay Grade	**Amount**	**Pay Grade**	**Amount**	**Pay Grade**	**Amount**
O-10	150	W-5	250	E-9	240
O-9	150	W-4	250	E-8	240
O-8	150	W-3	175	E-7	240
O-7	150	W-2	150	E-6	215
O-6	250	W-1	150	E-5	190
O-5	250			E-4	165
O-4	225			E-3	150
O-3	175			E-2	150
O-2	150			E-1	150
O-1	150				

Table 22-1. Monthly Hazardous Duty Incentive Pay (HDIP) for Air Crew Members (Except for AWACS) (Effective October 1, 1998)

TIME OF AERIAL FLIGHT REQUIRED FOR FRACTIONAL PART OF THE MONTH					
Days	**Hours of Aerial Flight**		**Days**	**Hours of Aerial Flight**	
	Active Duty	**Inactive Duty**		**Active Duty**	**Inactive Duty**
1	.2	.1	16	2.2	1.1
2	.3	.2	17	2.3	1.2
3	.4	.2	18	2.4	1.2
4	.6	.3	19	2.6	1.3
5	.7	.4	20	2.7	1.4
6	.8	.4	21	2.8	1.4
7	1.0	.5	22	3.0	1.5
8	1.1	.6	23	3.1	1.6
9	1.2	.6	24	3.2	1.6
10	1.4	.7	25	3.4	1.7
11	1.5	.8	26	3.5	1.8
12	1.6	.8	27	3.6	1.8
13	1.8	.9	28	3.8	1.9
14	1.9	1.0	29	3.9	2.0
15	2.0	1.0	30-31	4.0	2.0

Table 22-2. Time of Aerial Flight Required for Fractional Part of the Month

ENTITLEMENT TO HDIP FOR FLYING DUTY, ACIP OR CEFIP UNDER CERTAIN CONDITIONS

RULE	A When a member in flying status is	B and	C and	D then flying pay
1	sick in line of duty	flying status orders remain in effect	member meets or has met flight requirements or flight requirements do not apply	continue for the period of illness.
2	on authorized leave in pay status			continues for the period of leave (note 1).
3	on TDY			continues for the TDY period.
4	in a travel status (including authorized delay en route) on change of station			continues for the period of travel.
5	a Reservist released from active duty of more than 30 days	orders are not issued directing relief from all assigned duties	member has met flight requirements	continues for the period of allowable travel time home (note 2).
6	discharged and immediately reenlists at the same station without a break in service	flying status orders are not specifically terminated		entitlement is determined as if there had been no discharge.
7		flying status orders are specifically terminated		ceases on the date stated in orders.
8	incapacitated as a result of performance of flying duty			is payable as indicated in paragraphs 220106 or 220206.
9	an enlisted crew member whose flight orders include a termination date	is involuntarily removed from flying duty (note 3)	was given less than 120 days of advance notice of removal from flying duty (note 4)	continues either for 120 days after the date on which notified of such removal or until original flight orders termination date, whichever occurs first, without regard to the flight requirements of paragraph 220103.
10	an enlisted crewmember whose flight orders do not include a termination date		was given less than 120 days advance notice of removal from flying duty (note 4)	continues for 120 days after the date on which notified of such removal without regard to the flight requirements of paragraph 220103.

NOTES:
1. Do not count flights performed while on leave for pay purposes.
2. Do not pay flying pay beyond the last day of the calendar month for which requirements are met.
3. A member is not considered to be involuntarily removed from flying duty upon separation, confinement, relief for cause, reduction in grade, medical unfitness, absence without leave, or transfer to ground duty at own request.
4. Advance notice of removal from flying duty shall be issued by competent authority in writing. Advance notice may be provided verbally if a suitable memorandum for the record is made and is later followed by written notification.

Table 22-3. Entitlement to HDIP, ACIP or CEFIP Under Certain Conditions

FLIGHT EXAMPLES INVOLVING BASIC 3-MONTH GRACE PERIODS

Month	Example 1		Example 2		Example 3		Example 4		Example 5		Example 6		Example 7	
	Hours	Entitled	Hours	Entitled	Hours	Entitled	Hours	Entitled	Hours	Entitled	Hours	Entitled	Hours	Entitled
January	4	Yes (note 1)	4	Yes (note 1)	4	Yes (note 1)	4	Yes (note 1)	4	Yes (notes 1 - 7)	2	Yes (notes 7 - 9)	0	Yes (note 5)
February	0	No (note 2)	0	No (note 2)	0	Yes (notes 2 - 5)	0	Yes (notes 2 - 6)	0	Yes (note 9)	0	Yes (note 9)	0	Yes (note 5)
March	4	Yes (note 1)	0	No	0	Yes (note 5)	8	Yes (note 1)	0	Yes (note 9)	0	Yes (note 9)	12	Yes (note 1)
April	0	No (note 3)	4	Yes (note 1)	12	Yes (note 1)	0	Yes (notes 2 - 5)	0	Yes (note 9)	0	No (note 2)	4	Yes (note 1)
May	0	No (note 4)	0	No (note 4)	0	Yes (notes 2 - 5)	0	Yes (note 5)	0	Yes (notes 2 - 5)	0	No (note 8)	0	No (notes 2 - 8)
June	4	Yes (note 1)	0	No	0	Yes (note 5)	12	Yes	0	Yes (note 5)	7	Yes (notes 1 - 11)	0	No (notes 2 - 8)
July	4	Yes (note 1)	4	Yes (note 1)	12	Yes (note 1)			12	Yes (note 1)			11	Yes (notes 1 - 11)
August	0	No (notes 2 - 8)	0	No (notes 2 - 8)	0	No (notes 2 - 8)							5	Yes (notes 1 - 11)

NOTES:
1. Entitled to incentive pay based on that month's flights.
2. Begins a 3-month grace period.
3. New 3-month period does not begin, since this is last month of first 3- month period.
4. New 3-month period does not begin, since flight requirements were not met for previous entire period.
5. Entitled to incentive pay based on 3-month period.
6. Entitled to incentive pay based on 2-month period.
7. Injured in aircraft accident.
8. Not entitled to incentive pay, unless sufficient flights performed in following 1 or 2-month period.
9. Free entitlement period.
10. Two unused hours from January lost.
11. Excess hours available for application in 5 succeeding months as required.

Table 22-4. Flight Examples Involving Basic 3-Month Grace Periods

FLIGHT EXAMPLES INVOLVING 3-MONTH PERIODS AND EXCESS TIME

Month	Hours Flown	Entitle-ment	Based on Hours Flown During	End of Month Excess and Unused Hours		Pertinent Factors
				That Month	Accumulated	
16–31 Jan	3.3	Yes	Jan	1.3	1.3	Placed on flying status
Feb	0	Yes	Jan 1.3, Mar 2.7	0	0	Jan 16
Mar	6.7	Yes	Mar	0	0	
Apr	9	Yes	Apr	5	5	
May	5.5	Yes	May	1.5	6.5	
Jun	0	Yes	Apr	0	2.5	
Jul	1.5	Yes	Jul 1.5, Apr 1, May 1.5	0	0	
Aug	2	No	(note 1)	2	2	
Sep	4	Yes	Sep	0	2	
Oct	5	Yes	Oct	1	3	
Nov	0	No	(note 2)	0	3	
Dec	3	Yes	Dec 3, Aug 1	0	2	
Jan	10	Yes	Jan	6	7	1 hour lost from Aug
Feb	0	Yes	Oct 1, Jan 3	0	3	
Mar	0	Yes	Jan 3, May 1	0	0	
Apr	0	Yes	May 4	0	0	
May	10	Yes	May	1	1	
Jun	0	Yes	May 1, Aug 3	0	0	
Jul	0	Yes	Aug 4	0	0	
Aug	17	Yes	Aug	6	6	
Sep	0	Yes	Aug 4	0	2	
Oct	2	Yes	Oct 2, Aug 2	0	0	
Nov	12	Yes	Nov	8	8	
Dec	0	Yes	Nov (note 3)	0	4	Suspended Dec 1
Jan	0	Yes	Nov 4 (note 3)	0	0	
Feb	0	No	(note 4)	0	0	
Mar	0	No		0	0	
Apr	0	No		0	0	
May	4	Yes	May	0	0	Suspension ended May 1
Jun	30	Yes	Jun	26	26	Physically Incapacitated
Jul	0	Yes	Jun 4	0	22	Jun 20
Aug	0	Yes	Jun 4	0	18	
Sep	0	Yes	Jun 4	0	14	
Oct	0	Yes	Jun 4	0	10 (note 3)	Suspended Oct 1
Nov	0	Yes	Jun 4	0	0 (note 3)	6 hours lost from Jun
Dec	0	No		0	0	
Jan	0	No		0	0	
Feb	0	No		0	0	
Mar	0	No		0	0	
Apr	9	Yes	Apr	5	5	Suspension ended Apr 1

NOTES:

1. No excess hours available from previous 5 months and deficiency not made up within 2 following months.
2. Insufficient excess hours available from previous 5 months. New 3-month period does not begin since requirements were not met for entire 3-month period of August-October.
3. Payment made after the suspension ended.
4. Three-month grace period expired before suspension ended.

Table 22-5. Flight Examples Involving 3-Month Periods and Excess Time

MONTHLY AVIATION CAREER INCENTIVE PAY (ACIP) RATES FOR OFFICERS (EFFECTIVE OCTOBER 17, 1998) (notes)	
Years of Aviation Service (Including Flight Training) as an Officer	**Monthly Rate**
2 or less	$125
Over 2	156
Over 3	188
Over 4	206
Over 6	650
Over 14	840
Over 22	585
Over 23	495
Over 24	385
Over 25	250

NOTES:
1. A rated officer in pay grade O-7 may not be paid incentive pay at a rate greater than $200 per month.
2. A rated officer in pay grade O-8 or above may not be paid incentive pay at a rate greater than $206 per month.
3. A rated officer in pay grade above O-6 may not be paid incentive pay after completion of 25 years of aviation service.
4. A rated warrant officer with over 22, 23, 24, or 25 years of aviation service, will continue to receive the rate prescribed for officers with over 14 years of aviation service.

Table 22-6. Monthly Aviation Career Incentive Pay (ACIP) Rates for Officers (Effective October 17, 1998)

MONTHLY HAZARDOUS DUTY INCENTIVE PAY (HDIP) RATES FOR AIR WEAPONS CONTROLLER CREWMEMBERS (EFFECTIVE NOVEMBER 18, 1997)															
Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 24	Over 25
O-7 & Above	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$150
O-6	225	250	300	325	350	350	350	350	350	350	350	300	250	250	225
O-5	200	250	300	325	350	350	350	350	350	350	350	300	250	250	225
O-4	175	225	275	300	350	350	350	350	350	350	350	300	250	250	225
O-3	150	156	188	206	350	350	350	350	350	350	300	275	250	225	200
O-2	150	156	188	206	250	300	300	300	300	300	275	245	210	200	180
O-1	150	156	188	206	250	250	250	250	250	250	245	210	200	180	150
W-4	200	225	275	300	325	325	325	325	325	325	325	276	250	225	200
W-3	175	225	275	300	325	325	325	325	325	325	325	325	250	225	200
W-2	150	200	250	275	325	325	325	325	325	325	325	275	250	225	200
W-1	150	150	150	175	325	325	325	325	325	325	325	275	250	225	200
E-9	200	225	250	275	300	300	300	300	300	300	300	275	230	200	200
E-8	200	225	250	275	300	300	300	300	300	300	300	265	230	200	200
E-7	175	200	225	250	275	275	275	300	300	300	300	265	230	200	200
E-6	156	175	200	225	250	250	250	300	300	300	300	265	230	200	200
E-5	150	156	175	188	200	200	200	250	250	250	250	225	200	175	150
E-4 & below	150	156	175	188	200	200	200	200	200	200	200	175	150	150	150

Table 22-7. Monthly Hazardous Duty Incentive Pay (HDIP) Rates for Air Weapons Controller Crewmembers (Effective February 18, 1997)

MONTHLY CAREER ENLISTED FLYER INCENTIVE PAY (CEFIP) RATES FOR AIR FORCE CAREER ENLISTED FLYERS (EFFECTIVE OCTOBER 1, 1999)	
Years of Aviation Service	Monthly Rate
4 or less	$150
Over 4	$225
Over 8	$350
Over 14	$400

Table 22-8. Monthly Career Enlisted Flyer Incentive Pay (CEFIP) Rates for Air Force Career Enlisted Flyers (Effective October 1, 1999)

MONTHLY CAREER ENLISTED FLYER INCENTIVE PAY (CEFIP) RATES FOR NAVY CAREER ENLISTED FLYERS (EFFECTIVE OCTOBER 1, 1999 THRU MARCH 3, 2002)	
Years of Aviation Service	**Monthly Rate**
4 or less	$150
Over 4	$190
Over 8	$230
Over 14	$250

Table 22-9. Monthly Career Enlisted Flyer Incentive Pay (CEFIP) Rates for Navy Career Enlisted Flyers (Effective October 1, 1999 thru March 3, 2002)

MONTHLY CAREER ENLISTED FLYER INCENTIVE PAY (CEFIP) RATES FOR NAVY CAREER ENLISTED FLYERS (EFFECTIVE MARCH 4, 2002 THRU JULY 9, 2003)	
Years of Aviation Service	**Monthly Rate**
4 or less	$150
Over 4	$200
Over 8	$260
Over 14	$300

Table 22-10. Monthly Career Enlisted Flyer Incentive Pay (CEFIP) Rates for Navy Career Enlisted Flyers (Effective March 4, 2002 thru July 9, 2003)

MONTHLY CAREER ENLISTED FLYER INCENTIVE PAY (CEFIP) RATES FOR NAVY CAREER ENLISTED FLYERS (EFFECTIVE JULY 10, 2003)	
Years of Aviation Service	**Monthly Rate**
4 or less	$150
Over 4	$225
Over 8	$350
Over 14	$400

Table 22-11. Monthly Career Enlisted Flyer Incentive Pay (CEFIP) Rates for Navy Career Enlisted Flyers (Effective July 10, 2003)

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220104.C	37 Comp Gen 183 4 Comp Gen 975 9 Comp Gen 487
220106.A	EO 11157, June 22, 1964
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220109.F.2	7 Comp Gen 476 36 Comp Gen 57
220110	9 Comp Gen 234 39 Comp Gen 604 41 Comp Gen 173 46 Comp Gen 776
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	Note 3	EO 11929, July 26. 1976
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Table 22-4		
	Example 6 and Note 10	46 Comp Gen 776
Table 22-5		46 Comp Gen 776
Table 22-7		Public Law 105-85, section 614, November 18, 1997

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 23
"SUBMARINE DUTY PAY"

All changes denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Unless otherwise noted, chapters referenced in this chapter are contained in this volume.

Hyperlinks are denoted by *underlined, bold, italic, blue font*

This updated chapter supersedes the previously published version dated February 2011.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Table 23-5	Updated rates for E-8 and E-9 members with over 18 years of service.	Update

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*Bibliography

CHAPTER 23

SUBMARINE DUTY PAY

2301 INCENTIVE PAY FOR OPERATIONAL SUBMARINE DUTY

230101. Entitlement. A member of the Navy who is entitled to basic pay, but is not entitled to continuous monthly submarine duty incentive pay under section 2302, is entitled to submarine duty incentive pay for the frequent and regular performance of operational submarine duty required by orders (including a submarine of a foreign nation). Effective January 1, 1988, this paragraph includes members of the Naval Service.

230102. Rates

A. The monthly rates of submarine duty pay for commissioned officers are in Table 23-3.

B. The monthly rates of submarine duty pay for warrant officers are in Table 23-4.

C. The monthly rates of submarine duty pay for enlisted members are in Table 23-5.

230103. Definitions

A. The term "operational submarine duty" means duty:

1. While attached under competent orders to a submarine;

2. While serving as an operator or crew member of an operational submersible (including an undersea exploration or research vehicle);

3. While undergoing training preliminary to assignment to a nuclear-powered submarine;

4. While undergoing rehabilitation after assignment to a nuclear-powered submarine;

5. In the case of a member qualified in submarines, while attached as a member of a submarine operational command staff whose duties require serving on a submarine during underway operations:

a. During 1 Calendar Month--48 Hours. However, hours served underway in excess of 48 hours as a member of a submarine operational command staff during any of the immediately preceding 5 calendar months and not already used to qualify for

incentive pay, may be applied to satisfy the 48-hour underway time requirements for the current month.

b. During Any 2 Consecutive Calendar Months. When requirements have not been met for the first month - 96 hours.

c. During Any 3 Consecutive Calendar Months. When requirements have not been met for the first 2 months - 144 hours.

6. While receiving instruction to prepare for assignment to a submarine of advanced design; or

7. While receiving instruction to prepare for a position of increased responsibility on a submarine.

B. The term "submarine service" means the service performed under regulations prescribed by the Secretary of the Navy by a member. The years of submarine service are computed beginning with the effective date of the initial order to perform submarine service.

230104. Submarine Duty Pay Start and Stop Dates. See Table 23-1.

230105. Submarine Operational Command Staff Members

A. General rules for meeting underway time requirements, including determination of a 2- or 3-month grace period, are substantially the same as those for flying pay. (See ***Chapter 22***.)

B. For the fractional part of a calendar month, or fractional parts of 2 consecutive calendar months (duty begins in 1 month and ends in the following month), the underway time required, based on the requirement of 48 hours for a calendar month, will be determined from Table 23-2.

230106. Temporary Additional Duty or Authorized Leave. A member who is entitled to submarine duty pay retains entitlement during periods of temporary additional duty or authorized leave. A submarine operational command staff member, however, is required to fulfill the underway time requirements to retain entitlement during such periods if not otherwise entitled to continuous monthly submarine duty pay in accordance with section 2302.

230107. Missing Status, Member's Entitlement. A member receiving submarine duty pay when declared missing by competent authority (as defined in the ***Glossary***) is entitled to submarine duty pay during the period of absence and for the period, not to exceed 1 year, required for hospitalization and rehabilitation after termination of missing status. The member's entitlement to submarine duty pay upon termination of the period of eligibility will be contingent on a determination of continued eligibility under paragraph 230101.

230108. Restriction. An officer who fails selection for assignment as an executive officer or commanding officer of a submarine, or who declines to serve in either such position, may not be paid submarine duty pay except for periods during which such officer is serving on a submarine during underway operations.

2302 CONTINUOUS MONTHLY SUBMARINE DUTY PAY FOR SUBMARINE SERVICE MEMBERS

230201. Entitlement. A member of the submarine service (as defined in subparagraph 230103.B) is entitled to continuous monthly submarine duty pay as follows:

A. Through 26 years of service (as computed under ***Title 37, United States Code (U.S.C.) 205***), a member must perform operational submarine duties for at least 6 of the first 12 years, and at least 10 of the first 18 years, of submarine service. If a member, however, performs the prescribed operational submarine duties for at least 8 but less than 10 of the first 18 years of submarine service, then that member is entitled to continuous monthly submarine duty pay for the first 22 years of service (as computed under ***37 U.S.C. 205***).

NOTE: In the case of an officer, the period as an enlisted member before initial appointment as an officer is excluded.

B. If upon completion of either 12 or 18 years of submarine service it is determined that a member has failed to perform the minimum prescribed operational submarine duty requirements during the prescribed periods of time, then entitlement to continuous monthly submarine duty pay ceases. If entitlement to continuous monthly submarine duty pay ceases upon completion of 12 years of submarine service, then entitlement to that pay may again commence upon completion of 18 years of submarine service if the minimum operational submarine duty requirements have been met, and such pay shall continue for the period of time prescribed in this section. If, however, entitlement to continuous monthly submarine duty pay ceases in the case of any member at the completion of either 12 or 18 years of submarine service, or 26 years of service (as computed under ***37 U.S.C. 205***), then that member shall be entitled to that pay in the amount set forth in section 2301, for the performance of service as a member of a submarine operational command staff, if his duties require serving on a submarine during underway operations.

NOTE: In the case of an officer, any period as an enlisted member before initial appointment as an officer is excluded.

230202. Rates. The monthly rates of submarine duty pay are the same as indicated in paragraph 230102.

230203. Missing Status, Member's Entitlement. The provisions of paragraph 230107 are also applicable to submarine duty pay entitlement under this section.

230204. Restriction. An enlisted member may not be paid continuous submarine duty pay while serving ashore between submarine sea duty assignments unless the member has a sufficient period of enlistment (including any extension of an enlistment) remaining to be reassigned to submarine sea duty.

SUBMARINE DUTY PAY, START, STOP DATES

RULE	A	B	C	D
	If member under orders for submarine duty is	**and**	**then credit for incentive pay**	
			begins on	**continues**
1	attached to a submarine		day of reporting duty	through day of detachment.
2	assigned as prospective crewmember of submarine under construction			
3	attached to a nuclear-powered submarine manned by two crews or a crew and an augment crew (notes 1 and 2)		day of reporting on-ship or off-ship crew for duty	
4	undergoing instruction to qualify for duty on a submarine of advanced design or for duty with increased responsibility (note 3)		day class convenes	through last day of instruction.
5	injured or incapacitated as a result of performing submarine duty	remains assigned to submarine duty		through date of detachment.
6		is transferred to a medical facility on temporary duty orders for treatment, rehabilitation or medical board review		for not more than 6 months after date of incapacity, as determined by medical authorities.
7		is reassigned to limited duty for treatment or rehabilitation		for not more than 6 months after date of assignment to Limited Duty, or until disqualifying condition is determined to be permanent, whichever is earlier.

NOTES:

1. Attachment to a submarine means duty as a crew member either on board the submarine or on duty ashore during periods of rehabilitation after reporting for permanent duty as a crew member, whether to the on-ship or off-ship crew.
2. When an off-crew member in a training and rehabilitation status performs travel in connection with a change of home port of the member's submarine by means other than the submarine, member's entitlement to submarine pay continues during period in transit.
3. This rule also applies to officers who previously qualified in submarines as enlisted members while attending the following:
   a. Submarine Officers' Basic Course or Submarine Officers' Indoctrination Course, for the specific purpose of preparing for a position in a nuclear-powered submarine, or
   b. A course of instruction, published in ***OPNAV Instruction 7220.15 series***, specifically preparing them for positions of increased responsibility in nuclear-powered submarines.

Table 23-1. Submarine Duty Pay – Start and Stop Dates

SUBMARINE OPERATIONAL COMMAND STAFF MEMBERS UNDERWAY TIME REQUIRED FOR FRACTIONAL PART OF MONTH					
Days	Underway Time		Days	Underway Time	
	Hours	Minutes		Hours	Minutes
1	1	36	16	25	36
2	3	12	17	27	12
3	4	48	18	28	48
4	6	24	19	30	24
5	8	00	20	32	00
6	9	36	21	33	36
7	11	12	22	35	12
8	12	48	23	36	48
9	14	24	24	38	24
10	16	00	25	40	00
11	17	36	26	41	36
12	19	12	27	43	12
13	20	48	28	44	48
14	22	24	29	46	24
15	24	00	30-31	48	00

Table 23-2. Submarine Operational Command Staff Members Underway Time Required for Fractional Part of Month

MONTHLY SUBMARINE DUTY PAY - COMMISSIONED OFFICERS EFFECTIVE OCTOBER 1, 2004 (note)														
Years of Service Computed Under 37 U.S.C. 205 (see note)														
Pay Grade	**2 or less**	**Over 2**	**Over 3**	**Over 4**	**Over 6**	**Over 8**	**Over 10**	**Over 12**	**Over 14**	**Over 16**	**Over 18**	**Over 20**	**Over 22**	**Over 26**
O–10	355	355	355	355	355	355	355	355	355	355	355	355	355	355
O–9	355	355	355	355	355	355	355	355	355	355	355	355	355	355
O–8	355	355	355	355	355	355	355	355	355	355	355	355	355	355
O–7	355	355	355	355	355	355	355	355	355	355	355	355	355	355
O–6	595	595	595	595	595	595	595	595	595	595	835	835	835	835
O–5	595	595	595	595	595	595	595	595	790	835	835	835	835	835
O–4	365	365	365	525	595	705	705	705	790	790	790	790	790	790
O–3	355	355	355	510	595	705	705	705	705	705	705	705	705	705
O–2	305	305	305	305	305	305	425	425	425	425	425	425	425	425
O–1	230	230	230	230	230	230	425	425	425	425	425	425	425	425

NOTE:
As of October 1, 2010, rates are still in effect.

Table 23-3. Monthly Submarine Duty Pay Rates – Commissioned Officers Effective October 1, 2004

MONTHLY SUBMARINE DUTY PAY - WARRANT OFFICERS EFFECTIVE OCTOBER 1, 2002 (note)														
Years of Service Computed Under 37 U.S.C. 205 (see note)														
Pay Grade	**2 or less**	**Over 2**	**Over 3**	**Over 4**	**Over 6**	**Over 8**	**Over 10**	**Over 12**	**Over 14**	**Over 16**	**Over 18**	**Over 20**	**Over 22**	**Over 26**
W-5	285	375	375	425	425	425	425	425	425	425	425	425	425	425
W-4	285	375	375	425	425	425	425	425	425	425	425	425	425	425
W-3	285	375	375	425	425	425	425	425	425	425	425	425	425	425
W-2	285	375	375	425	425	425	425	425	425	425	425	425	425	425
W-1	285	375	375	425	425	425	425	425	425	425	425	425	425	425

NOTE:
As of October 1, 2010, rates are still in effect.

Table 23-4. Monthly Submarine Duty Pay Rates – Warrant Officers Effective October 1, 2002

MONTHLY SUBMARINE DUTY PAY - ENLISTED MEMBERS EFFECTIVE OCTOBER 1, 2011														
Years of Service Computed Under 37 U.S.C. 205 (see note)														
Pay Grade	**2 or less**	**Over 2**	**Over 3**	**Over 4**	**Over 6**	**Over 8**	**Over 10**	**Over 12**	**Over 14**	**Over 16**	**Over 18**	**Over 20**	**Over 22**	**Over 26**
E-9	425	425	425	425	425	425	425	425	425	425	600	600	600	600
E-8	415	415	415	415	415	415	415	415	415	415	550	550	550	550
E-7	405	405	405	405	405	405	405	405	405	405	405	405	405	405
E-6	155	170	175	300	325	375	375	375	375	375	375	375	375	375
E-5	140	155	155	250	275	275	275	275	275	275	275	275	275	275
E-4	80	95	100	245	245	245	245	245	245	245	245	245	245	245
E-3	80	90	95	95	90	90	90	90	90	90	90	90	90	90
E-2	75	90	90	90	90	90	90	90	90	90	90	90	90	90
E-1	75	75	75	75	75	75	75	75	75	75	75	75	75	75

***Table 23-5. Monthly Submarine Duty Pay Rates – Enlisted Members Effective October 1, 2011**

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230201.B	37 U.S.C. 301c(a)(4)
230204	37 U.S.C. 301c(a)(5)(c)(2)

Table 23-1	OPNAVINST 7220.15
Table 23-2	OPNAVINST 7220.15
Table 23-3	OPNAVINST 7220.15
Table 23-4	OPNAVINST 7220.15
Table 23-5	OPNAVINST 7220.15
*	ASN (M&RA) Memo, August 30, 2011

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 24
"INCENTIVE PAY - HAZARDOUS DUTY OTHER THAN AERIAL FLIGHTS"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
240102 240201.B.2 240401.B 240601.A 240601.B 240701 240702.B 240801 240901 241102	Eliminated references to old effective dates. No other content changes were made in this chapter.	Update

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CHAPTER 24

INCENTIVE PAY - HAZARDOUS DUTY OTHER THAN AERIAL FLIGHTS

2401 GENERAL PROVISIONS

240101. Entitlement. A Military Service member entitled to basic pay is, in addition, entitled to incentive pay for performing any of the hazardous duties listed in subparagraph 240101.C when duty is performed under competent orders, and otherwise meets the requirements of this chapter.

A. Member of the Regular Force. When the requirements have been met, entitlement to hazardous duty incentive pay (HDIP) commences on the date the member reports for and enters on duty in compliance with competent orders. Entitlement ceases on the effective date published in orders for termination of such duty or the date the member is detached from and no longer required to perform the hazardous duty, whichever occurs first. When a member commences hazardous duty on a date other than the first day of a month, or terminates that duty on a date other than the 30th day of a month (28th or 29th of February, as appropriate) and otherwise meets the requirements of this chapter for the month, then he or she is entitled to a prorated portion of the rate of pay for the month.

B. Member of the Reserve Components

1. A member of the Reserve Components on extended active duty (EAD), who is ordered to perform any of the hazardous duties listed in subparagraph 240101.C, is entitled to pay based on the terms of this chapter.

2. A member of the Reserve Components on active duty training (ADT), who is ordered to perform any of the hazardous duties listed below, is entitled to pay based on paragraphs ***570302*** and ***570401*** and the terms of this chapter as affected by Table 24-5, rules 9 through 13.

C. Hazardous Duties List

1. Duty involving parachute jumping as an essential part of military duty.

2. Duty involving frequent and regular participation in flight operation on the flight deck of an aircraft carrier or ship other than aircraft carrier from which aircraft are launched.

3. Duty involving the demolition of explosives as a primary duty, including training for such duty.

4. Duty inside a high- or low-pressure chamber.

5. Duty as a human acceleration or deceleration experimental subject.

6. Duty as a human test subject in thermal stress experiments.

7. Duty involving the servicing of aircraft or missiles with highly toxic fuels or propellants.

8. Duty involving fumigation tasks utilizing highly toxic pesticides.

9. Duty involving laboratory work utilizing live dangerous viruses or bacteria.

10. Duty involving handling of chemical munitions.

11. Duty involving maritime visit, board, search and seizure operations.

12. Duty involving use of ski-equipped aircraft on the ground in Antarctica or on the Arctic Ice-Pack.

* 240102. Rates

A. Except for a High Altitude-Low Opening (HALO) parachutist, a member who qualifies for hazardous duty incentive pay under this chapter is entitled to such pay at monthly rate of $150. The monthly rate for a HALO parachutist who qualifies under this chapter is $225. Only one type of parachute duty payment (regular or HALO) is authorized for a qualifying period. When a member qualifies for both types of parachute duty, the higher rate of pay is authorized.

B. In the case of a member required by competent orders to perform both regular and HALO parachute jumps (paragraph 240201), the following applies: Unless otherwise restricted by Military Service regulations (for example, restrictions on manning classification), the difference between the monthly rate of $150 and $225 is authorized for payment to a member who later qualifies for the HALO rate for a month in which the member earlier qualified for the regular rate of parachute pay.

240103. Multiple Payments of Hazardous Duty Incentive Pay. Members who qualify for incentive pay for more than one type of hazardous duty may receive no more than two payments for the same period. Dual hazardous duty incentive pay is limited to those members required by orders to perform specific multiple hazardous duties necessary for successful accomplishment of the mission of the unit to which assigned. Members must meet minimum requirements for each hazardous duty, unless excepted as provided in subparagraph 240104.D.

A. Types of Duties That Qualify Member for Dual Payments of Hazardous Duty Incentive Pay. (See also subparagraph ***220111.B*** of this volume.)

1. Members assigned to units who are required to perform parachute jumps in addition to and in connection with explosive ordnance demolition duties.

2. Air Force pararescue team members placed on orders to perform duties as both crew members and parachutists.

3. Other combinations of hazardous duties for which dual payment of incentive pay are authorized by the Secretary of the Military Department concerned.

B. Aviation Incentive Pays and Hazardous Duty Incentive Pay. Officers entitled to Aviation Career Incentive Pay (ACIP) and enlisted members entitled to Career Enlisted Flyer Incentive Pay (CEFIP), may receive not more than two types of HDIP under the provisions of this chapter provided the conditions for entitlement have been independently met. Officers and enlisted members entitled to HDIP for flying duty (in lieu of ACIP or CEFIP), may receive not more than one other HDIP under the provisions of this chapter provided the conditions for entitlement have been independently met.

C. Restriction with Regard to Parachute Duty. Only one type of parachute duty payment (regular or HALO) is authorized for a qualifying period. When a member qualifies for both types of parachute duty, the higher rate of pay is authorized.

D. Restriction with Regard to Flight Deck Duty. See subparagraph 240301.D.

240104. Injury or Incapacity Resulting From Performance of Hazardous Duty. When a member, who is required to perform hazardous duty, is injured or otherwise incapacitated as a result of performing such duty, he or she is considered to have met the requirements for that duty during the incapacity, but for not longer than 3 months. Appropriate medical authority determines the cause of the incapacity and the dates thereof.

A. When To Start the 3-Month Entitlement Period. (See Table 24-1.)

B. Hazardous Duty for Definite Period. When a member has been placed on hazardous duty for a definite period and is entitled to incentive pay while incapacitated as a result of performance of such duty, incentive pay may not normally be paid beyond the ending date of the duty period stated in the orders. When evidence, however, is furnished that the member would have continued in the hazardous duty status had it not been for the incapacity, incentive pay may be paid beyond the ending date of the duty stated in the orders.

C. Change of Station for Medical Treatment. See Table 24-2 for effect of permanent change of station. Temporary duty or temporary additional duty orders which specify a member's return to a permanent station do not affect assignment or attachment to the hazardous duty. A member ordered to a medical facility under such orders continues to be entitled to incentive pay during incapacity for no more than 3 months.

D. Injury or Incapacity While Performing Dual Hazardous Duties. If members, required to perform more than one hazardous duty, are injured or otherwise incapacitated as a result of either of those duties, then they are entitled to dual incentive pay during the incapacity but for no longer than 3 months. If not entitled to dual incentive pay at the time of the incapacity, then they are entitled to the type of incentive pay they were receiving at the time of the incapacitation. The beginning date of the 3-month period must be determined separately for each type of incentive pay. Use paragraph ***220106*** or Table 24-1, as applicable, to determine the 3-month period separately for each incentive pay.

240105. Incapacity Not Caused by Hazardous Duty. A member's right to incentive pay during incapacity, which is not the result of performing hazardous duty, depends on fulfillment of hazardous duty requirements.

240106. Authority To Issue Orders. Authority of the Military Departments to issue orders requiring performance of hazardous duty is delegated by the Secretaries to specific commanders within each Military Service. These delegations are contained in personnel administrative regulations of the respective Military Services.

240107. Missing Status - Member's Entitlement. A member receiving incentive pay of a type listed in paragraph 240101, when declared by competent authority to be missing (as defined in the ***Glossary***) is entitled to such incentive pay during the period of absence and for any period, not to exceed 1 year, required for hospitalization and rehabilitation after termination of missing status. The member's entitlement to incentive pay of a type listed in paragraph 240101 upon termination of any required period of hospitalization and rehabilitation or the 1-year period after date of return from missing status, whichever is earlier, shall be contingent on a determination of continued eligibility under paragraph 240101 and the applicable incentive pay requirements of this chapter.

2402 PARACHUTE DUTY

240201. Entitlement

A. General. Qualified members are those who have received a designation as a parachutist or parachute rigger, or are undergoing training for such designations; who are required by competent orders to engage in parachute jumping from an aircraft in aerial flight, and who meet the minimum performance requirements of Table 24-3.

B. Military Free Fall or High Altitude-Low Opening (HALO)

1. Members must perform duty involving parachute jumping, as an essential part of such duty, in military free fall operations where parachute deployment by the jumper occurs without the use of a static line.

* 2. Qualifying members are those who have graduated from the United States Army Military Free Fall Course or a Military Service recognized equivalent course; have received a designation as a HALO parachutist, or are undergoing training for such

designation; and are required by competent orders to engage in parachute jumping at high altitudes without use of a static line from an aircraft in aerial flight. Members shall meet the requirements of Table 24-3. Performance requirements must be satisfied by free fall jumps.

240202. Parachute Jumps-Leave, Permanent Change of Station (PCS), Temporary Duty/Temporary Active Duty (TDY/ TAD), or Active Duty Training (ADT)

A. General. Qualifying jumps for entitlement to parachute pay shall be performed during a period of duty requiring parachute jumping as established by competent orders. Parachute jumps performed under the following circumstances do not qualify a member for entitlement to parachute pay:

1. Parachute jumps performed by any member while on leave or during PCS or TDY/TAD not requiring parachute jumping as an essential part of the duty.

2. Parachute jumps performed by a member of a Reserve Component while on ADT that does not require parachute jumping as an essential part of the duty.

B. Examples (Not All Inclusive)

1. Leave

a. Facts

(1) A member is placed on parachute jump status by competent orders effective January 15. Member performs a jump on March 15.

(2) The member is on leave for the period March 25 through April 25, and performs a jump on April 15 during the period of leave.

(3) The member returns to the permanent duty station April 26 and performs a jump on July 15.

b. Entitlements

(1) The member is entitled to parachute pay from January 15 through March 30 based on the jump performed March 15 (see Table 24-3, rule 1 and note 1).

(2) The member is entitled to parachute pay for May, June, and July based on the jump performed July 15 (see Table 24-3, rule 1, and Table 24-5, rule 2).

(3) The jump performed on April 15 is not a qualifying jump for parachute pay entitlement; thus, the member is not entitled to parachute pay for April.

2. Temporary Duty or Temporary Active Duty (TDY/TAD)

a. Facts

(1) The member is placed on parachute jump status by competent orders at permanent duty station. Member performs a jump on January 15.

(2) For the period January 25 through July 2, the member is assigned TDY/TAD where parachute jumping is not required by competent orders. The member performs a parachute jump on June 10 while on TDY/TAD.

(3) A member returns to permanent duty station on July 3 and performs a jump on: July 6, July 13, and August 6.

b. Entitlements

(1) The member is entitled to parachute pay for January, February, and March based on jump performed January 15 (Table 24-3, rule 1, and Table 24-5, rule 3).

(2) The member is entitled to parachute pay for May, June, and July based on jump performed July 6. The jump performed on July 13 is not applied for entitlement because it is one of multiple jumps performed in the same month. Only one jump per month is used for qualification to parachute pay (Table 24-3, rule 1).

(3) The member is entitled to parachute pay for August, September, and October based on jump performed August 6 (Table 24-3, rules 1 and 2).

(4) The jump performed on June 10 during TDY/TAD is not a qualifying jump for parachute pay entitlement (subparagraph 240202.A.1); no entitlement exists for parachute pay for April.

3. Active Duty Training (ADT) Less Than 20 Weeks, Reserve Component Member Assigned to a Unit

a. Facts

(1) A Reserve Component member is placed on parachute jump status at unit of assignment by competent orders. At the unit of assignment, the member performs inactive duty training (IDT) drills on January 14-15, February 12-13, and March 15-16. The member performs a parachute jump on January 15.

(2) The member is ordered to active duty training ADT for the period March 28 through May 22 (less than 20 weeks). The member is not placed on parachute jump status at ADT station, but the member performs a jump on April 5 while on ADT.

(3) The member returns to parachute duty at the unit of assignment upon completion of ADT and performs IDT on drills May 24-25, June 8-9, and July 9-10. He or she performs a parachute jump on July 10.

b. Entitlements

(1) The member is entitled to parachute pay for IDT drills in January, February, and March based on the jump performed January 15 (see Table 24-3, rule 1).

(2) The member is entitled to parachute pay for allowable travel time to the ADT station and for ADT days, March 28-30, also based on jump performed January 15 (see paragraph ***580205***; Table 24-3, rule 1; Table 24-5, rule 13).

(3) The member is entitled to parachute pay for ADT May 1-22 plus allowable travel time from ADT station based on the jump performed July 10 (see paragraph ***580205***; Table 24-3, rule 2; Table 24-5, rule 13).

(4) Also based on jump performed July 10, the member is entitled to parachute pay for IDT drills performed in May, June, and July.

(5) The jump performed April 5 is not a qualifying jump for entitlement to parachute pay. Thus, no entitlement exists for April (see subparagraph 240202.A).

4. Active Duty Training (ADT) Any Number of Weeks, Reserve Component Member, With or Without Unit of Assignment

a. Facts

(1) A Reserve Component member, if assigned to a unit, is not placed on parachute jump status at unit.

(2) The member is ordered to ADT, any number of weeks. He or she is placed on parachute jump status at the ADT station by competent orders.

(3) The member meets minimum performance requirements according to Table 24-3 by jumps performed during ADT.

b. Entitlements. The member is entitled to parachute pay for allowable travel time to and from the ADT station and for period of ADT (see Table 24-5, rules 9 and 11).

240203. Rates. See paragraph 240102.

240204. Performance Requirements. See Table 24-3.

240205. Table of Parachute Jumps. Table 24-4 gives examples of how minimum requirements are applied. This table does not necessarily cover all situations but is intended as a general guide. In each example, the member was required by orders to participate frequently and regularly in parachute jumps for the entire period. This table is not intended to show date of payment. In every case, the parachute duty requirements must be met before payment is made.

240206. Right to Pay Under Certain Conditions. See Table 24-5.

2403 FLIGHT DECK DUTY

240301. Entitlement

A. Conditions of Entitlement. A member is entitled to incentive pay for flight deck duty (flight deck hazardous duty incentive pay (FDHDIP)) when the member:

1. Serves on the crew of an eligible air capable ship or an aviation unit operating from such a ship; fixed-wing-aircraft carrier or an aviation unit operating from that type of carrier;

2. Is ordered by competent authority to duty in a billet which requires frequent and regular participation in flight operations; and

3. Participates, within a calendar month, in 4 days of flight operations or their equivalent on the flight deck of eligible air capable ships.

B. Quotas and Billets. The number of members entitled to FDHDIP is subject to the monthly quotas applicable to the eligible air capable ships and type or combination of air units operating from such ships, as promulgated in Chief of Naval Operations (OPNAV) Instructions in the ***7220.4J*** series.

C. Members on Temporary Duty or Temporary Additional Duty. Members on temporary duty or temporary additional duty in the crew of an eligible air capable ship or an aviation unit operating from such a ship may be ordered to flight deck hazardous duty billets (FDHDBs). When so ordered, they are entitled to FDHDIP for the actual period specified in the orders provided they meet the minimal participation requirements for an entire month (4 days of flight operations or their equivalent) within each calendar month.

D. Dual Payments. Members receiving incentive pay for any other type of hazardous duty are not entitled to FDHDIP for the same period.

240302. Specialized Terms

A. Eligible Air Capable Ship. A ship having a flight deck that has been certified to launch or land aircraft under Chief of Naval Operations ship or helicopter facility certification program.

B. Flight Operations. The period of time during which launch and recovery of aircraft are in progress on the flight deck of an eligible air capable ship. It includes the turnup and movement of aircraft preparatory to launch and the movement and shutdown of aircraft immediately following recovery.

C. Day of Flight Operations. One day of flight operations shall consist of a calendar day during which any combination of aircraft takeoffs and/or landings takes place, as specified for each ship by class in OPNAV Instruction ***7220.4J*** series. Four days of such flight operations, or the equivalent thereof, shall constitute the basic calendar month qualification criteria.

D. Equivalent of 4 Days of Flight Operations. Any single day, or combination of days during a calendar month in which the number of aircraft take-offs and/or landing equals the monthly total requirement for that class ship in OPNAV Instruction ***7220.4J*** series shall constitute the equivalent of 4 days of flight operations.

E. Flight Deck Hazardous Duty Billet (FDHDB). A billet that requires frequent and regular participation in flight operations on the flight deck of an eligible air capable ship as promulgated in OPNAV Instruction in the ***7220.4J*** series.

F. Participation. Presence, during flight operations, at an assigned station in an FDHDB on the flight deck of an aircraft carrier or a ship other than an aircraft carrier from which aircraft are launched and recovered during flight operations.

240303. Rates. See paragraph 240102.

240304. Commencement and Termination of FDHDIP. Eligibility for entitlement to FDHDIP begins on the date a member is ordered to duty in a FDHDIP. Entitlement eligibility ends on the date the orders to such billet are revoked, or when a member is permanently detached from the aircraft carrier or aviation unit, whichever occurs first. Orders may be terminated for other reasons but not for the sole purpose of providing FDHDIP for additional members.

240305. Prorated FDHDIP. Personnel who otherwise meet entitlement criteria, but who do not participate in a full calendar month of flight operations, will receive a prorated FDHDIP payment. The prorated amount will be determined by multiplying 1/30th of the monthly FDHDIP rate by the number of days the member actually performed in a FDHDIP billet aboard ship for the partial month.

240306. Right to Pay Under Certain Conditions. See Table 24-5.

2404 DEMOLITION DUTY

240401. Entitlement

A. Condition of Entitlement. A member entitled to basic pay, who is required by competent orders to perform duty involving the demolition of explosives, as prescribed by

Military Service regulations, as a primary duty (including training for that duty), is entitled to incentive pay under the conditions stated in this section. Incentive pay is payable for any full month, or is prorated under paragraph 240101 for any portion of a calendar month during which a member under competent orders performs demolition duty by use of live explosives.

* B. Duty Involving Demolition of Explosives. Demolition duty is duty performed by members who engage in the following activities under competent orders and as a primary duty assignment:

1. Demolish by the use of explosives objects, obstacles, or other explosives, or recover and render harmless, by disarming or demolition, explosives that have failed to function as intended or which have become a potential hazard.

2. Participate as students or instructors in instructional training, including that in the field or fleet, for the duties described in subparagraph 240401.B.1 provided that live explosives are used in such training.

3. Participate in proficiency training, including that in the field or fleet, for the maintenance of skill in the duties described in subparagraph 240401.B.1 provided that live explosives are used in such training; or

4. Experiment with or develop tools, equipment, or procedures for the demolition and rendering harmless of explosives, provided that live explosives are used.

240402. Rates. See paragraph 240102.

240403. Performance Requirements. A member, who is assigned to demolition duty by competent orders and performs such duty during the month involved, is entitled to incentive pay for that duty provided live explosives are used. Local commanders are responsible for ensuring that the finance officer is informed when a member fails to perform the monthly demolition duty required for entitlement to the incentive pay.

240404. Right to Pay Under Certain Conditions. See Table 24-5.

2405 EXPERIMENTAL STRESS DUTY

240501. Entitlement

A. Condition of Entitlement. A member on active duty who is required by competent orders to perform experimental stress duty is entitled to incentive pay under the conditions stated in this section. Incentive pay is payable for any full month, or is prorated in accordance with paragraph 240101 for any portion of a calendar month, during which experimental stress duty is performed under competent orders.

B. Duty Involving Experimental Stress. Experimental stress duties are limited to the following:

1. Human Acceleration or Deceleration Experimental Subject. Duty performed as human acceleration or deceleration experimental subjects utilizing experimental acceleration or deceleration devices.

2. Thermal Stress Duty. Duty performed as human thermal experimental subjects in thermal stress experiments.

3. Low-Pressure Chamber Duty. Duty performed within a low pressure (altitude) chamber at physiological facilities as human test subject, inside instructor-observer or inside observer-tender.

4. High-Pressure Chamber Duty

a. Duty performed within a high-pressure (hyperbaric or recompression) chamber or hyperbaric complex as a:

(1) Human test subject for approved protocols applicable to the research, development, testing and evaluation of diving, hyperbaric and underwater-related tools, systems, equipment and procedures.

(2) Recompression chamber/hyperbaric complex inside instructor-observer or inside observer-tender during the conduct of protocols involving the use of human test subjects.

(3) Recompression chamber/hyperbaric complex inside instructor-observer or inside observer-tender during the conduct of hyperbaric treatment or hyperbaric therapy procedures which include, but are not limited to, treatment of ailments incidental to diving and hyperbaric/hypobaric exposure.

b. Navy Personnel Only. For a Navy member to qualify for this incentive pay as a human test subject, inside instructor-observer or inside observer-tender in a recompression chamber/hyperbaric complex, all of the following conditions must be met. The member must:

(1) Possess a Navy Enlisted Classification/Navy Officer Billet Classification (NEC/NOBC) listed below and is assigned by competent orders to a billet utilizing that NEC/NOBC:

Enlisted:	NEC
SEAL (Basic)	5320
Swimmer Delivery Vehicle	5323
SEAL	5326
Basic Explosive Ordnance Disposal (EOD) Technician	5332
Basic EOD Technician (Parachutist)	5333
Senior EOD Technician	5334
Senior EOD Technician (Parachutist)	5335
Master EOD Technician	5336
Master EOD Technician (Parachutist)	5337
Master Diver	5341
First Class Diver	5342
Second Class Diver	5343
Advanced Underwater Construction Technician	5931
Basic Underwater Construction Technician	5932
Master Underwater Construction Technician	5933
Special Amphibious Reconnaissance Independent Duty Corpsman	8403
Fleet Marine Force Reconnaissance Corpsman	8427
Special Operations Independent Duty Corpsman	8491
Special Operations Technician	8492
Medical Deep Sea Diving Technician	8493
Medical Deep Sea Diving Technician	8494

Officer	NOBC
Undersea Medical (Diving) Officer	0107
Medical Service Corps (Diving) Officer	0107
EOD Officer	9230
EOD Mobile Unit Officer	9231
SEAL Officer	9293
Diving Officer (General)	9312

(2) Be ordered to perform additional duty as a human test subject, inside instructor-observer or inside observer-tender as described in subparagraphs 240501.B.4.a., b, or c, or by the commanding officer having cognizance over the recompression chamber or hyperbaric complex, and;

(3) Either be instructing or operating Navy approved underwater breathing equipment, support systems, and recompression chambers; or observing the other individual(s) for symptoms of diving injuries/illnesses and providing appropriate treatment, as ordered by competent authority.

c. The following types of similar duties do not entitle Navy personnel to hazardous duty incentive pay as recompression chamber/hyperbaric complex inside instructor-observers or inside observer-tenders:

(1) Inside observer-tender and divers for surface decompression procedures incidental to the conduct of diving operations as this is considered a normal procedure related to the safe conduct of routine diving operations.

(2) Either under instruction inside instructor-observer, inside observer-tender or trainees. This includes saturation diving procedures and hyperbaric medical related training which is considered a normal requirement to establish or maintain proficiency and/or qualifications.

(3) Inside observer-tender or test candidates during conduct of pressure and/or oxygen tolerance tests.

(4) Inside observer-tender, technicians or others involved in recompression chamber or hyperbaric complex preventive or corrective maintenance or during the use of a chamber or complex for the purpose of conducting preventive or corrective maintenance procedures.

(5) Patients undergoing hyperbaric treatment or therapy.

C. Restriction. A member is entitled to only one payment of incentive pay for experimental stress duty during any 1 month.

240502. Rates. See paragraph 240102.

240503. Performance Requirements. A member is entitled to incentive pay for experimental stress duty when assigned to that duty by competent orders and performs such duty during the month involved. Competent medical authorities of the Military Service concerned must determine if the member is engaged in one or more stress experiments involving risk of experimental hazard.

240504. Right to Pay Under Certain Conditions. See Table 24-5.

2406 TOXIC FUELS (OR PROPELLANTS) DUTY

240601. Entitlement

* A. A member is entitled to hazardous duty incentive pay (HDIP) for duty involving the servicing of aircraft or missiles with highly toxic fuels or propellants when this duty is performed as a primary duty according to the requirements set forth in subparagraphs 240602.A through D and G.

* B. A member is entitled to HDIP for duty involving the servicing of aircraft or missiles with highly toxic fuels or propellants for the testing of aircraft or missile systems (or components of such systems) during which highly toxic fuels are used when this duty is performed as a primary duty according to the requirements listed below.

240602. Requirements. Primary duty under this section requires:

A. Removal, replacement, and servicing of the emergency power unit of an aircraft with H-70 propellant (30 percent water, 70 percent hydrazine).

B. Participation by those personnel performing duties in subparagraph 240602.A, who must also participate in an emergency response force, spill containment, or spill cleanup involving H-70 propellant (30 percent water, 70 percent hydrazine).

C. Handling and maintaining the liquid propellants (liquid oxidizer-nitrogen tetroxide; unsymmetrical dimethyl hydrazine) used in the Titan weapon system if such duty requires the qualification in the use of the rocket fuel handler's clothing outfit and involves:

1. Launch duct operations, including flow, pressurization, on-load, off-load, set-up, or tear down involving propellant transfer operations.

2. Set-up, installation, or tear down for fuel/oxidizer flow.

3. Decontamination of equipment, including but not limited to the rocket fuel handler's clothing outfit.

4. Venting or pressurizing missile fuel or oxidizer tanks.

5. Removing or replacing missile components while missile fuel and oxidizer tanks are loaded with such propellants.

6. Transferring propellants between commercial and military holding trailers; or between holding trailers and fuel/oxidizer pump rooms.

7. Normal preventive maintenance activities including but not limited to seal changes.

D. Handling and maintaining the propellants, unsymmetrical dimethyl hydrazine and inhibited red-fuming nitric acid used in the LANCE missile system.

E. Handling, transporting, or working with toxic fuels/propellants by members assigned to the Air Force Rocket Propulsion Lab (AFRPL) who:

1. Directly manage and inspect the activities of crew members conducting operations involving experimental rocket propulsion systems and components.

2. Directly monitor and set up measurement instruments in operational areas where contamination is suspected or may be physically present.

3. Install and remove instrumentation devices from propulsion systems and components.

4. Perform final test preparation and immediate safety inspection duties around pressurized, active systems during pre-run and post-run test periods.

5. Install and repair electrical systems.

F. Handling, loading/unloading, and transporting toxic fuels and oxidizers at the precision sled track while working with the liquid rocket sled which uses JP-X (a mixture of jet fuel (JP-4) and unsymmetrical dimethyl hydrazine) and red-fuming nitric acid and a propulsion.

G. Involvement with other toxic substances contained in missile or aircraft weapon system fuels or propellants as determined by the Secretary concerned.

240603. Rates. See paragraph 240102.

240604. Restriction. The entitlement to the pay under this section is based upon the performance of such duty which has the potential for accidental or inadvertent exposure to highly toxic fuels or propellants or related substances and not upon actual quantifiable exposure to such substances. Therefore, neither this construction of the term nor the receipt of the pay provided for in this section may be construed as indicating that any person entitled to such pay has been actually exposed to highly toxic fuels or propellants or related substances contrary to the provisions of any statute, executive order, rule, or regulation relating to health or safety which is applicable to the Uniformed Services.

2407 TOXIC PESTICIDES DUTY

* 240701. Entitlement. A member is entitled to HDIP for duty involving frequent and regular exposure to highly toxic pesticides when the member is assigned by competent orders to the entomology, pest control, pest management, or preventive medicine functions of a Uniformed Service for a period of 30 consecutive days or more.

240702. Requirements

A. Members must perform fumigation duties during a calendar month to receive HDIP for the month. Duty under this section covers any fumigation task utilizing: (1) phosphine, sulfuryl fluoride, hydrogen cyanide, methyl bromide, or (2) a fumigant of comparable high-acute toxicity and hazard potential.

* B. Restrictions. The use of solid fumigant formulations such as aluminum phosphide, magnesium phosphide, and calcium cyanide in the outdoor control of burrowing animals does not qualify a member for incentive pay under this section.

240703. Rates. See paragraph 240102.

2408 DANGEROUS VIRUSES (OR BACTERIA) LAB DUTY

* 240801. Entitlement. A member is entitled to HDIP for duty involving laboratory work that utilizes live dangerous viruses or bacteria as a primary duty.

240802. Requirements. Under this section members must perform primary duty while assigned by competent orders for a period of 30 consecutive days or more to participate in or conduct applied or basic research that is characterized by a changing variety of techniques, procedures, equipment, and experiments. Duty under this section is primary duty performed by members who work with microorganisms:

A. That cause disease:

1. With a high potential for mortality; and

2. For which effective therapeutic procedures are not available.

B. For which no effective prophylactic immunization exists.

240803. Rates. See paragraph 240102.

2409 CHEMICAL MUNITIONS

* 240901. Entitlement. A member is entitled to HDIP for duty involving the handling of chemical munitions (or components of such munitions) as a primary duty.

240902. Requirements

A. Primary duty under this section requires direct physical handling of:

1. Toxic chemical munitions incident to storage, maintenance, testing, surveillance, assembly, disassembly, demilitarization, or disposal of said munitions;

2. Chemical surety material defined by the Secretary of the Military Department concerned, incident to manufacture, storage, testing, laboratory analysis, detoxification, or disposal of said material;

3. Toxic chemical munitions incident to the technical escort of shipments of said munitions; or

4. Chemical surety material, defined by the Secretary concerned, incident to technical escort of shipments of said material.

B. Restrictions. HDIP under this section does not include the following duties:

1. Handling of the individual components of binary chemical agents or munitions.

2. User handling incident to loading, firing, or otherwise launching the toxic chemical munitions, or field storage operations during hostilities.

3. Handling of research, development, testing, and evaluation dilute solutions of toxic chemicals as defined by the Secretary concerned.

4. Handling of riot control agents, chemical defoliants and herbicides, smoke, flame and incendiaries, and industrial chemicals.

240903. Rates. See paragraph 240102.

240904. Restriction. The entitlement to the pay under this section is based upon the performance of such duty that has the potential for accidental exposure to chemical agents and not upon actual quantifiable exposure to such agents. Therefore, neither the construction of the term nor the receipt of pay provided for in this section may be construed as indicating that any person entitled to such pay actually has been exposed to chemical agents contrary to the provisions of any statute, executive order, rule, or regulation relating to health and safety which is applicable to the Uniformed Services.

2410 MARITIME VISIT, BOARD, SEARCH AND SEIZURE (VBSS) DUTY

241001. Conditions of Entitlement. A member of a uniformed service who is entitled to basic pay is also entitled to incentive pay for hazardous duty involving regular participation as a member of a team conducting visit, board, search, and seizure operations aboard vessels in support of maritime interdiction operations.

241002. Duty Involving Maritime VBSS. Navy has established that in order to qualify for HDIP for any month under this section a member must:

A. Be assigned for an entire month to a billet designated as requiring frequent and regular participation in visit, board, search and seizure operations.

B. Be properly trained for the VBSS billet.

C. Participate in a minimum of three boarding missions (excluding training exercises) during each month of qualification.

2411 POLAR REGION FLIGHT OPERATIONS DUTY

241101. Entitlement. A member of a uniformed service who is entitled to basic pay is also entitled to incentive pay for hazardous duty involving use of ski-equipped aircraft on the ground in Antarctica or on the Arctic Ice-Pack.

* 241102. Requirements. A member shall be eligible in any calendar month during which that member participated in a take-off from or landing on the ground in Antarctica or the Arctic Ice-Pack, or the servicing of, or the handling of cargo in connection with such aircraft on the ground in such a polar region. The appropriate commander shall certify those members who under competent orders perform such duty in a calendar month.

241103. Rates. See paragraph 240102.

WHEN TO START THE 3-MONTH ENTITLEMENT PERIOD FOR INCAPACITY RESULTING FROM PERFORMANCE OF HAZARDOUS DUTY			
RULE	**A**	**B**	**C**
	When the type of duty is	**and**	**then the 3-month period during which requirements are considered to have been met begins**
1	demolition, experimental stress, toxic fuels, toxic pesticides, dangerous viruses, or handling chemical munitions		the first day of the month following the month in which the incapacity occurred.
2	parachute, flight deck, maritime visit, board, search and seizure, or polar region flight operations	performance requirements for the month of incapacity have been met	
3		performance requirements for the month of incapacity have not been met	the first day of the month in which the incapacity occurred.

Table 24-1. When to Start the 3-Month Entitlement Period for Incapacity Resulting from Performance of Hazardous Duty

WHEN INCENTIVE PAY FOR INCAPACITY RESULTING FROM HAZARDOUS DUTY STOPS ON PCS		
RULE	**A**	**B**
	When a member receiving incentive pay as a result of incapacity resulting from hazardous duty is ordered on permanent change of station to a medical facility for treatment during the 3-month entitlement period, and the hazardous duty involved is	**incentive pay accrues**
1	parachute	after PCS through the end of the 3-month entitlement period.
2	flight deck, demolition, experimental stress, toxic fuels, toxic pesticides, dangerous viruses, handling chemical munitions, maritime visit, board, search and seizure, or polar region flight operations	through the date of departure from the old station.

Table 24-2. When Incentive Pay for Incapacity Resulting from Hazardous Duty Stops on PCS

PARACHUTE JUMPS-INCENTIVE PAY FOR PARACHUTE DUTY-PERFORMANCE REQUIREMENTS			
RULE	A	B	C
	When	**in**	**then**
1	a jump is performed	any calendar month	member qualifies for parachute duty pay for that month and one preceding and succeeding month; or that month and 2 preceding months; or that month and 2 succeeding months (note 1).
2	jumps are made	2 or more consecutive months	new 3 consecutive-calendar-month period starts with each month a jump is made, except when rule 3 applies.
3	a member is unable to perform a jump because of military operations of the command or the absence of jump equipment or aircraft	a 3-month period	member may qualify for parachute duty pay on a 12-month basis. He or she may qualify for the 3-month period plus the following 9 consecutive-calendar-months by performing four jumps any time during the 9-month period (note 2).
4	a member is unable to perform a jump by reason of being engaged in combat operations in a hostile fire area		minimum jump requirements may be waived by the member's commanding officer (note 2).
5	a member begins parachute training or reports for duty with a parachute unit	a fractional part of a month	the month the training or duty begins becomes the first month of the 3 consecutive-calendar-month period (note 1).

NOTES:

1. Incentive pay for parachute duty may be paid, provided prescribed requirements are met, only from the date of reporting for duty or training. If that day is other than the first day of a month, then that month's rate of pay will be prorated in accordance with paragraph 240101.
2. Military operations, combat operations in a hostile fire area, or absence of jump equipment are the only authorized reasons for not complying with requirements over a 3-month period.

Table 24-3. Parachute Jumps-Incentive Pay for Parachute Duty-Performance Requirements

PARACHUTE JUMPS

	Example 1		Example 2		Example 3		Example 4		Example 5		Example 6		Example 7	
	Jumps	Entitled	Jumps	Entitled	Jumps	Entitled	Jumps	Entitled	Jumps	Entitled	Jumps	Entitled	Jumps	Entitled
20--														
October	0	Yes[1]	0[3]	Yes[4]	0	Yes[1]	0	Yes[1]	0	Yes[1]	0	Yes[1]	0	Yes[1]
November	0	Yes[1]	0[3]	Yes[4]	1	Yes[2]	0	Yes[1]	0	Yes[1]	0	Yes[1]	0	Yes[1]
December	1	Yes[2]	0[3]	Yes[4]	0	Yes[1]	1	Yes[2]	1	Yes[2]	1	Yes[2]	1[5]	Yes[2]
20--														
January	0	Yes[1]	0[3]	Yes[4]	0[3]	Yes[4]	0[3]	Yes[4]	0[3]	Yes[4]	0[3]	Yes[4]	0[6]	Yes[7]
February	1	Yes[2]	0[3]	Yes[4]	0[3]	Yes[4]	0[3]	Yes[4]	0[3]	Yes[1]	0[3]	Yes[4]	0[6]	Yes[7]
March	0	Yes[1]	0[3]	Yes[4]	0[3]	Yes[4]	0[3]	Yes[4]	0[3]	Yes[1]	0[3]	Yes[4]	0[6]	Yes[7]
April	0	No	0[3]	Yes[4]	0[3]	Yes[4]	0[3]	Yes[1]	2	Yes[2]	0[3]	Yes[4]	0[6]	No
May	0	Yes[1]	0[3]	Yes[4]	0[3]	Yes[4]	0[3]	Yes[1]	0[3]	Yes[4]	0[3]	Yes[4]	0[6]	No
June	0	Yes[1]	0[3]	Yes[4]	0[3]	Yes[4]	2	Yes[2]	0[3]	Yes[1]	0[3]	Yes[4]	0[6]	No
July	2	Yes[2]	0[3]	Yes[4]	0[3]	Yes[4]	0[3]	Yes[4]	0[3]	Yes[1]	0[3]	Yes[1]	0[6]	No
August	0	No	0[3]	Yes[4]	0[3]	Yes[4]	0[3]	Yes[4]	1	Yes[2]	0[3]	Yes[1]	1	Yes[2]
September	0	No	4	Yes[2]	0[3]	Yes[1]	0[3]	Yes[4]	0[3]	Yes[1]	3	Yes[2]	0	Yes[1]
October	0	Yes[1]	0	Yes[1]	0[3]	Yes[1]	0[3]	Yes[1]	0[3]	Yes[1]	1	Yes[2]	0	Yes[1]
November	0	Yes[1]	1	Yes[2]	3	Yes[2]	0[3]	Yes[1]	1	Yes[2]	0[3]	Yes[4]	0	No
December	1	Yes[2]	0	Yes[1]	1	Yes[2]	2	Yes[2]	0[3]	Yes[4]	0[3]	Yes[4]	0	No
20--														
January	0	No	0	No	0	No	0	No	0	No	0	Yes[1]	0	No
February	0	No	0	No	0	No	0	No	0	No	0	Yes[1]	0	No
March	0	No	0	No	0	No	0	No	0	No	1	Yes[2]	0	No

NOTES:
1. Entitled to incentive pay for parachute duty based on jumps performed in 3 consecutive calendar months.
2. Entitled to incentive pay for parachute duty based on that month's jump.
3. No jumps performed because of absence of jump equipment or aircraft or on account of military operations.
4. Entitled to incentive pay for parachute duty based on jumps performed in 12 consecutive calendar months.
5. Incapacitated by reason of parachute accident.
6. No jumps performed because of incapacitation resulting from parachute accident.
7. Entitled to incentive pay for parachute duty-accident.

Table 24-4. Parachute Jump Examples

INCENTIVE PAY FOR HAZARDOUS DUTY-ENTITLEMENT UNDER CERTAIN CONDITIONS				
RULE	A	B	C	D
	When a member under orders to perform hazardous duty is	**and the hazardous duty involved is**	**and**	**then incentive pay entitlement**
1	sick in line of duty	any type of hazardous duty listed in paragraph 240101	orders to perform the hazardous duty involved remain in effect and the member performs the duty involved during the month involved, or when appropriate, performs the minimum performance requirements for the duty involved	continues for the period of the illness.
2	on authorized leave			continues for the period of leave (note 1).
3	on temporary duty or temporary additional duty			continues for the period of TDY or TAD.
4	reassigned PCS including temporary duty in conjunction with PCS			is not affected by the PCS (note 2).
5	on temporary duty or temporary additional duty	any type of hazardous duty listed in paragraph 240101	orders to perform hazardous duty involved are in effect at the TDY station only. Member meets minimum performance requirements at the TDY station	begins on the date of reporting for duty at the temporary duty location and exists for the period of temporary duty.
6	discharged and immediately reenlisted at the same station without a break in service		orders to perform hazardous duty involved are not specifically terminated	is determined as though there had been no discharge.
7			orders to perform the hazardous duty involved are specifically terminated	ceases on effective date shown in orders.
8	removed from hazardous duty		removal is for cause, disqualification, or the member's own request	ceases on the date that cause or disqualification is determined to exist or the date the member is removed per request, which will be the effective date established in orders terminating the hazardous duty. (See note 2 for pay proration.)
9	a member of a Reserve Component being released from active duty performed either: a. while member is part of strength accountability of the active military establishment (EAD). b. while member is accountable to a Reserve Component (ADT) (note 5)	parachute	orders are not issued directing relief from assigned duties and requirements have been met for the period involved	continues for the period of allowable travel time (notes 3 and 5).

Table 24-5. Incentive Pay for Hazardous Duty-Entitlement Under Certain Conditions

INCENTIVE PAY FOR HAZARDOUS DUTY-ENTITLEMENT UNDER CERTAIN CONDITIONS				
RULE	A	B	C	D
	When a member under orders to perform hazardous duty is	**and the hazardous duty involved is**	**and**	**then incentive pay entitlement**
10	being released from active duty performed either: a. while member is part of strength accountability of the active military establishment (EAD). b. while member is accountable to a Reserve Component (ADT) (note 4)	demolition, flight deck, experimental stress, toxic fuels, toxic pesticides, dangerous viruses, handling chemical munitions, maritime visit, board, search and seizure, or polar region flight operations	orders are not issued directing relief from assigned duties and requirements have been met for the period involved	ceases on detachment from last duty station.
11	on ADT for any number of weeks (with or without a unit of assignment) (note 4)	any type of hazardous duty listed in paragraph 240101	orders to perform the hazardous duty involved are in effect at the ADT station. Member meets minimum performance requirements at ADT station	1. exists for the period of ADT. Entitlement for ADT is terminated per rules 9 or 10. 2. for IDT is determined under note 6.
12	on ADT for 20 weeks or more away from unit of assignment (note 4)		member is not ordered to perform the hazardous duty at the ADT station	1. does not exist for the period of ADT. 2. for IDT is determined under note 6.
13	on ADT for less than 20 weeks away from unit of assignment (note 4)		orders to perform the hazardous duty involved remain in effect at unit of assignment. Member is not ordered to perform hazardous duty at ADT station. Member meets minimum performance requirements during inactive duty training (IDT) at unit of assignment	1. exists for the period of ADT. Entitlement for ADT is terminated per rules 9 or 10. 2. for IDT is determined under note 6.

NOTES

1. Performance of hazardous duty while on leave cannot be counted for pay purposes.
2. Orders to perform hazardous duty remain in effect when member is being reassigned PCS successively to hazardous duty. If the member cannot be immediately assigned to a hazardous duty position at a new station, orders to perform such duty will be terminated effective the date of arrival at new duty station and incentive pay stopped as of that date. When successive assignment does not require hazardous duty as an essential part of military duty at the new permanent duty station, orders to perform such duty will be terminated effective the date of departure from old duty station (or TDY point if performance of hazardous duty is required as an essential part of military duty at the TDY point) and incentive pay stopped as of that date. When effective date in the orders terminating hazardous duty is other than the last day of a calendar month and that month's performance requirements have been met, the month's hazardous duty pay will be prorated per subparagraph 240101.A.
3. Parachute pay may not be paid beyond the last day of the calendar month for which requirements are met.
4. ADT includes annual training, special tours of active duty for training, school tours, and the initial tour performed by enlistees without prior military service.
5. Hazardous duty incentive pay entitlement for ADT includes time allowed for necessary travel from home to first duty station (paragraph ***010205***).
6. Hazardous duty incentive pay for inactive duty training (IDT) is paid per ***Chapter 58***.

Table 24-5. Incentive Pay for Hazardous Duty-Entitlement Under Certain Conditions (Continued)

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SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 25
"SUBSISTENCE ALLOWANCES"

All changes are denoted by blue font

Substantive revisions are denoted by a * 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 underlined, bold, italic, blue font

This updated chapter supersedes the previously published version dated June 2011.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
250103	Updated subsistence allowance rates effective January 1, 2012.	Update
Table 25-1	Updated meal collection rates effective January 1, 2012.	Update
Bibliography	Updated regulations and memorandums	Update

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CHAPTER 25

SUBSISTENCE ALLOWANCES

2501 BASIC ALLOWANCE FOR SUBSISTENCE (BAS)

250101. Entitlement. Except as otherwise provided by law, each member of a uniformed service entitled to basic pay is entitled to a Basic Allowance for Subsistence (BAS) subject to the conditions set forth in this chapter.

250102. Eligibility. Upon completion of initial basic military training, unless otherwise restricted as described in this chapter, a member becomes entitled to one of the following monthly BAS rates based upon their rank and circumstances.

A. Officer BAS. A single rate of BAS applies to all officers.

B. BAS for Enlisted Members. Enlisted members are entitled to one of the BAS rates listed below:

1. Enlisted BAS. This is the standard rate of BAS to be paid enlisted members unless they qualify for, and proper authority approves, a higher rate of BAS.

2. Enlisted BAS II. Enlisted members on duty at a permanent station and assigned to single (unaccompanied) Government quarters, which do not have adequate food storage or preparation facilities, and where a government mess is not available and the government cannot otherwise make meals available, may be entitled to BAS II. The rate for BAS II is fixed at twice the rate for standard enlisted BAS. Effective February 10, 2006, the Navy authorized the payment of BAS II. Effective October 1, 2010, the Air Force authorized payment of BAS II to members at specific locations.

C. Continuity of Enlisted BAS Entitlement

1. Enlisted members continue their existing BAS entitlement without interruption upon discharge or retirement if reenlistment or recall to active duty is completed at the same station within 24 hours.

2. Enlisted members continue their existing BAS entitlement without interruption during weekends, holidays, administrative absence, pass, or liberty (not including leave).

D. Enlisted BAS in Specific Situations. The following policy will be used in determining the rate of BAS to apply in specific situations:

1. Enlisted BAS rates will be applied uniformly for all enlisted members under similar conditions permanently assigned to the same installation, station, base, or ship. The installation commander/commanding officer will ensure the uniform application of BAS rates for members under similar conditions, whether from a single Service or more than one

Service. If there is conflict between Service directives that prevent uniform application of BAS, then the commander/commanding officer will report the differences, through appropriate channels, to the Secretaries of the Military Departments concerned, who shall confer to ensure uniform determinations on the authorized BAS rate.

2. Enlisted members on authorized leave (including proceed time, authorized delays en route between duty stations chargeable as leave, and convalescent leave) are entitled to the standard enlisted BAS rate, regardless of the BAS rate authorized at their permanent station.

3. Enlisted members performing permanent change of station (PCS) travel (including temporary duty travel or temporary additional duty (TDY/TAD enroute)) under orders away from their designated post of duty are entitled to the standard enlisted BAS rate, regardless of the BAS type authorized at their previous or subsequent permanent station.

4. Enlisted members receiving BAS II at their permanent station who are hospitalized or performing regular or permissive TDY/TAD (including field duty, sea duty, essential unit messing, or members traveling together with limited or no per diem travel) under orders away from their permanent station will revert to standard enlisted BAS for the period of absence from the permanent station.

* 250103. Payment. The BAS entitlement is paid as a monthly rate. Effective January 1, 2012, the rates for BAS are as follows:

A. The monthly BAS rate for officers is $239.96.

B. The monthly BAS rates for enlisted members are:

1. Enlisted BAS (standard) – $348.44.

2. BAS II – $696.88.

C. Prorated Subsistence Allowances. Military members may not be provided meals or rations at no charge by or on behalf of the Government while entitled to BAS for the same period of service, except when a patient is in a hospital.

1. An enlisted member shall be entitled to the standard enlisted BAS rate for any day they are under orders for leave or PCS travel. This includes the day of commencement and day of termination of the status under those orders.

2. An enlisted member who changes BAS status at the direction or by permission of a commander, under blanket authority, or at the member's request shall have the entitlement change take effect at the beginning of the day specified in writing by the commander.

NOTE: For prior year rates, see ***Office of Secretary of Defense (Comptroller)*** website for the BAS rates.

250104. Restrictions

A. Military members are not entitled to BAS under the following conditions:

1. When undergoing Basic Military Training, including initial officer training (Officer Candidate School, Officer Training School) unless, they have continuous prior enlisted service (active or reserve) at the time they start such training. In such cases, the member will be subsisted-in-kind.

2. When in an excess leave status.

3. When in an absent-without-leave status in excess of 24 hours, unless the absence is excused as unavoidable.

4. When on an approved educational leave of absence not exceeding 2 years.

5. When a member with no dependents is training for, attending, or participating in Pan American games, Olympic games, or other specifically authorized international amateur sport competitions and the sponsoring agency subsists them during that period.

6. When serving a court-martial sentence that includes confinement and total forfeiture of pay and allowances. BAS will be stopped on the date the sentence is adjudged and the member is confined or when total forfeitures become effective. In such cases, the member will be subsisted-in-kind.

B. Enlisted BAS II is not authorized when a government mess is temporarily closed for less than 14 days or when a member is on leave, assigned temporary duty (TAD/TDY) away from the permanent station, or in the hospital.

C. Military members may not be provided meals or rations at no charge by or on behalf of the Government while entitled to BAS for the same period of service, except when a patient is in a hospital undergoing medical recuperation or therapy, or is otherwise in the status of continuous care, including outpatient care at a medical treatment facility for an injury, illness or disease incurred while the member was on active duty in:

1. Support of Operation Enduring Freedom or Operation New Dawn; or

2. Any other operation designated by the Secretary of Defense as a combat operation or in an area designated by the Secretary as a combat zone.

250105. Special Provisions

A. Meal Collections. A military member being paid BAS must pay for all

meals or rations received from a Government mess or provided on behalf of the government (except when a patient is in a hospital). This is a personal obligation of the individual. Meals or rations may be paid for with cash tendered to the government mess, by collection/reduction of otherwise entitled subsistence travel per diem (a member under orders for essential unit mission has no entitlement to subsistence travel per diem), or through pay account collection. When payment is made through pay account collection, it is not considered a deduction from or reduction of the entitled BAS; rather it is a collection for debt owed to the government.

1. Members receiving BAS while in certain situations may have the payment for government-provided meals made by mandatory pay account collection. These are circumstances where it is not feasible to control dining access or collect cash due to operational constraints or where efficiency of operation requires collection for all meals. When a commander/commanding officer requires mandatory collection, the pay account collection will be made for all meals available, whether the meals are actually eaten or not. Mandatory collections are made day-for-actual-day, not a 30-day month basis. Unless the member is receiving a per diem for subsistence, the collection will be at the discount meal rate. Mandatory pay account collection may be required in the following situations:

a. Field duty.

b. Sea duty.

c. Members traveling together with limited or no per diem travel.

d. Accession Pipeline Military Training.

e. Essential unit messing.

f. Essential station messing.

2. Mandatory pay account collections for meals do not apply under the following conditions:

a. Members on official leave, in a permanent change of station status (including travel time and proceed time), in hospital, or on temporary duty (TAD/TDY) other than temporary duty to another situation requiring mandatory pay account collection for meals are exempt from mandatory collections. In these instances, pay account collections will be suspended or adjusted with a credit and the government mess will be responsible for collecting from the individual for any meals served.

b. Members who have missed meals certified by the commanding officer/commanders or their designee are exempt from mandatory collections, and pay account collections will be suspended or adjusted with a credit.

3. Pay account collections will be at 25-percent of the discount meal

rate for the first and last day of assignment in situations requiring mandatory collection. A member transitioning directly between two mandatory meal collection situations will be treated as though the collection period were continuous and will not receive the 25-percent reduced charge for the transition. The 25-percent reduced meal charge does not apply for leave periods. Full collections will be made on the duty days before and after the leave period.

4. In circumstances other than those requiring mandatory pay account collection, members receiving BAS will pay for meals obtained from a Government mess or provided on behalf of the government by using cash or by collection/reduction of subsistence per diem from their travel claims. Members on Joint Task Force operations, under per diem travel orders, usually will have the subsistence portion of their per diem withheld or deducted from their travel reimbursement as payment for meals provided in theater. Members deployed on regular TDY/TAD travel, who receive deductible meals (meals at "no cost") will have the subsistence portion of their per diem reduced as payment for meals provided by or on behalf of the government.

5. The standard meal rate applies unless there is a specific exception allowing application of the discount meal rate. Members actually paid subsistence per diem for meals must pay the standard meal rate unless the per diem is withheld or disallowed as payment for the meals.

6. Members being subsisted by or on behalf of the Government, where no other collection means exists or where normal collections were not made, may have collection for meals made through their pay account at the appropriate rate upon proper documentation for a debt owed to the Government.

B. Meal Collection Disposition. Collections from individual pay accounts for meals and rations provided by the Government or on behalf of the Government will be credited to the appropriation specified by each Military Service.

C. Specialized Terms. The following definitions apply to specialized terms used in this chapter:

1. Essential Station Messing (ESM). Messing declared by the installation, base, or station commander responsible for single government quarters that is essential to operate the government mess efficiently and economically, or that is necessary for the health and safety of enlisted personnel permanently assigned to single quarters. Those categories of enlisted members included in ESM will be charged for all meals made available whether eaten or not, except for approved missed meals.

2. Essential Unit Messing (EUM). Any members traveling together with limited or no per diem messing, that an appropriate authority declares essential for operational readiness, military operations, or effective training where members are required to use a government mess or meals provided on behalf of the government. Members shall be in a travel status and are entitled to travel reimbursement for incidental expenses, but not for subsistence. Designation for essential unit messing shall apply only to organizational units and

to operational elements and detachments, not to individual service members. All members on duty under circumstances where EUM has been declared will be charged for all meals made available whether eaten or not, except for approved missed meals.

3. Field Duty. Any maneuvers, war games, field exercises, or similar operations where a member is assigned to a unit being subsisted in a dining facility operated by, on behalf of the U.S. Government, or with an organization drawing field rations. Members may be on per diem orders. All members on field duty will be charged for all meals made available whether eaten or not, subject to approved missed meals.

4. Government Mess. See the ***Glossary***.

5. Sea Duty. Any service performed in a self-propelled vessel with berthing and messing facilities that is in an active status, in commission, or in service. This term applies to members who are either permanent party or aboard for temporary duty. All members on sea duty not a member of an authorized private mess will be charged for all meals made available whether eaten or not, subject to approved missed meals.

6. Subsisted on Behalf of the Government. Subsisted on behalf of the Government is a condition in which meals or rations are furnished without charge by a Government contractor or a foreign government, or through a fellowship, grant, or intern program, while a member is receiving basic pay, either under the terms of a contract or agreement or on a complimentary basis. Unless a member is entitled to be subsisted-in-kind, subsistence provided on behalf of the Government must be charged to the member.

7. Subsisted-in-Kind. Meals or rations furnished by or on behalf of the Government at no charge when BAS or commuted rations are not otherwise payable to a member in a pay status.

D. Advance Payments. Specific circumstances for advance payment of BAS are contained in ***Chapter 32, section 320105***.

E. Effect on Overseas Station Allowances. BAS is in addition to the overseas cost-of-living allowances authorized by ***Joint Federal Travel Regulations, Volume 1***.

250106. Service Instructions

A. Navy

1. General. ***MILPERSMAN 7220.140***.

2. Specialized Terms. ***MILPERSMAN 7220.150***.

3. General Policies. ***MILPERSMAN 7220.160***.

4. Emergency Conditions. ***MILPERSMAN 7220.170***.

5. Sea Duty. ***MILPERSMAN 7220.180***.

6. BAS II. ***MILPERSMAN 7220.182***.

7. Supplemental and Prorated Subsistence Allowance: ***MILPERSMAN 7220.190***.

B. Air Force. ***AFMAN 65-116 Vol. 2, Chapter 6 Section 6B***.

C. Marine Corps. ***Marine Corps Order 10110.47***.

2502 FAMILY SUBSISTENCE SUPPLEMENTAL ALLOWANCE (FSSA)

250201. General Provisions. The Family Subsistence Supplemental Allowance (FSSA) program was established to supplement an individual's basic allowance for subsistence to a level sufficient to remove that member's household from or obviate the need for benefits under the Supplemental Nutrition Assistance Program (SNAP), formerly known as the food stamp program. Officer and enlisted members entitled to BAS may also qualify for FSSA. FSSA is payable at a monthly rate as determined by the Military Service concerned under the guidance provided by the Secretary of Defense, and may not exceed $1,100. FSSA is a nontaxable allowance payable in addition to all other pays and allowances.

250202. Eligibility. FSSA is payable to any officer or enlisted member of the Armed Forces who meets all of the following criteria:

A. Is serving on active duty and receiving BAS.

B. Has a gross household income that would make the member eligible for assistance under the United States Department of Agriculture (USDA) SNAP program for a given household size.

C. At least one person in the Service member's household is a military dependent.

D. Has made application for and been certified, at a specific payment level, by the appropriate office.

250203. Entitlement. FSSA is a monthly entitlement payable in whole dollar amounts not to exceed $1,100. It is not payable to any member, otherwise entitled, during periods in a nonpay status.

A. FSSA is payable in an amount that would bring the member's gross household income to 130 percent of the Federal poverty line as established by the USDA.

B. For periods of less than a full month of entitlement, the FSSA will be prorated at 1/30 for each day of entitlement.

C. If an eligible member is receiving SNAP benefits, then the amount of the FSSA entitlement will be equal to the calculated FSSA or the SNAP allotment, whichever is higher, not to exceed $1,100 per month.

250204. Military Income. For the FSSA program, the sources of revenue that shall be counted as "military income" are basic pay, BAS, basic allowance for housing, or cash equivalent for those that are living in Government–provided housing, overseas housing allowance, all bonuses, and all special and incentive pays except those that are excluded in subparagraph B.

A. The monthly amount of military income attributable to a bonus shall be the amount of the bonus, prorated over the period of time to which bonus is applicable. When a Service member lives in Government quarters while stationed overseas, the amount of the housing allowance to count as income for that member is the overseas housing allowance ceiling for the local area.

B. The following sources of revenue shall not be counted as military income: Hostile Fire/Imminent Danger Pay, Continental United States Cost of Living Allowance (COLA), overseas COLA, Family Separation Allowance, all travel, and transportation related allowances, entitlements, and clothing allowances.

250205. Application and Certification. Individual members must make application to the appropriate organizational element as designated by their respective Service. The appropriate Service organization will make all decisions regarding eligibility and the amount of entitlement and will provide final certification for payment to include the entitlement start date.

250206. Termination and Recertification. Certain events will cause the termination of entitlement unless reapplication and recertification are made. An eligible member may make reapplication up to 30 days prior to termination when an event that will require recertification is known in advance. Additionally, a member may make reapplication up to 30 days after an event that requires recertification without loss of continuity of entitlement. When reapplication is made within 30 days of an event that would cause termination, the recertification will have an effective date of the day following the event and any change in entitlement rate will be effective on that date. A reapplication will be treated as an initial application if more than 30 days lapse before the reapplication is made following the date of an event requiring recertification. In such cases, continuity of entitlement will be lost and the date for termination of the entitlement will be the date of the event requiring recertification. Each of the following events requires reapplication and recertification or termination of entitlement:

A. When the monthly household income increases by $100 or more as compared to the household income used as the basis of the member's current certified entitlement.

B. When there is any decrease to household size.

C. When the member is promoted. In the case of a promotion, the

entitlement ends the day prior to the effective date of promotion.

D. When executing PCS move. In the case of a PCS move, the entitlement ends the day prior to the date the member officially reports for duty at the new duty station.

E. Annually on February 1.

250207. Recoupment. The difference between the amount of the current entitlement and the amount being recertified (if less) will be recouped if, during recertification, it is determined that the member's gross household income increased by greater than $100 more than 30 days prior to reapplication. The amount to be recouped will be calculated on a pro rata basis for each day following the date the increased income exceeded $100 through the effective date of the recertification.

MEAL COLLECTION RATES (Effective January 1, 2012) (note 1 & 4)			
RULE	**A**	**B**	**C**
	When a member receiving BAS also receives subsistence (meals or rations) from a government mess or provided on behalf of the Government at the	**and the meal received is**	**then the collection rate is (note 4)**
1	discount meal rate (note 2)	breakfast	$2.10
2		lunch	3.90
3		dinner	3.90
4		daily total	9.90
5	standard meal rate (note 3)	breakfast	2.45
6		lunch	4.55
7		dinner	4.55
8		daily total	11.55

NOTES:

1. Collections from a member's pay account will be made only when the member has not otherwise paid for meals provided by or on behalf of the Government (i.e., by cash, personal check or charge, or by deduction/reduction of per diem). Collections from pay will be deducted from the member's pay account and credited to the appropriation specified by the Military Service concerned.
2. The discount meal rate applies to meals and rations provided by or on behalf of the U.S. Government to a member not paid per diem or other travel reimbursement for subsistence who is performing duty in a U.S. Government vessel, a U.S. Government aircraft, on maneuvers, war games, field exercises, or similar operations, in a members traveling together with limited or no per diem travel status, under essential unit messing or assigned essential station messing. The discount meal rate also applies to meals and rations provided to a member assigned to Joint Task Force operations (for other than training) at temporary U.S. installations, or through a temporary dining facility.
3. The standard meal rate applies to meals and rations provided to any member not authorized the discount meal rate. This includes any member being paid per diem for subsistence, except those on Joint Task Force operations as described in note 2. Generally, when the standard meal rate is applicable, it will be collected, in cash from the member, by the dining facility.
4. For prior year rates, see ***Office of Secretary of Defense (Comptroller)*** website for the BAS rates.

*** Table 25-1. Meal Collection Rates**

BIBLIOGRAPHY

CHAPTER 25 – SUBSISTENCE ALLOWANCES

2501 – Basic Allowance for Subsistence (BAS)

	250101	37 U.S.C. 402
	250102	DoD Directive 1418.5, October 6, 2003
	250102.B.2	MILPERSMAN 7220-182
		Air Force Memo, June 8, 2010.
*	250103	OUSD(P&R)(MPP) Memo, November 30, 2011
*	250103.B.2	DoD Directive 1418.5, October 6, 2003
	250104.A.5	37 U.S.C. 420(c)
	250104.A.6	10 U.S.C. 857, 858b
	250104.C	37 U.S.C. 402(h)
	250105	37 U.S.C. 1011
		DoD Directive 1418.05, October 6, 2003
		10 U.S.C. 2603
		5 U.S.C. 5536

2502 – Family Subsistence Supplemental Allowance (FSSA)

		37 U.S.C. 402a
		DoD Instruction 1341.11, March 4, 2008
*	Table 25-1	***OUSD(C) Memo, FY12 Reimbursable Rates, Tab G***

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 27
"FAMILY SEPARATION ALLOWANCE (FSA)"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

This updated chapter supersedes the previously published version date June 2009.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
270301.G Bibliography	Clarified FSA entitlement in the event of evacuation order.	Update
Table 27-4, Rule 4	Updated to reflect current reference within Volume 7A, Chapter 1.	Update
Table 27-4, Rule 10, Bibliography	Added rule to verify stop date for FSA when evacuated dependents return to PDS.	Add
All	Verified accuracy of hyperlinks and references.	Update

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*Bibliography

CHAPTER 27

FAMILY SEPARATION ALLOWANCE (FSA)

2701 ENTITLEMENT PROVISIONS

270101. Types Authorized. Family separation allowance (FSA) is payable only to members with dependents. FSA is payable in addition to any other allowance or per diem to which a member may be entitled. A member, however, may not receive more than one payment of FSA for the same period, even though qualified for family separation allowance -- restricted (FSA-R), family separation allowance -- ship (FSA-S), and family separation allowance -- temporary (FSA-T). The purpose of FSA and the conditions of entitlement are established in this chapter.

270102. Definitions

A. Dependents. The term "dependents" has the same meaning as defined in this volume's ***Glossary*** and is further defined below:

1. Child - A dependent child(ren) is an unmarried child(ren) of the member who is in legal custody of the member. Legal custody includes a circumstance in which the member has been awarded joint physical and legal custody of a dependent child(ren) as a result of a court ordered custody agreement or finalized divorce decree, which provides that the child(ren) physically reside with the member on an equal basis (no less than 14 days during a month) as compared to the time the child(ren) reside(s) with the spouse, and the member's actual physical custody of the child(ren) is precluded due to an enforced family separation described under paragraph 270103. Such a custody arrangement must be stipulated in the signed court order or divorce decree, subject to the verification by the Secretary of the Military Department concerned. See subparagraph 270201.C.

2. Secondary - parents

NOTE: Generally, a member of a Uniformed Service may not be paid an allowance (including FSA) for a dependent during any period for which the dependent is entitled to active duty basic pay. This does not negate an entitlement to FSA to a couple comprised of a member married to another member with no other dependents. Such a couple is entitled to FSA under the conditions of this chapter.

B. Duty Station. The term "duty station" is the same as defined in this volume's ***Glossary***.

C. Permanent Station. The term "permanent station" has the same meaning as defined in this volume's ***Glossary***.

D. Household. This term means the same as "home" or "family." It applies to a collection of persons living under one roof, having one head or manager who

controls and supervises the affairs of the family. For FSA purposes, this applies only to secondary dependents.

270103. Family Separation Allowance. FSA provides compensation for added expenses incurred because of an enforced family separation under one of the conditions in subparagraphs 270103.A.1 through 3. FSA is payable to qualified members serving inside or outside the United States. It is not authorized when a member performs duty at any station under permissive orders (except when subparagraph 270301.C applies).

A. When Payable. Through September 30, 1980, FSA was payable to a member serving in pay grade E-4 (over 4 years of service) or above as a member with dependents. Effective October 1, 1980, FSA became payable to a member serving in any grade as a member with dependents. A member must meet all general requirements and one of the following conditions:

1. Family Separation Allowance - Restricted (FSA-R)

a. Transportation of dependents, including dependents acquired after effective date of orders (see Table 27-3 (Commencement Dates), rules 8 and 9), is not authorized at government expense (see paragraph 270301); and the dependents do not live in the vicinity of the member's homeport/permanent duty station.

b. Effective January 1, 2002, transportation of dependents is authorized at government expense, but member elects an unaccompanied tour of duty because a dependent cannot accompany the member to or at that homeport/permanent station due to certified medical reasons, regardless of the date on which the member first made the election to serve an unaccompanied tour. Prior to January 1, 2002, FSA-R was payable in this situation only pursuant to a secretarial waiver (see subparagraph 270301.D.).

2. Family Separation Allowance - Ship (FSA-S). The member is on duty aboard a ship, and the ship is away from the homeport continuously for more than 30 days. NOTE: Effective June 20, 1994, a member was entitled to FSA-S for a redeployment if he or she returned to homeport after the original deployment for a period of 30 days or less and redeployed for a period of more than 30 days. During the period December 1, 1994 through February 9, 1996, dependents were required to live in the vicinity of the homeport. Effective February 10, 1996, the dependents were no longer required to reside in the vicinity of the homeport.

3. Family Separation Allowance - Temporary (FSA-T). The member is on temporary duty (TDY) (or temporary additional duty (TAD)) away from the permanent station continuously for more than 30 days, and the member's dependents are not residing at or near the TDY station. This includes members who are required to perform a period of the TDY before reporting to their initial station of assignment. NOTE: Effective June 20, 1994, a member became entitled to FSA-T for a redeployment if he or she returned to the permanent duty station after the original deployment for a period of 30 days or less and redeployed for a period of more than 30 days. During the period December 1, 1994 through February 9 1996,

dependents were required to live in the vicinity of the permanent duty station. Effective February 10, 1996, the dependents are no longer required to reside in the vicinity of the permanent duty station.

B. Amount Payable

1. Effective October 1, 1985 through January 14, 1991, FSA-Type II was payable in a monthly amount of $60.

2. Effective January 15, 1991 through December 31, 1997, FSA-Type II was payable in a monthly amount of $75.

3. Effective January 1, 1998 through September 30, 2002, FSA-Type II is payable in a monthly amount of $100.

4. Effective October 1, 2002, FSA is payable in a monthly amount of $250.

C. Conditions. For specific conditions of entitlement, see Tables 27-1 through 27-4.

D. Member Married to Member Couples

1. Effective January 1, 1998, FSA is payable to a member married to another member regardless of whether the member has any nonactive duty dependents, when all other general conditions are met and provided members were residing together immediately before being separated by reason of execution of military orders. Prior to January 1, 1998, but after September 22, 1996, a couple comprised of a member married to another member, with no other dependents, was entitled to FSA under the same general conditions as members with nonactive duty dependents, provided the couple was residing together immediately before being separated by reason of execution of military orders.

a. Not more than one monthly allowance may be paid with respect to a married military couple for any month. Each member may be entitled to FSA within the same month, but both cannot simultaneously be entitled. Payment shall be made to the member whose orders resulted in the separation. If both members receive orders requiring departure on the same day, then payment will go to the senior member.

b. If a member meets the requirements for credit of FSA, but entitlement is precluded by an existing entitlement status of the spouse, then the second member may, if still qualified, immediately become entitled to FSA upon termination of the spouse's status. The couple may qualify for sequential entitlements to FSA provided military orders keep them continuously separated.

c. In order to qualify for a subsequent entitlement to FSA, a married member couple, no longer separated by reason of military orders, shall reestablish a joint household and reside together.

2. Effective October 1, 2008, FSA is payable to both married members when they reside together with their dependents immediately before being simultaneously assigned to duty assignments prescribed in subparagraphs 270103.A.1 through 3. The dual allowance shall continue until one of the members is no longer assigned to one of those duty assignments. The other member shall continue to receive the allowance until no longer assigned to one of those duty assignments.

2702 DEPENDENTS SEPARATION REQUIREMENTS

270201. Dependents. A member is not considered "a member with dependents" for FSA entitlement when:

A. The sole dependent is placed in an institution for a known period of over 1 year or for an indefinite period which may be expected to exceed 1 year.

B. The sole dependent is a spouse legally separated or child(ren) in the legal custody of another person. The exception occurs when the member has joint physical and legal custody of the child(ren) and the child(ren) otherwise would reside with the member at least 14 days each month but for the current assignment, the member shall be considered as a "member with dependents" for FSA entitlement.

C. The member has been awarded joint legal and physical custody of the child(ren) as a result of a court ordered custody agreement or finalized divorce decree, which provides that the child(ren) physically reside with the member less than 14 days during the month.

D. The member's dependent parent does not reside in a home, which the member controls, supervises, and maintains for mutual use when circumstances permit.

270202. Temporary Social Visits by Dependents

A. FSA-R. Credit continues to accrue while the member's dependents visit at or near his or her permanent station, but for no longer than 3 continuous months. Facts clearly must show that the dependents merely are visiting (not changing residence) and that the visit is temporary and not intended to exceed 3 months. If, for unforeseen reasons (due to illness or other emergency), a bona fide social visit extends beyond 3 months, then stop credit for FSA at the end of the 3-month period. If the visit initially is intended to exceed 3 months, then stop FSA credit the day before the dependents arrive at the member's permanent station. Credit is again authorized on and after the day that the dependents depart from the permanent station. A member is entitled to FSA-R, even though one or more (but not all) dependents visit for longer than 3 months, if the member is entitled on behalf of the dependents who are not visiting the member.

B. FSA-S. Credit continues to accrue to the member whose dependents are visiting at or near the duty station (or any port) continuously for 30 days or less. Facts must show that the dependents merely are visiting. If the visit exceeds 30 days, then entitlement to FSA-S ends on the day preceding the date of dependent arrival, unless the visit is extended because of illness or other emergency. Under such circumstances, payment of FSA-S is limited to 30 days. Entitlement to FSA-S exists if one or more (but not all) of the dependents visit for longer than 30 days, if the member otherwise is entitled to FSA-S on behalf of the dependents who are not visiting the member.

C. FSA-T. Credit continues to accrue to a member whose dependents visit at or near the temporary duty station continuously for 30 days or less. Facts must show that the dependents are merely visiting. If the visit exceeds 30 days, then the member is not entitled to FSA-T for any part of the period, unless the visit is extended because of illness or other emergency. Under such circumstances, payment of the allowance is limited to 30 days. Entitlement to FSA-T resumes on the day that the dependents depart the temporary duty station, if the member's TDY extends for more than 30 days from that date. Entitlement to FSA-T exists if one or more (but not all) of the dependents visit for longer than 30 days, if the member otherwise is entitled on behalf of the dependents who are not visiting the member.

270203. Dependents Reside Near Duty Station. FSA does not accrue to a member if all of the dependents reside at or near the duty station. If some (but not all) of the dependents voluntarily reside near the duty station, then FSA may accrue on behalf of those dependents who do not reside at or near the duty station. Consider dependents as residing near a duty station if the member actually commutes daily, regardless of distance. Also consider dependents as residing near a duty station if they live within a reasonable commuting distance of that station, whether or not the member commutes daily. A distance of 50 miles, one way, is normally considered to be within reasonable commuting distance of a station, but the 50-mile rule is not inflexible. Unusual conditions may permit a determination that dependents do not live within a reasonable commuting distance, even though the distance involved is less than 50 miles one way. In a situation where the distance is less than 50 miles, but the time required to commute one way by commonly used route and method of transportation would exceed 1 and a half hours, the dependents shall be considered as not residing near the member's duty station, unless the member actually commutes daily. If dependents are authorized concurrent travel with the member to the duty station and are subsequently authorized to reside at a point over 50 miles from the member's duty station for personal reasons, rather than as a result of military restriction on dependents' travel, then FSA entitlement does not accrue. In questionable cases, commanders may submit requests for determination through channels to the appropriate office listed below:

A. Army: Deputy Chief of Staff, G-1
ATTN: DAPE-PRC
300 Army Pentagon
Washington, D.C. 20310

B. Navy: Chief of Naval Operations, (N130)
Washington, D.C. 20370-2020

C. Air Force: Commander, HQ AFPC
550 C Street West
Randolph AFB, TX 78150-6421

D. Marine Corps: Commandant of the Marine Corps
(Code FDD)
Washington, D.C. 20380

2703 CONDITIONS OF ENTITLEMENT

270301. Entitlement Incident to Permanent Change of Station (PCS) Reassignments

A. Continental United States (CONUS) Assignments. This subparagraph applies to FSA entitlement incident to regular CONUS PCS reassignments and permissive PCS reassignments.

1. Entitlement to FSA upon regular PCS is authorized only when movement of a member's dependents to the new permanent duty station is not authorized at government expense.

2. Members who reported PCS anytime between December 1, 1994 and February 10, 1996, and subsequently performed duty onboard a ship while the ship was away from the homeport for more than 30 continuous days, prior to February 10, 1996, were entitled to FSA-S only if their dependent(s) resided in the vicinity of the homeport of the ship. Effective February 10, 1996, members became entitled to FSA-S when performing duty onboard a ship if the ship is away from the homeport for more than 30 continuous days. If, however, the ship puts into a port other than the homeport for a period of more than 30 days at a location where the member's dependents reside, then payment of the FSA-S is precluded if the member resides with the dependents. A member is entitled to FSA-S for a redeployment if he or she returned to the homeport after the original deployment for a period of 30 days or less and redeployed for a period of more than 30 continuous days.

3. Members who reported PCS anytime between December 1, 1994 and February 10, 1996, and subsequently performed TDY away from the permanent duty station for more than 30 continuous days, prior to February 10, 1996, were entitled to FSA-T only if their dependent(s) resided in the vicinity of the permanent duty station. Effective February 10, 1996, members became entitled to FSA-T for TDY periods of over 30 continuous days if the dependents did not reside at or near the TDY station. A member is entitled to FSA-T for a redeployment if he or she returned to the permanent duty station after the original TDY for a period of 30 days or less and redeployed for a period of more than 30 continuous days.

4. Effective January 1, 2002, a member who is otherwise entitled to transportation of dependents at government expense, but whose dependent cannot accompany the member to or at that homeport/permanent station due to certified medical reasons, is entitled to FSA under this subparagraph.

5. A member who otherwise is authorized movement of dependents at government expense to permanent duty station is not so authorized when he or she is voluntarily reassigned on PCS under permissive orders. Separation from dependents under these circumstances is not an enforced separation due to government requirements. The member, therefore, is not entitled to FSA under this subparagraph.

B. Waiver Provision. See subparagraph 270301.D. for circumstances in which waivers may be granted.

C. Overseas Assignments. Dependents are permitted in some areas overseas and not permitted in others (dependent-restricted areas). A member selected for PCS overseas to an area where his or her dependents are permitted must elect to serve either an unaccompanied or accompanied tour.

1. Effective November 14, 1986, except as waived by the Secretary of the Military Department concerned (or designee), a member electing to serve an unaccompanied tour, in lieu of an accompanied tour at a permanent station where his or her dependents are permitted, is not entitled to FSA-R for such a tour. A member who is in receipt of accompanied tour orders, and subsequently requests to serve an unaccompanied tour, to include a dependents-restricted tour, in lieu of an accompanied tour at a permanent station where his or her dependents are permitted, is not entitled to FSA-R for such a tour. Secretarial waiver of this policy may be granted in situations where it would be inequitable to deny FSA-R to a member because of unusual family or operational circumstances.

a. A member who, on September 30, 1986, was entitled to FSA-R based on an elected unaccompanied tour (formerly called an "all others" tour) or initially entitled to FSA-R under Table 27-3, rule 1 or 2, remains entitled to FSA-R until reassigned PCS so long as his or her dependents do not live at or near the duty station.

(1) Under Table 27-3, rules 1 and 2, the member's date of detachment or constructive date of detachment from old permanent station must have been September 30, 1986 or earlier.

(2) A member with an elected unaccompanied tour (formerly called "all others" tour), who departed the permanent station with TDY enroute to the new permanent duty station before October 1, 1986, was entitled to FSA-R (versus FSA-T) under Table 27-1 (FSA, Conditions of Entitlement), rule 11.

b. A member with an elected unaccompanied tour (formerly called "all others" tour), who initially was entitled to FSA-R during the period October 1, 1986 through November 13, 1986, under Table 27-3, rules 1 and 2, remained entitled to FSA-R through November 13, 1986. Entitlement could have been extended by secretarial waiver.

(1) Under Table 27-3, rules 1 and 2, the member's date of detachment from the old permanent duty station must have been during the period October 1, 1986 through November 13, 1986.

(2) A member with an elected unaccompanied tour (formerly called "all others" tour), who departed the permanent duty station with TDY enroute to the new permanent duty station on any date between October 1, 1986 through November 13, 1986, and the period of TDY ends before November 14, 1986, was entitled to FSA-R (versus FSA-T) under Table 27-1, rule 11.

c. A member with an elected unaccompanied tour (formerly called "all others" tour), who departed the permanent duty station with more than 30 days TDY enroute to the new permanent duty station, with departure on any date between October 1, 1986 through November 13, 1986, and the period of TDY ended after November 13, 1986, was entitled to FSA-T under Table 27-1, rule 12. The member became entitled to FSA-R at the new permanent duty station only by secretarial waiver.

2. See applicable procedures for tour elections and secretarial waiver in the appropriate individual Military Service regulation.

3. Refer to Table 27-2 (FSA-R, Overseas Assignment) for FSA entitlement for otherwise eligible members assigned PCS overseas.

4. A member who voluntarily is reassigned PCS (overseas) under permissive orders from a station where he or she already is entitled to FSA-R remains entitled if reassigned to an area overseas where dependents are not permitted (dependent-restricted tour) or under circumstances authorized by secretarial waiver.

5. A member already entitled to FSA-R based on assignment to a station where no accompanied tour is authorized, who voluntarily is reassigned on a PCS (overseas) during the period October 1, 1986 through November 13, 1986, under permissive orders to an area overseas where dependents are permitted, remain entitled to FSA-R through November 13, 1986. Entitlement could have been extended by secretarial waiver.

D. Unusual Family or Operational Circumstances Defined. Unusual family or operational circumstances are defined as those in which the Secretary of the Military Department concerned (or designee) determines that it is in the best interest of the government to permit payment of FSA to members who, through no fault of their own, must relocate in an unaccompanied status under certain circumstances.

1. The Military Services may waive provisions of subparagraphs 270301.A.1, 2, and 3 when it is in the best interest of the government to permit payment to members who, through no fault of their own, must relocate in an unaccompanied status for reasons of equity in unusual family or operational circumstances. Waiver under these circumstances is effective upon the date granted. This approval authority is hereby granted to:

a. Service Secretaries or their designated representatives at the headquarters level which governs compensation policy.

b. Combatant commands and Service major commands.

2. This waiver authority should be used prudently.

3. Waiver under these circumstances is effective upon the date granted:

a. When ordered to a new overseas duty station where terrorist activity would make it inappropriate for dependents to accompany the member;

b. When ships in overhaul make temporary homeport changes; or

c. When ordered, prior to January 1, 2002, to a new dependent-authorized duty station (in CONUS or overseas) to which dependent movement at government expense (***37 United States Code (U.S.C). 406***) is authorized, but the dependents cannot accompany the member to or at the permanent station for certified medical reasons. See subparagraph 270103.A.1.b, for rule effective January 1, 2002.

4. Provided the requirements of subparagraph 270103.A are met, other than the requirement that the member's dependents shall reside at the homeport or permanent duty station, a waiver issued by the Secretary of the Military Department concerned (or designee) shall apply for the entire period of deployment, interim period, and redeployment.

E. Delays Caused by the Government (Table 27-2, Note 4). The following are examples of delays in transportation of dependents due to government reasons:

Example 1: On July 1, a member's advance application for concurrent travel of dependents to the overseas station was disapproved by the CONUS commander due to lack of available government-owned transportation facilities. The commander's disapproval contained a statement that the anticipated delay for movement of dependents is more than 60 days. The member departed the old station on July 6 and arrived at the overseas station on July 7 where government quarters were not available. Dependents joined the member on September 26 having performed travel under orders dated September 10. The member was entitled to FSA for the period July 6 through September 25.

Example 2: The member applied for a dependency determination for his or her dependent mother on June 3 and was transferred overseas on September 14. After arrival overseas, the member received approval of the dependency application for his or her dependent mother retroactive to May 1. The mother was not authorized concurrent travel to the member's permanent station because the determination of dependency had not been made on the effective date of those orders. Delay in processing the dependency application was caused by the government. Before transfer overseas, the member had maintained quarters to be shared with his or her mother. An enforced separation resulted upon transfer overseas. Credit for FSA accrues from the date the member departed from the permanent station or the first day of authorized travel time, whichever is later, through the day before the date that his or her dependent mother arrived at the overseas station.

F. Changes in Tour Elections. See Table 27-2, rules 12 and 13.

* G. Dependents Evacuated. See Table 27-3, rule 16. A member is entitled to FSA if separated from dependents as a result of either an authorized evacuation or an ordered evacuation, provided that the requirements for FSA set forth in ***37 U.S.C. 427(a)*** are otherwise met.

H. Dependents' Travel Prohibited Under Immigration Laws. No entitlement to FSA-R accrues if a dependent is authorized transportation at government expense but is not eligible under immigration laws for entry into the United States before a member reports to the new permanent station. (Entitlement to FSA-T or FSA-S is not affected by this subparagraph.)

270302. Unit Ordered on Exercise for More Than 30 Days. Otherwise qualified members of a unit are entitled to FSA-T when the unit is ordered on an exercise for more than 30 days.

270303. Family Separation Allowance During a Missing Status

A. Special FSA Entitlement. A member with dependents, who entered a missing status during the Vietnam conflict, was entitled to a family separation allowance in the amount of $60 per month. This provision applied only to members who did not qualify for FSA under subparagraph 270103.A, prior to entering a missing status. Entitlement began on the date that the member was reported in a missing status and continued (or continues) for the period that the member was (is) carried in such status.

B. FSA-T During a Missing Status. FSA-T continues to accrue to a qualified member while in a missing status unless there is a change in the status of the dependents, which would terminate entitlement. See Table 27-4 (Date To Stop FSA). A member may qualify for FSA-T while in a missing status if a continuous period of more than 30 days is completed after entry into the missing status. See paragraph 270304.

Example: A member departed the permanent station on temporary duty August 9, was downed by hostile fire while flying over enemy territory on September 2, remained in a missing status until November 4, and returned to permanent station on November 10. The member qualified for FSA-T on September 8. If otherwise qualified, then entitlement exists to FSA-T for the period August 9 to November 9.

270304. Computation of Single or Multiple Periods of More Than 30 Days

A. FSA-T for Single Periods. Credit for FSA-T may not be applied until the member has been on TDY or TAD away from his permanent duty station continuously for more than 30 days. Compute this period as follows:

1. Count actual number of days in the month, including the day the member departs the permanent duty station on TDY and the day of return to the permanent duty

station. Include the 31st day of the month in this computation, even though payment is made on a 30-day month basis, as prescribed in section ***0102*** of this volume.

2. Include days of authorized travel time to and from the TDY station. When there is no delay enroute chargeable as leave, count the day of departure from the permanent station and the day of return to the permanent station. When delay enroute chargeable as leave is authorized, count the constructive day of departure and the constructive day of return. Compute these days as follows:

a. Constructive day of departure from the permanent duty station either is the actual date of detachment plus days of authorized leave, proceed time, and/or permissive travel days used, or the first day of authorized travel, whichever is later.

b. Constructive day of return to the permanent duty station is the actual date of return minus number of days leave authorized and used, minus the number of permissive travel days actually used.

Example 1: The member permanently stationed at site A is ordered TDY to site B for training of approximately 30 days. Training is to begin June 1. The member is authorized travel by privately owned conveyance (POC) as more advantageous to the government, and 5 days of leave enroute. The member departs from site A on May 25 and uses 5 days of leave enroute to site B. The member completes the training on June 27, departs from site B on June 28, and returns to duty at site A on June 30. Constructive day of departure is May 30. The period of absence is 32 days (May 30 - June 30). If the member qualifies under paragraph 270104, then entitlement exists to FSA-T for 30 days (i.e., there is no entitlement for May 31 and June 30).

Example 2: Circumstances are the same as in Example 1, except that the member uses 5 days of leave after completion of training. The member departs from site A on May 30, completes training on June 27, departs from site B on June 28, and returns to duty at site A on July 5. The constructive day of return is June 30. The period of absence is 32 days, computed as in example 1. If the member otherwise qualifies, then entitlement exists to FSA-T for 30 days.

3. When TDY is authorized in conjunction with PCS, include days of authorized travel time to the TDY station and from the TDY station to the new duty station. When there is no delay enroute or proceed time involved, count the day of departure from old duty station and the day of arrival at the new duty station. When delay enroute and proceed time are authorized and used, the day of departure from the old station and the day of arrival at the new station shall be constructed in the manner indicated in subparagraphs 270304.A.2.a and b. Proceed time authorized and used shall be included with the delay when making the computation. Consecutive assignments to TDY in conjunction with PCS may be combined in determining the 30-day period.

4. Under specific circumstances, when travel in connection with TDY is performed by POC for the convenience of the traveler, payment based on actual travel

expenses may be more economical to the government than payment based on constructive travel time over a usually traveled route. In that case, the JFTR authorizes travel payment based on the actual mode of transportation. In computing the more than 30 days required for entitlement to FSA-T under these circumstances, ensure that the computation is based on the mode of transportation which governed payment of the particular member's travel allowance. Computation for FSA-T entitlement under this subparagraph is not necessarily based on constructive travel time.

5. If a member's TDY status is interrupted, then do not combine days before the interruption with those after the interruption to compute a continuous period of more than 30 days. Periods of leave, hospitalization, military confinement in a pay status, or short visits to the permanent station do not interrupt the period unless the member is relieved from the attachment to the TDY station. A member who returns to the permanent station to assume a duty status (such as participation in official flights) does interrupt a period of temporary duty. If leave enroute is authorized after detachment from the TDY station, then add constructive travel time from the TDY station to the permanent station to the period of TDY in determining the 30-day period.

B. FSA-T for Multiple Periods of Deployment. Effective June 20, 1994, and provided the conditions of subparagraph 270103.A.3 are met, the periods of FSA-T eligibility for multiple periods of temporary duty deployment, including the periods between such deployments, are calculated as follows:

1. Although payment is made on a 30-day month basis, count the actual number of days in each applicable month, to include the 31st day of the month, as one of the actual days.

2. Calculate the FSA-T period of the initial TDY/TAD deployment to determine the initial deployment period as set forth in subparagraph 270304.A.

3. Interim and Redeployment Period

a. The interim period begins on the day after the initial deployment through the day prior to redeployment. The interim period must be 30 days or less.

b. The redeployment period begins the day that the member departs the permanent duty station (PDS) and ends upon return to the PDS. The redeployment period must be more than 30 days and shall be added to the interim period.

Example 1: The member permanently stationed at site A is ordered to perform TDY at site B for 45 days, with departure from PDS on January 2 and return to PDS on February 15. The member departs from PDS on March 18 for redeployment of 35 days. Since the member qualified for FSA-T for the initial deployment, he or she is eligible for continued FSA-T for the total 65 days of interim/redeployment period (actual interim period of 30 days and redeployment of 35 days).

Example 2: The member permanently stationed at site A is ordered to perform TDY at site B for 60 days, with departure from PDS on March 1 and return to PDS on April 29. The member departs from PDS on May 31 for redeployment of 40 days. Although the member qualified for the initial 60-day period deployment, he or she is ineligible for the interim period. The actual interim period is 31 days (April 30 - May 30). The member would be entitled to FSA-T for the actual redeployment period (40 days).

Example 3: The member permanently stationed at site A is ordered to perform TDY at site B for 31 days, with departure from PDS on June 1 and returns to the PDS on July 1. The member departs from PDS on July 2 for redeployment of 41 days. Since the member qualified for FSA-T for the initial deployment of 31 days, he or she is eligible for the continued FSA-T for the interim/redeployment period (actual interim period is 0 days, actual redeployment period is 41 days).

C. FSA-S for Single Periods. Credit for FSA-S may not be applied until the member has been on duty onboard a ship away from the homeport of the ship for a continuous period of more than 30 days. Periods of leave, temporary additional duty, hospitalization, military confinement in a pay status, or short visits by the member (not the ship) to the homeport of the ship do not interrupt the qualifying period unless the member is detached (PCS) from the ship. Consecutive assignments to duty on board two or more ships away from the homeport may be combined to meet this requirement. See Example 5. In computing the continuous period of more than 30 days, count the actual number of calendar days (including the 31st day of the month) that the member was on duty onboard a ship while it was away from its homeport. Include in this computation the day of departure onboard a ship from its homeport (or the day the member joins or rejoins a ship away from its homeport, if applicable) and the day of return onboard a ship to its homeport. The following examples show how to compute the more-than-30-day period and the related amount of FSA-S payable.

Example 1: A member onboard a ship that departs its homeport on June 15 and returns on July 15 is entitled to FSA-S in the amount of $75 (actual period of 16 days in June and 15 days in July = 31 days; 16 days in June and 14 days in July = 30 days for payment).

Example 2: A member onboard a ship that departs its homeport on October 5 and returns on November 4 is entitled to FSA-S in the amount of $72.50 (actual period of 27 days in October and 4 days in November = 31 days; 26 days in October and 3 days in November = 29 days for payment).

Example 3: A member onboard a ship that departs from its homeport on February 25 (non-leap year) and returns on March 26 is not entitled to FSA-S since the absence is not more than 30 days (actual period of 4 days in February and 26 days in March).

Example 4: A member who reports onboard a ship on May 25 while it is away from the homeport and returns with the ship to the homeport on June 30 is entitled to FSA-S in the amount of $87.50 (actual period of 7 days in May and 30 days in June = 37 days; 6 days in May and 29 days in June = 35 days for payment).

Example 5: A member onboard ship A that departed from its homeport on August 2 was transferred (PCS) to ship B on August 18 (detached and attached the same day) while ship B was away from its homeport. The member remains aboard ship B until it returned to the homeport on September 6. The member is entitled to FSA-S in the amount of $85 (actual period of 30 days in August and 6 days in September = 36 days; 29 days in August and 5 days in September = 34 days for payment).

D. FSA-S for Multiple Periods of Deployment. Effective June 20, 1994, and provided the conditions of subparagraph 270304.A.2 are met, the periods of FSA-S eligibility for multiple periods of temporary duty deployment aboard a ship, including the period between such deployments, are calculated as follows:

1. Although payment is made on a 30-day month basis, count the actual number of days in each applicable month by including the 31st day of the month as one of the actual days.

2. Calculate the FSA-S period of the initial deployment aboard a ship as set forth in subparagraph 270304.C.

3. Interim and Redeployment Period

a. The interim period begins on the day after the initial deployment through the day prior to redeployment. The interim period must be 30 days or less.

b. The redeployment period begins on the day that the member departs the ship's homeport and ends upon returning to the homeport. The redeployment period must be more than 30 days and shall be added to the interim period.

Example 1: A member is onboard a ship that departed from the homeport on January 2 and returned to the homeport on February 15. The same member is onboard a ship that departed from the homeport on March 18 for a redeployment of 35 days. Since the member qualified for FSA-S for the initial deployment, the member is eligible for continued FSA-S for the total 65 days of interim/redeployment period (actual interim period of 30 days and redeployment of 35 days).

Example 2: A member is onboard a ship that departed from the homeport on March 1 and returned to the homeport on April 29. The member also was onboard a ship that departed the homeport on May 31 for a redeployment of 40 days. Although the member qualified for the initial 60-day deployment, the member is ineligible for the interim period. Consequently, the actual interim period is 31 days (April 30 through May 30). The member would be entitled to FSA-S for the actual redeployment (40 days).

Example 3: A member is onboard a ship that departed from the homeport on June 1 and returned to the homeport on July 1. The same member was onboard a ship that departed the homeport July 2 for a redeployment of 41 days. Since the member qualified for FSA-S for the initial deployment of 31 days, he or she is eligible for the continued

FSA-S for the interim/redeployment period (actual interim period is 0 days, actual redeployment period is 41 days).

E. Restrictions. The following restrictions apply to subparagraphs 270304.A and B:

1. There are separate 30-day requirements to qualify for FSA-T or FSA-S, and periods of temporary duty and duty aboard ship while away from homeport may not be combined for the purpose of FSA entitlement.

2. Periods of hospitalization or temporary duty for more than 30 days by the member at a place residing with his or her dependents may not be included when calculating whether the 30-day requirement was met.

270305. Ship Moves From Homeport. When a ship moves from its homeport to another port within 50 miles of the homeport (or 1 and a half hours travel time as prescribed in paragraph 270203), those members attached to the ship, whose dependents do not reside at or near such homeport under the criteria of paragraph 270203, do not become entitled to FSA-S.

Example 1: A member, upon reassignment to a ship, moves the family to a location outside the current 50-mile (or 1 and a half hour travel time) limit from the homeport of the ship. When the movement of the ship is less than 50 miles (or 1 and a half hours travel time) from the homeport, FSA-S is not payable to those members. If, however, the ship moves more than 50 miles (or 1 and a half hours travel time) from the homeport, then FSA-S is payable if members otherwise are entitled.

Example 2: A member, upon reassignment to a ship, moves the family to a location outside the current 50 mile (or 1 and a half hour) limit of the ship's homeport of the ship. Subsequently, the ship moves from the homeport and, on the 29th day, docks at a port inside the 50-mile (1 and a half hour travel time) limit of the homeport for 5 days. The ship then returns to the homeport. The docking of the ship within the 50-mile limit would, for purposes of this example, have the same consequence as if the ship had returned to its homeport since (a) the member's dependents do not reside at or near the homeport, and (b) the ship did not move to a location more than 50 miles (or 1 and a half hours travel time) from the port. Therefore, entitlement to FSA-S does not accrue.

Example 3: A member, upon reassignment to a ship, moves the family to a location outside the current 50-mile (or 1 and a half hour) limit of the homeport of the ship, but actually commutes. A movement of the ship from the homeport results in the member being unable to commute. In this example, the member's dependents would be considered as being in the area of the homeport. Since, after movement of the ship to the new location, the member is unable to commute, the member would meet the requirement for FSA-S, provided the dependents resided more than 50 miles (or 1 and a half hours travel time) from the new location.

Example 4: A member, upon reassignment to a ship, moves the family to a location within the 50-mile (or 1 and a half travel time) limit, the movement of the ship

resulting in the residence being located outside the 50-mile/1 and a half hour limit for some of the members, but not all. Those members whose dependents reside more than 50 miles (1 and a half hours travel time) from the ship's new location and who do not commute, would fulfill the vicinity requirement for entitlement to FSA-S. Those members whose dependents reside within 50 miles (1 and a half hours travel time) of the ship's new location of the ship would not become entitled to FSA-S by virtue of the ship's movement.

270306. Member Married to Member with Dependent Child(ren). In the case of a member married to another member, and the couple has a child that either parent can claim for Basic Allowance for Housing (BAH), one parent may claim the child for entitlement to BAH and the other parent, when otherwise entitled, may claim the child for entitlement to FSA. The FSA entitlement may alternate between parents based on the same dependent; however, FSA may not be paid simultaneously to both members on behalf of the same dependent, except as provided in subparagraph 270103.D.2. See subparagraph 270301.D.

270307. Specific Conditions of Entitlement Family Separation Allowance. See Tables 27-1, 27-2, 27-3, and 27-4.

FSA, CONDITIONS OF ENTITLEMENT

RULE	A If a member	B and	C and	D then
1	is on TDY, including TDY within the United States	the member is entitled to FSA-R when entering such status (note 1)	the member's permanent station remains unchanged	FSA-R credit continues during TDY.
2	is hospitalized at or away from member's permanent station including hospitalization in the United States			FSA-R credit continues during period hospitalized.
3	is in military confinement or otherwise restricted by military authority			FSA-R credit continues during period confined or restricted.
4	is on authorized leave (accrued or advance) at or away from member's permanent station, including leave in the United States			FSA-R credit continues during leave.
5	is on authorized leave (accrued or advance) at residence where member's dependents reside		member's leave is followed by a period of temporary duty (any number of days) within commuting distance of residence where member's dependents reside (paragraph 270203)	FSA-R credit continues during leave but is suspended during period of TDY.
6	is on any status covered by rules 1 through 4, or enters such status		member's permanent station changes	FSA-R credit stops (note 2).
7	is reassigned PCS from a permanent station in the United States to a hospital for observation or treatment	the member's application for transportation of dependents to the hospital is disapproved by the hospital commander upon determination that prolonged treatment is not expected (note 3)	member meets requirements in note 1	the member is entitled to FSA-R.
8	enters any status covered by rules 2, 3, and 4	the member is entitled to FSA-T when entering such status	member is not relieved from attachment to the TDY station	member continues to receive FSA-T.

Table 27-1. FSA - Conditions of Entitlement

FSA, CONDITIONS OF ENTITLEMENT				
RULE	A	B	C	D
	If a member	and	and	then
9	is ordered to a hospital as a patient in attached status			the member is not entitled to FSA-T.
10	is on TDY for more than 30 days from member's permanent station	the member does not qualify for FSA-R at permanent station	member's permanent station remains unchanged	the member is entitled to FSA-T for authorized travel time to and from TDY station and for duty at that station (note 4).
11	is performing recruit/basic training, school, Officer Candidate School (OCS), travel or TDY enroute to initial permanent duty assignment/station	the member is entitled to FSA-R at new permanent duty assignment/station (note 4)		the member is entitled to FSA-R for recruit/basic training, school, OCS, travel or TDY and authorized travel period (note 4).
12	is on TDY for more than 30 days enroute to a new permanent assignment	the member does not qualify for FSA-R at this new station		the member is entitled to FSA-T for authorized travel time to and from the TDY station and for duty at that station (note 4).
13	is on temporary additional duty	the member is entitled to FSA-S when entering such status (note 1)	member remains assigned to duty aboard a ship which is away from its homeport	FSA-S accrues during the entire period of temporary additional duty (note 5).
14	is hospitalized away from the ship			FSA-S accrues during the period of hospitalization (note 5).
15	is on authorized leave			FSA-S accrues during period of leave (note 5).
16	is in military confinement on or away from the ship or otherwise restricted by military authority from performing duty			FSA-S accrues during the period that the member is confined or restricted.

Table 27-1. FSA - Conditions of Entitlement (Continued)

FSA, CONDITIONS OF ENTITLEMENT				
RULE	A	B	C	D
	If a member	and	and	then
17	is in any status covered by rules 13 through 16		the ship returns to homeport	entitlement to FSA-S ends on the day before ship returns to homeport.
18			member is detached from the ship while it is away from homeport	entitlement to FSA-S ends on date of detachment from ship (note 6).
19			member is detached from ship while it is away from homeport and is later reassigned to ship while it is away from its homeport	FSA-S accrues from date of reassignment to ship provided ship does not return to homeport in less than 31 days (note 6).
20	is on TDY redeployment of more than 30 days	following earlier TDY deployment of more than 30 days which qualified member for FSA-T	period between deployments is 30 days or less	member's entitlement to FSA-T continues.
21	is on board a ship redeployed for more than 30 days	following earlier deployment of more than 30 days which qualified member for FSA-S	period between deployments is 30 days or less	member's entitlement to FSA-S continues.
22	meets the qualifying requirements of any of the rules 1 through 21	member is married to another active duty member	the couple was residing together immediately before being separated by reason of military orders	member is entitled to FSA under the specific rule.
23	executes PCS orders causing a separation from the member's spouse			member is entitled to FSA-R under the specific rule.
24	meets the qualifying requirements of any of the rules 1 through 21	the member is married to another active duty member and the couple has dependents	the couple and dependents were residing together immediately before each member is separated by reason of military orders	each member is entitled to FSA under the specific rule. (note 7)

NOTES:

1. Must meet the requirements of paragraph 270103.
2. A new determination of entitlement is required if member's permanent station changes.
3. More than 90 days is prolonged hospitalization.
4. Members are not entitled to FSA-R or FSA-T during authorized leave enroute or proceed time (see Table 27-3, rules 1 and 2). See Table 27-4, rule 9 for date to stop FSA.

Table 27-1. FSA - Conditions of Entitlement (Continued)

NOTES: (cont.)

5. If the dependent's residence is within commuting distance of the place where member is in such status, then FSA-S will continue for 30 days only.
6. Does not apply if member is detached and attached the same day to another ship away from its homeport (subparagraph 270304.B).
7. Not more than one monthly allowance may be paid with respect to each member of a married military couple for any month. The dual allowance shall continue until one of the members is no longer assigned to one of those duty assignments. The other member shall continue to receive the allowance until no longer assigned to one of those duty assignments.

Table 27-1. FSA - Conditions of Entitlement (Continued)

FSA-R, OVERSEAS ASSIGNMENT				
RULE	A	B	C	D
	If an eligible member is	**and**	**and**	**then the member('s)**
1	selected for PCS overseas	the accompanied tour is not authorized		is entitled to FSA-R for entire unaccompanied tour (notes 1 and 6).
2		elects the unaccompanied tour instead of the authorized accompanied tour		is not entitled to FSA-R for the length of such tour, including tour extensions (note 5).
3		elects the accompanied tour	concurrent travel is authorized and dependents travel with member	is not entitled to FSA-R.
4		is assigned to an automatic concurrent travel area or an advance application area	application for concurrent travel has been approved by the area commander	is entitled to FSA-R if dependents do not travel with the member for government reasons (notes 2 and 4).
5		in status covered by rule 4	dependents arrive at member's overseas station	FSA-R stops the day before date dependents arrive.
6	selected for PCS overseas to an advance application area	application for concurrent travel is disapproved by area commander		is entitled to FSA-R until dependents arrive at overseas station. (This rule is qualified by rules 7 and 8.)
7			member fails to comply with area regulations for entry of the dependents	FSA-R is stopped when timely action is not taken under applicable regulations (note 3).
8			there is a delay of more than 60 days in dependent's arrival (60-day period begins on date of orders)	entitlement to FSA-R continues through day before dependents arrive at overseas station, not to exceed 60 days from date transportation of dependents is authorized, unless additional delay is caused by the government (note 4).
9	assigned overseas	one or more of the dependents live at or near the overseas station	member qualifies for FSA-R for the dependents who are not authorized to travel to the overseas station	is entitled to FSA-R.
10		after arrival at overseas station, an accompanied tour is authorized (previously unavailable) and member elects the accompanied tour		entitlement to FSA-R continues through the day before dependents arrive at overseas station, not to exceed 60 days from date transportation of dependents is authorized, unless additional delay is caused by the government (note 4).

Table 27-2. FSA-R - Overseas Assignment

FSA-R, OVERSEAS ASSIGNMENT				
RULE	A	B	C	D
	If an eligible member is	**and**	**and**	**then the member('s)**
11	assigned overseas	after arrival at overseas station, an accompanied tour is authorized (previously unavailable) and member does not elect the accompanied tour		entitlements to FSA-R continues based on original assignment under rule 1.
12		has previously elected the accompanied tour, but concurrent travel is not performed	reelects the unaccompanied tour before dependents depart CONUS	is not entitled to FSA-R on and after the date reelection is approved (note 5).
13		has failed to make a tour election before arrival at new duty station	makes unaccompanied tour election after arrival at the overseas station	is not entitled to FSA-R for the entire unaccompanied tour (note 5).
14			elects accompanied tour after arrival at the overseas station	period starting with the date the tour is approved through the day before dependents arrive at overseas station, not to exceed 60 days from date transportation of dependents is authorized, unless additional delay is caused by the government (note 4).

NOTES:

1. In all cases, entitlement exists only if dependents do not live at or near the duty station. (See paragraph 270203.) In areas where dependents are not permitted, member does not have to apply for transportation of dependents or to elect type of tour.
2. Where dependents' travel delay is not due to government reasons, but member is required to perform TDY enroute, family separation for period of TDY is considered to be due to military requirements and member is entitled to FSA-R under Table 27-1, rule 11.
3. FSA-R continues if member acted timely to apply for transportation of the dependents and the application was disapproved because of the lack of service retainability or time remaining in the overseas tour.
4. Delays due to government reasons include:
   a. lack of transportation facilities.
   b. disapproval by CONUS commanders.
   c. disapproval for reasons of health (pregnancy of wife, etc.).
   d. insufficient service retainability or time remaining in the overseas tour.
5. The Secretary of the Military Department concerned (or designee) may waive the provision in this rule to authorize FSA-R in cases where unusual family or operational circumstances exist for the member. See subparagraph 270301.D for conditions subject to waiver and individual Military Service regulations for procedures for requesting a waiver from the Secretary of the Military Department concerned (or designee).
6. This includes dependent-restricted tours and also situations where the member is not authorized to serve an accompanied-with-dependents tour in those locations where such tours are authorized.

Table 27-2. FSA-R - Overseas Assignment (Continued)

FSA, COMMENCEMENT DATES

RULE	A When an eligible member	B and he or she	C then FSA credit
1	departs the permanent station on PCS (not authorized FSA-R at old station), or TDY, including TDY in conjunction with PCS (note 1)	is not authorized proceed time or leave enroute	starts on date of detachment from old station (note 1).
2		is authorized proceed time or leave enroute	starts on the constructive date of detachment from the old permanent duty station (either the actual date of detachment plus days of authorized leave and/or proceed time, or the first day of authorized travel, whichever is later) (note 1).
3	departs homeport aboard ship, including a ship in an inactive status	remains in this status continuously for more than 30 days	starts on date of departure (note 2).
4	joins or rejoins a ship away from homeport	remains on duty on board a ship away from its homeport continuously for more than 30 days	starts on first day that member boards ship away from its homeport (note 2).
5	acquires an initial dependent after the date of departure from old station enroute to PCS overseas, but no later than the effective date of the PCS order (FSA-R) (notes 6 and 7)	meets conditions of Table 27-2, rule 1	starts on the date that a member acquires a dependent or the constructive date of detachment from old station (Table 27-2, rule 2), whichever is later.
6		meets conditions of Table 27-2, rule 13, note 5, or rule 14	(if any) starts according to Table 27-2, rule 13, note 5, or rule 14.
7	acquires an initial dependent after the date of departure from old station enroute to PCS overseas (member is not entitled to FSA-R, at the overseas station), but no later than the effective date of the PCS order (note 6)	is on TDY enroute with 30 days or more remaining after the date dependent is acquired, and not within commuting distance of dependent's residence	for the period of TDY starts on the date the member acquires dependent (FSA-T) (note 1).
8	a. acquires a dependent after the effective date of the PCS order (note 6), but before member's date of departure on subsequent reassignment PCS, and b. dependent does not live at or near member's permanent duty station (FSA-R)	is not on TDY/TAD	starts on date member acquires dependent.
9		is on leave (co-resident with dependent or not)	
10		is on TDY/TAD not within commuting distance of dependent's residence	
11		is on TDY/TAD within commuting distance of dependent's residence	starts on member's date of return to permanent duty station.

Table 27-3. FSA - Commencement Dates

FSA, COMMENCEMENT DATES

RULE	A When an eligible member	B and he or she	C then FSA credit
12	a. acquires dependent after the effective date of the PCS orders (note 6), but before member's date of departure on subsequent reassignment PCS, and b. dependent does not live at or near the member's permanent duty station (where member is not entitled to FSA-R)	is on TDY/TAD with 30 days or more remaining after the date dependent is acquired, and not within commuting distance of dependent's residence	for the period of TDY starts on the date that the member acquires a dependent (FSA-T) (note 1).
13		remains away from homeport aboard ship for more than 30 days after the date the dependent is acquired	starts on the date that the member acquires a dependent (FSA-S) (note 1).
14	has newly acquired dependent who joins member at duty station at member's expense	confirms whether dependent is making change of residence or temporary social visit	is based on paragraph 270202 (temporary social visit) or paragraph 270203 (change of residence).
15		relocates dependent away from duty station at member's expense	starts on the date of a dependent's departure from the duty station (note 5).
16	has dependent depart overseas duty station at government expense because of evacuation (other than medical), under determination of the Secretary concerned (or designee) as being in national interest, or for other emergency reasons not personal or caused by dependent's misconduct (note 3)		starts on the date of a dependent's departure from the duty station.
17	reports on board ship after a change of homeport has been declared	does not reside with dependents at or near the current homeport of the ship	starts on the date the member reports on board ship (note 4).

NOTES:

1. Do not pay FSA-T or FSA-S until the member has been on TDY/TAD or on duty aboard ship away from homeport continuously for more than 30 days (or, if applicable, for more than 30 days after the date that a dependent is acquired). In computing the amount payable, the 31st day of any month should be excluded from the computation and February should be treated as if it actually had 30 days. (See paragraph 270304.)
2. Does not apply if the ship is in a port (other than its homeport) located within commuting distance of the residence of the member's dependents continuously for more than 30 days. Also see paragraph 270305.
3. These circumstances are covered in ***JFTR, volume 1***, paragraphs U5240-C, U5240-B. FSA does not accrue if evacuation under paragraph U5240-B was caused by the dependent's misconduct. Entitlement to FSA does not accrue if dependents are returned for reasons indicated under JFTR, paragraph U5240-D.

Table 27-3. FSA - Commencement Dates (Continued)

4. FSA-R does not accrue if the member was on board ship when the change in homeport was declared, except under paragraph 270301.
5. If already started under paragraph 270202, then entitlement continues upon departure of dependents from the duty station.
6. The effective date of PCS orders is the date a member is required to begin travel from the old permanent duty station (PDS) or the last temporary duty station, in order to arrive at the new PDS on the date authorized by the mode of transportation authorized. (***JFTR, Appendix A, Effective Date of PCS Orders***)
7. A member who acquired initial dependent after the date of departure from old station enroute PCS to CONUS from overseas or enroute PCS within CONUS, but no later than the effective date of the PCS order, is entitled to travel for dependent at government expense based on ***JFTR, Volume 1, Chapter 5***; therefore, the member is not entitled to FSA-R. (In this case, no tour election provision exists to overcome the travel provision.)

Table 27-3. FSA - Commencement Dates (Continued)

DATE TO STOP FSA

RULE	A If a member	B then FSA credit continues through
1	has dependents who arrive at the duty station with intent to establish a residence	the day before dependents arrive (note 1).
2	on next reassignment, arrives at a station where member does not qualify for FSA	the day before the date on which the member arrives at new station (note 5).
3	returns from TDY (TAD) of more than 30 days	the day before date of the member's return from TDY (TAD) (note 2).
*4	is in a non-pay status for any period	the day before the date entering such status, except as provided in subparagraph 010302.E.
5	has sole dependent in an institution, and if the stay in the institution continues	the day before 1 year from the date that the member's sole dependent entered an institution (note 3).
6	is on board a ship away from its homeport	the day before ship returns to homeport or date of detachment from ship, whichever is earlier (note 4).
7	reports on board a ship after a change of homeport has been declared	the effective date of the change of homeport.
8	has only secondary dependents who reside with relatives or friends	the day before the date the dependents move to home of relatives or friends.
9	completes period of TDY of more than 30 days in conjunction with PCS	the day before the date the member arrives at the new station (note 2).
*10	has dependent(s) who return to the PDS after departing in conjunction with authorized or ordered evacuation	the day before the date dependent(s) return.

NOTES:

1. See paragraph 270202 for temporary social visits.
2. If delay enroute and/or proceed time is authorized, then use the constructive date. (See subparagraph 270304.A.)
3. Applies when stay in the institution is initially not expected to exceed 1 year.
4. FSA-S continues if the member is detached and attached the same day to another ship away from its homeport.
5. If a delay enroute and/or proceed time is authorized and used, then use a constructive date of arrival. Constructive date will be computed by deducting the number of days' leave and/or proceed time authorized and used from the actual date of arrival.

***Table 27-4. Date to Stop FSA**

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	Note 4	45 Comp Gen 838

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 29
"CLOTHING MONETARY ALLOWANCES"

All changes are denoted in blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Unless otherwise noted, chapters referenced in this chapter are contained in this volume.

Hyperlinks are denoted by *underlined, bold, italic, blue font*

This updated chapter supersedes the previously published version dated May 2011.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Tables 29-1, 29-2, 29-4, 29-6, 29-7, 29-8, Bibliography	Published initial clothing and supplementary allowance rate increases and decreases effective October 1, 2011.	Update

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CHAPTER 29

CLOTHING MONETARY ALLOWANCES

2901 GENERAL PROVISIONS

290101. Clothing Allowance Entitlement. By law and under Presidential Executive Order, the Secretary of Defense (or the Secretary's designee) annually may prescribe the quantity and kind of clothing to be furnished to an enlisted member of the Military Services, and may prescribe the amount of cash allowance to be paid if clothing is not so furnished. It is Department of Defense (DoD) policy that the quantities and kinds of items of individual clothing to be furnished shall be prescribed by the individual Service Secretary or the Commandant of the Marine Corps under the parameters set by the Deputy Under Secretary of Defense (Military Personnel Policy).

290102. Types of Allowances. There are three basic types of clothing allowances:

A. Initial Clothing Allowances are provided to enlisted members upon initial enlistment or upon other special qualification for entitlement to a prescribed outfitting of uniforms. The initial issue may be an in kind issue or a combination of in kind issue and cash payment.

B. Cash Clothing Replacement Allowances are provided to enlisted members upon the anniversary month each successive year following the provision of an initial clothing allowance. Cash clothing replacement allowances are for replacement of required uniform items based on a normal wear rate.

C. Extra Clothing Allowances are additional to initial and replacement allowances and do not reduce, replace or otherwise affect them. Extra clothing allowances provide for unusual circumstances when an enlisted member may require additional uniform items or when an officer (with a permanent duty station outside the United States) or enlisted member may require civilian clothes to perform their assigned duties.

290103. References. The following regulations detail the entitlements, policies, and procedures on the quantity and kind of clothing that must be provided, the cash allowance in lieu thereof, and the provisions for payment of clothing replacement allowances.

A. Army: ***AR 700-84***.

B. Navy: MILPERSMAN, ***Bureau of Naval Personnel Instruction1020.11***.

C. Air Force: ***AFMAN 65-116V1***, ***AFMAN 65-116V2*** and ***AFI 36-3014***.

D. Marine Corps: ***MCO P10120.28G***.

2902 INITIAL CLOTHING ALLOWANCES

290201. Standard Initial Clothing Allowance – General Provisions. The Standard Initial Clothing Allowance mainly is provided as an in kind issue, although a cash payment may be made for items not furnished in kind. Each Service, as approved by the Deputy Under Secretary of Defense (Military Personnel Policy), may prescribe cash payments for items specifically designated to be purchased by the member rather than to be furnished in kind. Additionally, if any of the items of clothing normally prescribed to be furnished in kind are not available for issuance, then the initial allowance may be completed by paying the member the cash value of the balance remaining. The Standard Initial Clothing Allowance rates, including prescribed cash payments for personal purchase of specified items, are in Table 29-1.

A. The total monetary value of items furnished in kind, plus any cash payments, may not exceed the amounts for the total value of the applicable Standard Initial Clothing Allowance as established in Table 29-1.

B. If a Service member dies, is discharged, or is released from active duty within six months of entitlement to an initial allowance, then the value of the initial allowance shall be reduced to the items of clothing already supplied or amount credited up to that date.

C. Army and Marine Corps. Enlisted members of the Army and Marine Corps entitled to a Standard Initial Clothing Allowance are furnished the allowance on an item or issue in kind basis without establishing a monetary credit. Payment of the amount prescribed in the initial allowance as a cash allowance may be made immediately. Shortages of items being furnished on an in kind basis shall be recorded and issued when available to the Service member.

D. Navy and Air Force. Enlisted members of the Navy and Air Force entitled to a Standard Initial Clothing Allowance are credited with the amount of the allowance against which the authorized clothing is furnished. Immediate payment of the amount prescribed in the initial allowance as a cash payment for personal purchase of specified items may be made. If any of the prescribed items of clothing to be furnished in kind against the established credit are not available for issuance by the conclusion of basic training period, or within a period the Service considers appropriate, then the initial allowance may be completed by paying the individual the balance remaining in cash.

290202. Standard Initial Clothing Allowance - Entitlement Criteria. Enlisted personnel (except those entitled to a Special Initial Clothing Allowance) shall be furnished a Standard Initial Clothing Allowance, but only under the following circumstances:

A. Upon first enlistment in the Service, or reenlistment in the same branch of the regular Military Service, if 3 months has expired from date of last discharge or release from active duty and the member is not reporting from a Reserve component that requires the member to maintain uniform clothing.

B. Upon enlistment or reenlistment in a Service other than the one from which last discharged.

C. Upon reporting for or upon recall to active duty for more than 6 months, after 3 months have expired from the date of last discharge or release from active duty with the clothing required for service in a Reserve component. In these cases, the initial allowance shall be reduced to a partial Standard Initial Clothing Allowance under regulations of the appropriate Service, to account for clothing required to be in the person's possession upon call or recall to active duty.

D. Upon being restored to duty, after being sentenced to confinement and punitive discharge, to the extent needed to fill the individual's clothing requirement.

E. Upon reenlisting within 3 months of last discharge or release from active duty, when the Service member did not receive the complete initial allowance or was required to turn in issued clothing. The amount allowed, shall be the difference between the current initial clothing allowance and the current value of issued clothing that remained in the member's possession upon the date of last discharge or release from active duty, further reduced by any prior cash clothing payments toward the initial clothing allowance. For the purposes of determining entitlement to replacement allowances, issues or payments under this subparagraph are not considered to be the last authorization of an initial allowance.

F. Upon recall to active duty after 3 months from the date of last release from active duty or retired enlisted personnel (including Service members of the Fleet Reserve and the Fleet Marine Corps Reserve) recalled to active duty after 3 months from the date of last release from active duty or retirement. Only one such allowance shall be authorized during any period of four consecutive years.

G. Upon reversion to service on active duty commissioned officers or warrant officers under temporary appointments who enlisted or reenlisted, or who reverted to service on active duty in an enlisted (other than Chief Petty Officer) status, except for purposes of retirement. Only one such allowance is authorized in any period of four consecutive years.

H. Upon reversion to enlistment in or reenlistment in the regular Navy, Naval officer candidates, and Naval Reserve Chief Petty Officers who revert to or are enlisted or reenlisted in the regular Navy in pay grade E-6 or below, except for purposes of retirement; provided they previously have not received a Standard Initial Clothing Allowance during their current period of continuous active duty.

290203. Special Initial Clothing Allowance - General Provisions. Enlisted members may be authorized a Special Initial Clothing Allowance if assigned to a tour of duty, or if they attain a status, requiring the wear of uniform clothing (other than special dress uniforms) of a style different from uniforms customary for most enlisted members of the same Service. Only one Special Initial Clothing Allowance is authorized during any period of continuous active duty. The Special Initial Clothing Allowance rates are in Table 29-2.

A. The Special Initial Clothing Allowance is provided in lieu of the Standard Initial Clothing Allowance when it is the first initial allowance qualified for and issued. The Special Initial Clothing Allowance supersedes and replaces the Standard Initial Clothing

Allowance and is considered to be the last authorization of an initial clothing allowance when a member who previously received a Standard Initial Clothing Allowance subsequently qualifies for and is provided a Special Initial Clothing Allowance. The Special Initial Clothing Allowance may be issued in kind, paid as a monetary payment, or provided as a combination, as established by the Service concerned.

B. Examples of uses for Special Initial Clothing Allowance are when members in an enlisted status enter an officer training program, are advanced to Chief Petty Officer in the Navy, or are assigned to a military band with uniform styles different than those for others in their pay grade.

290204. Special Initial Clothing Allowance - Eligibility Criteria. Enlisted personnel shall be furnished a Special Initial Clothing Allowance only under the following circumstances:

A. Upon selection and acceptance for specified officer-training programs.

B. In pay grade E-6 or below, upon assignment to either the United States Navy Band, Washington, DC, or the United States Naval Academy Band or selection for temporary appointment as a Limited Duty Officer in the Navy.

C. Upon first advancement to or first enlistment as a Chief Petty Officer in the Navy, while serving on active duty, provided no Special Initial Clothing Allowance has been previously paid. Effective October 1, 2009, Chief Petty Officers of the Naval Reserve who are assigned to Selected Reserve and Voluntary Training Units are entitled to a full Special Initial Clothing Allowance upon first advancement to Chief.

D. For Chief Petty Officers in the Naval Reserve who were advanced before October 1, 2009. Upon first reporting for active duty for a period of 6 months or greater as a Chief Petty Officer of the Naval Reserve, provided no Special Initial Clothing Allowance has been previously paid either on active or inactive duty. If a Special Initial Clothing Allowance has been previously paid on inactive duty, then the Chief Petty Officer is entitled to a partial Special Initial Clothing Allowance in accordance with the Note at Table 29-2.

E. Upon active duty reenlistment or receipt of orders to active duty as a Chief Petty Officer in the Navy, provided all of the following requirements are met:

1. Over 3 months has expired from date of last discharge, release from active duty or retirement,

2. The enlistment or reenlistment period is for a period of more than 6 months,

3. Appointment to temporary officer status is not coincident with the enlistment or reenlistment, and

4. The member has not been paid a Special Initial Clothing Allowance within the last 4 years while on inactive duty.

290205. Partial Initial Clothing Allowances. Enlisted personnel shall be paid a reduced or partial initial allowance when payment of a full Standard Initial Clothing Allowance or full Special Initial Clothing Allowance is not warranted due to an enlisted member reporting for or being recalled to active duty for more than 6 months, after 3 months have expired from the date of last discharge or release from active duty with the clothing required for service in a Reserve component.

2903 CASH CLOTHING REPLACEMENT ALLOWANCES

290301. General. Cash Clothing Replacement Allowances for uniform items shall be paid to enlisted members to provide them funds for the replacement of military unique items required for wear. Enlisted members engaged in officer training programs or who are attending academy preparatory schools are not eligible for Cash Clothing Replacement Allowances. Specific entitlement rules are listed in Table 29-3. Cash Clothing Replacement Allowance rates are listed in Table 29-4.

290302. Basic Cash Clothing Replacement Allowance. This is a preliminary replacement allowance for uniform items. It is used during the first 3 years of active service subsequent to receipt of a Standard Initial Clothing Allowance or a reduced or partial Standard Initial Clothing Allowance.

A. It accrues to each enlisted member beginning with the first day of the month following the date of completion of 6 months of active duty without regard to time lost. The first payment shall be made at the end of the member's anniversary month completing 1 year of uninterrupted active military service in an amount equal to one-half the applicable fiscal year rate then in effect.

B. When authorized under regulations of the Service concerned, enlisted members of a Reserve component who received a reduced or partial Standard Initial Clothing Allowance may be authorized to accrue the Basic Cash Clothing Replacement Allowance beginning with the first day of the month following the date of call or recall to active duty in a pay status.

C. The Basic Cash Clothing Replacement Allowance continues for the first 3 years of continuous active duty. It is payable for the second and third years at the end of the member's anniversary month using the applicable rate then in effect.

290303. Standard Cash Clothing Replacement Allowance. This allowance provides for replacement of uniform items after completion of 3 years of active service subsequent to receipt of a Standard Initial Clothing Allowance or a reduced or partial Standard Initial Clothing Allowance. It is also used as the preliminary replacement allowance during the first 3 years of active service subsequent to receipt of a Special Initial Clothing Allowance or a reduced or partial Special Initial Clothing Allowance.

A. When used as the follow on to the Basic Cash Clothing Replacement Allowance, the Standard Cash Clothing Replacement Allowance accrues beginning with the first day of the month following the date the member completes 36 months active duty without regard to time lost. It continues during the remaining period of continuous active duty and is payable annually at the end of the Service member's anniversary month using the applicable rate then in effect.

B. When used as the preliminary replacement allowance for the Special Initial Clothing Allowance, the Standard Cash Clothing Replacement Allowance accrues beginning with the first day of the month following the date the Special Initial Clothing Allowance or a reduced or partial Special Initial Clothing Allowance was authorized without regard to time lost. It is payable annually, for the first 3 years of continuous active duty, at the end of the Service member's anniversary month using the applicable rate then in effect.

290304. Special Cash Clothing Replacement Allowance. This allowance provides for replacement of uniform items after completion of 3 years of active service subsequent to receipt of a Special Initial Clothing Allowance. It accrues beginning with the first day of the month following the date the member completes 36 months active duty, subsequent to receiving a Special Initial Clothing Allowance or a reduced or partial Special Initial Clothing Allowance, without regard to time lost, and continues during the remaining period of continuous active duty. It is payable annually at the end of the Service member's anniversary month using the applicable fiscal year rate then in effect. During the period for which the Special Cash Clothing Replacement Allowance is payable, the Service member is not entitled to any other cash clothing replacement allowance.

2904 EXTRA CLOTHING ALLOWANCES

290401. General. Extra Clothing Allowances are provided in addition to any other entitled clothing allowance. Entitlement to or payment of an Extra Clothing Allowance does not replace or reduce any other clothing allowance.

290402. Supplementary Clothing Allowances. In addition to any other clothing allowance authorized, an enlisted member may become entitled to a Supplementary Clothing Allowance. Supplementary Clothing Allowances may be authorized only for an enlisted member assigned to duty in a special organization or detail where the nature of the duty necessitates that he or she have, as a military requirement, additional quantities or special items of individual uniform clothing normally not required for most enlisted members in the same Service. Except for maternity uniforms, Supplementary Clothing Allowances may not exceed 30 percent of the current value of the Standard Initial Clothing Allowance.

A. Entitlement

1. A Supplementary Clothing Allowance may be provided as an in kind issue, as a cash payment, or as a combination of an in kind issue and a cash payment. Generally, Navy and Air Force members are provided Supplementary Clothing Allowances as

cash payments, whereas Army and Marine Corps members are normally provided Supplementary Clothing Allowances as in kind issues.

2. On the anniversary of receipt of an initial Supplementary Clothing Allowance, a subsequent Supplementary Clothing Allowance may be authorized for a member remaining in the qualifying assignment, provided the member is projected to remain in the assignment for at least 6 additional months. A Service member who has received a Supplementary Clothing Allowance may not be authorized a subsequent supplementary allowance for the same items upon reassignment to duty, if less than 12 months have elapsed since the last payment. The Service Secretary or Commandant of the Marine Corps (or designees) may waive this restriction under circumstances they deem appropriate.

3. As an exception to the above, an otherwise qualified member may not receive the Supplementary Clothing Allowance for maternity uniforms more often than once every 3 years.

B. Rates Payable

1. Army provides Supplementary Clothing Allowances as in kind issues that are described in ***AR 700-84.***

2. Navy and Air Force provide Supplementary Clothing Allowances as cash payments. The Navy Supplementary Clothing Allowance rates are listed in Table 29-5. The Air Force Supplementary Clothing Allowance rates are listed in Table 29-6.

3. Marine Corps provide Supplementary Clothing Allowances as a combination of in kind issues and cash payments. The portion of Marine Corps Supplementary Clothing Allowances provided as cash payments are listed in Table 29-7.

290403. Civilian Clothing Allowances for Officers and Enlisted Personnel. In addition to any other clothing allowance authorized, Service members (officer or enlisted) directed by competent authority to dress in civilian clothing more than half the time when performing official duty, as a military requirement, may be authorized a Civilian Clothing Allowance. By law, an officer is authorized a Civilian Clothing Allowance only if his or her permanent duty station is outside the United States. During any period in which an enlisted member is on an assignment requiring the wear of civilian clothing, the applicable replacement allowance for uniform items continues to accrue. The Service Secretary or Commandant of the Marine Corps may prescribe reduced civilian clothing allowances, as appropriate for their respective Service, for personnel serving under conditions where the full authorized Civilian Clothing Allowances in Table 29-8 are not required.

A. Permanent Duty Civilian Clothing Allowances. The Permanent Duty Civilian Clothing Allowance has two parts, the Initial Civilian Clothing Allowance and the Replacement Civilian Clothing Allowance. The Initial Civilian Clothing Allowance is payable upon assignment to qualifying permanent duty when authorized by the Service concerned. When entitled, the Replacement Civilian Clothing Allowance is payable annually at the end of the

service member's anniversary month using the applicable rate then in effect. The rates payable for the Permanent Duty Civilian Clothing Allowances are in Table 29-8.

1. Initial Civilian Clothing Allowance. An Initial Civilian Clothing Allowance shall not be paid more frequently than once in any 3-year period nor shall it be paid if the member has been out of a qualifying assignment for less than 12 months. If the member receives a follow-on permanent assignment requiring the wear of civilian clothing within 3 years of receiving an Initial Civilian Clothing Allowance, or within 12 months of occupying a qualifying assignment, then he or she will receive the Replacement Civilian Clothing Allowance at the end of the original anniversary month.

2. Replacement Civilian Clothing Allowance. At the end of the anniversary month of the member commencing the qualifying assignment, a Replacement Civilian Clothing Allowance is payable if it is projected that he or she will serve at least 6 additional months in a qualifying assignment. The member becomes entitled upon authorization of the Service concerned. If it is projected that the member will remain in the assignment less than 6 months beyond the anniversary month, then no Replacement Civilian Clothing Allowance will be authorized. However, if the member then actually serves 6 or more months in the assignment past the anniversary month, then the replacement allowance will be paid.

3. Lump Sum Payments. A Service may be given authority to pay the Initial Civilian Clothing Allowance and up to two Replacement Civilian Clothing Allowance payments in an up-front lump sum to members when it is projected that they will continue to meet the eligibility criteria for a Civilian Clothing Allowance on a career basis. Such a lump-sum payment may be made only one time in a member's career and that is when the member first becomes eligible for the allowance. On the first or second anniversaries after a lump-sum initial payment; if it is determined the member actually will not be remaining in a qualifying position for at least the next 6 months, then the annual unearned portion for the year(s) not served will be recouped from the member. At the end of the anniversary months for the third and subsequent years of eligibility, the member will be paid the Replacement Civilian Clothing Allowance.

4. Prior Civilian Clothing Payments. A member assigned to duty for which a Permanent Duty Civilian Clothing Allowance is authorized will have that allowance reduced by the prevailing value of any Temporary Duty Civilian Clothing Allowance received within the preceding 12 months.

B. Temporary Duty Civilian Clothing Allowances. Generally, the Temporary Duty Civilian Clothing Allowance is for use when the Permanent Duty Civilian Clothing Allowance is not applicable. The Temporary Duty Civilian Clothing Allowance has two maximum rates, one for temporary duty of at least 15 days within any 30-day period and one for temporary duty of at least 30 days within any 36-month period. The total amount of all Temporary Duty Civilian Clothing Allowances payable in any 36-month period will not exceed the maximum allowed for temporary duty of at least 30 days. The amounts authorized by the Service concerned shall be within the maximum rates established in Table 29-8.

1. Temporary Duty of at Least 15 Days. When competent authority determines the member will be on temporary duty at least 15 consecutive or accumulative days within a 30-day period, the maximum amount payable is that found in Table 29-8. The 15-day threshold requirement does not apply to Explosive Ordnance Disposal and Explosive Detector Dog Personnel on United States Secret Service Support Duty, Defense Courier Service couriers, or Defense Threat Reduction Agency military personnel. These personnel may be authorized up to the maximum payment for temporary duty of at least 30 days, upon their initial temporary duty assignment, regardless of the length of their temporary duty.

2. Temporary Duty of at Least 30 Days. When competent authority determines that a member will be on temporary duty at least 30 consecutive or accumulative days within a 36-month period, the maximum amount payable shall be that found in Table 29-8, less any amount paid within the past 36-month period.

3. Additional Temporary Duty Payments. In exceptional circumstances, the appropriate official, or the designated official, may make an exception to the maximum allowance permitted in a 36-month period and may authorize an additional payment of a 15-day or 30-day allowance or some lesser amount. This authority may not be delegated below the level of an Assistant Secretary in the Army, Navy and Air Force, or the Deputy Chief of Staff for Manpower and Reserve Affairs in the Marine Corps.

2905 MISCELLANEOUS CLOTHING PROVISIONS

290501. Reserve Component Allowances. Generally, items of individual clothing required by Reserve Component personnel on active duty for periods of less than 6 months, or while on inactive duty, are furnished as in kind issues. The prescribed cash portion of the Standard Initial Clothing Allowance may be paid to the Reserve member at the time that their initial allowance is issued for items designated to be personally purchased and not issued in kind. Members of Reserve components on active duty for periods of less than 6 months or on inactive duty are not entitled to any Civilian Clothing Allowances. Further guidance for payment of clothing allowances for Reserve members is set forth in ***Chapters 57*** and ***58***.

290502. Lost or Damaged Clothing. Service members shall be compensated for clothing items destroyed, damaged, lost, abandoned, captured, or otherwise rendered unusable, or an incident to military training or service, if the loss was not caused by any fault or negligence of the member. The Service concerned shall prescribe procedures for such compensation.

290503. Clothing Price Adjustments. Enlisted members of the Navy and Air Force entitled to an Initial or Partial Initial Clothing Monetary Allowance upon entering the Service may require adjustment to their pay records. When the entitlement date is on or before September 30, but all clothing items have not been issued prior to October 1, adjust the pay record to reflect the difference between old and new fiscal year prices of those items not issued.

290504. Settlement of Cash Clothing Allowances. Cash clothing replacement allowances always are paid on the last day of the anniversary month in which the member earned the entitlement, except when prorated as a result of discharge before the end of the anniversary

month. Supplementary Clothing Allowances are paid when the entitlement is approved by the authorizing official. Other Cash Clothing Allowances will be settled as outlined in Table 29-9.

STANDARD INITIAL CLOTHING ALLOWANCES - Effective October 1, 2011					
	A	B	C	D	E
RULE	When an entitled enlisted member is	and is	then the total value of the Standard Initial Clothing Allowance is	and the prescribed cash payment portion for purchase of specified items is	and the Partial Initial cash allowance for a member of the Reserves or Guard called to active duty is
1	Army	male	$1438.78	$75.88	$0
2		female	$1662.46	$352.06	$0
3	Navy (E1-E6)	male	$1697.30	$228.50	$0
4		female	$1921.22	$449.53	$0
5	Air Force	male	$1428.29	$75.00	$0
6		female	$1643.36	$349.72	$0
7	Marine Corps	male	$1733.55	$0	$0
8		female	$1788.80	$254.50	$0

***Table 29-1. Standard Initial Clothing Allowances - Effective October 1, 2011**

SPECIAL INITIAL CLOTHING ALLOWANCES —Effective October 1, 2011					
	A	B	C	D	E
RULE	When an entitled enlisted member is	and is	then the total value of the Special Initial Clothing Allowance is	and the prescribed cash payment portion to be paid is	and the Partial Initial cash allowance for a member of the Reserves or Guard called to active duty is
1	in pay grade E-6 or below and assigned to the Navy Band, Washington, DC, or the US Naval Academy Band or selected for temporary appointment as a Limited Duty Officer in the Navy	male	$1082.50	$1082.50	$0
2		female	$918.50	$918.50	$0
3	eligible to wear the uniform of a chief petty officer (E7-E9) (See Note 1)	male	$1082.50	$1082.50	$541.25
4		female	$918.50	$918.50	$459.25
5	selected for officer training in the Navy and enters Officer Candidate School (OCS), the Broadened Opportunity for Officer Selection and Training (BOOST) Program, the Enlisted Commissioning Program (ECP), or the Seaman to Admiral Program	male	$1665.95	$1665.95	$0
6		female	$1893.99	$1893.99	$0
7	a direct civilian accession student to the Air Force Officer Training School (OTS)	male	$835.50	$835.50	
8		female	$1079.70	$1079.70	
9	an enlisted accession student to the Air Force Officer Training School (OTS)	male	$348.90	$348.90	
10		female	$348.90	$348.90	
11	assigned to the United States Air Force Academy Preparatory School	male	$916.50	$916.50	
12		female	$916.50	$916.50	

NOTE:

1. Navy Reserve personnel advanced to Chief Petty Officer on or after 1 October 2009 are entitled to the full Special Initial Clothing Allowance. Chief Petty Officers in the Navy Reserve who were advanced before 1 October 2009 were only paid a partial Special Initial Clothing Allowance and are entitled to a Partial Initial Clothing Allowance when called to active duty for 6 months or more.

***Table 29-2. Special Initial Clothing Allowances - Effective October 1, 2011**

ENTITLEMENT TO CASH CLOTHING REPLACEMENT ALLOWANCES			
RULE	A	B	C
	When a member	and is not	then the member is entitled to an annual
1	completes 6 months of active duty after last entitlement to a standard initial, partial standard initial or reduced standard initial clothing allowance (Note 1)	missing, missing-in-action, captured, or detained in a foreign country; nor forfeiting total pay; nor in confinement under approved sentence providing a punitive discharge (Note 2); nor assigned to a command where clothing is replaced by an in kind issue; nor undergoing training leading to a commission or attending an academy preparatory school; nor terminated from the status for which a special initial clothing monetary allowance was awarded	basic cash clothing replacement allowance, accruing from the first day of the month following the date of completion of 6 months' active duty through the end of the 36th month of active duty. On completion of the 12th month of uninterrupted active duty, payment will be made for one-half the annual rate and the full annual rate thereafter. Annual payments will be made at the end of the member's anniversary month of active duty (Note 3).
2	completes 6 months of active duty as an officer candidate (Note 1)		
3	becomes entitled to a special initial, partial special initial or reduced special initial clothing allowance		standard cash clothing replacement allowance accruing from the first day of the month following the date the special initial clothing allowance is awarded and continuing for the first 36 months of such active duty. Annual payments will be made at the end of the member's anniversary month of active duty (Note 3).
4	completes 36 months of active duty after last entitlement to a standard initial, partial standard initial, or a reduced standard initial clothing allowance (Note 1)		standard cash clothing replacement allowance accruing from the first day of the month following the date of completion of 36 months' active duty. Annual payments will be made at the end of the member's anniversary month of active duty (Note 3).
5	completes 36 months of active duty after last entitlement to a special initial, partial special initial, or a reduced special initial clothing allowance (Note 1)		special cash clothing replacement allowance accruing from the first day of the month following the date of completion of 36 months' active duty. Annual payments will be made at the end of the member's anniversary month of active duty (Note 3).

NOTES:

1. The time period is computed without regard to lost time.
2. The term "approved sentence" means the date the sentence was approved by the convening authority.
3. If a member serves on this active duty less than 12 months or less than 12 months after the last annual payment, then a prorated amount will be paid, calculated at one-twelfth of the annual rate for each whole month or fractional month served. Example: A member on a 3-year enlistment leaves service after serving 2 years, 6 months, and 10 days. The final payment would be an amount equal to 7/12 of the annual amount.

Table 29-3. Entitlement to Cash Clothing Replacement Allowances

CASH CLOTHING REPLACEMENT ALLOWANCES – Effective October 1, 2011					
	A	B	C	D	E
RULE	When an entitled enlisted member is	and is	then the value of the Basic Cash Clothing Replacement Allowance is	and the value of the Standard Cash Clothing Replacement Allowance is	and the value of the Special Cash Clothing Replacement Allowance is
1	Army	male	$309.60	$440.86	$0
2		female	$345.60	$493.76	$0
3	Navy	male	$338.40	$482.40	$716.40
4		female	$338.40	$482.40	$763.20
5	Air Force	male	$230.40	$331.20	$0
6		female	$262.80	$374.40	$0
7	Marine Corps	male	$410.40	$583.20	$0
8		female	$414.00	$604.80	$0

NOTES:

1. Members of the U. S. Naval Academy Band, the U.S. Navy Washington DC band and all Navy Chief Petty Officers receive these allowances as follow-on to the Special Initial Clothing Allowances.

***Table 29-4. Cash Clothing Replacement Allowances - Effective October 1, 2011**

NAVY SUPPLEMENTARY CLOTHING ALLOWANCES – EFFECTIVE APRIL 1, 1998			
	A	B	C
RULE	When a Navy enlisted member is assigned to	then the supplementary clothing allowance to be paid in cash is	and the frequency of payment is (note 1)
1	shore duty in a BUPERS controlled recruiting billet or a recruiting support billet (Note 2)	$220.00	annual.
2	the US Navy Ceremonial Guard	$200.00	only upon assignment.
3	the Ceremonial Guard Unit, Naval Air Facility, Washington DC	$120.00	
4	duty in the executive part of the Department of the Navy located at the seat of government (field activities excluded)	$15.00	
5	duty in the Office of the Secretary of Defense including the Office of the Joint Chiefs of Staff	$15.00	
6	duty as a recruit company commander at naval training centers or Naval Air Reserve training unit (Memphis) and meets eligibility requirements (Note 3)	$220.00	annual.
7	duty as a recruit drill instructor at naval training centers and meets eligibility requirements (Note 3)	$220.00	
8	duty with Naval Administrative Unit, Washington DC	$125.00	only upon assignment.
9	the CNO Retention Team	$220.00	annual
10	a unit of the armed forces police or permanent shore patrol	$50.00	only upon assignment.
11	duty as a member assigned to (1) Transient Monitoring Unit, Enlisted Personnel Management Center, New Orleans; (2) Personnel and Administrative Assistance Team, Atlantic; (3) Personnel and Administrative Assistance Team, Pacific; or (4) Reserve Personnel Management Assistance Team (RPMAT)	$185.00	
12	duty as the Master Chief Petty Officer of the Navy (MCPON) or a Master Chief Petty Officer of a Fleet or Force	$220.00	annual
13	active duty or Selected Reserve duty and the individual's condition requires the wearing of a maternity uniform	$225.00	once in 3 years.
14	duty as a musician with a Fleet/Area Band, U.S. Navy Band Washington DC or Naval Academy Band	$220.00	annual.
15	duty as a midshipmen company advisor in pay grade E7 – E9 at the United States Naval Academy	$220.00	

NOTES:

1. The supplementary clothing allowances listed are, unless otherwise noted, payable upon initial assignment to a normal tour of the duties described at the frequency specified in this table. Allowances to be paid as annual allowances will be paid upon assignment and upon each subsequent anniversary date of the initial assignment or entitlement, provided the member is projected to remain in the assignment for at least an additional 6 months. Allowances to be paid as once in 3 year allowances, will be paid after 36 months from the date of any prior payment, provided the individual's condition/duties continue to require the supplementary allowance and they are projected to remain in the assignment for at least 6 additional months. Allowances to be paid as only upon assignment allowances will be paid only when first assigned to the specified duty. A supplementary allowance may not be paid more frequently than once per year for similar duty even if at different locations or commands or for subsequent recalls to active duty within 1 year, except by special authority of the Service Secretary or his designee.
2. Recruiting or recruiting support duty means active duty assignment to: Navy recruiting areas, Navy recruiting districts, Navy recruiting "A" stations, Navy recruiting stations, Military Entrance Processing Stations, or to Naval Reserve activities. It also includes Naval aviation cadet procurement teams at Naval Air Reserve activities. It is payable to recruiters after reporting to the enlisted Navy Recruiter Orientation Course or upon completion of the Veteran Recruiter Orientation (VETRO). It is payable to recruiting support personnel upon receipt of orders to such duty. It is payable to members in BUPERS controlled recruiting billets or a recruit support billet upon initial assignment when specialized training is not required prior to the recruiting assignment.
3. Eligibility requires completion of Recruit Company Commander or Recruit Drill Instructor School.

Table 29-5. Navy Supplementary Clothing Allowances

AIR FORCE SUPPLEMENTARY CLOTHING ALLOWANCES – EFFECTIVE OCTOBER 1, 2011			
	A	B	C
RULE	When an Air Force enlisted member is assigned to	then the supplementary clothing allowance to be paid in cash is	and the frequency of payment is (note 1)
1	duty as an in-flight passenger service steward	$183.90	annual.
2	Detachment 1, 4950th Test Wing	$183.90	
3	89th Air Wing Presidential Aircrew	$183.90	
4	Headquarters USAF/CC as member of the security police	$124.50	only upon assignment.
5	89th Air Wing as a member of the security police	$124.50	annual.
6	the United States Air Force Band, the Air Force Band of the Rockies, or a numbered Air Force band	$183.90	once in 3 years.
7	Hammer Ace	$183.90	only upon assignment.
8	duty as a basic military training instructor or manager	$235.50	annual.
9	duty as a cadet military training advisor at the United States Air Force Academy	$183.90	
10	duty as a basic military training instructor at the United States Air Force Academy Preparatory School	$183.90	
11	a recruiting group or squadron	$235.50	
12	represent the Air Force as one the 12 Outstanding Airmen of the Year	$235.50	only upon assignment.
13	duty as a professional military education instructor	$235.50	annual.
14	duty at a MAJCOM as a member of the security police Elite Guard	$124.50	only upon assignment.
15	duty as a member of the security police Elite Gate Guards	$124.50	
16	duty as a student at the Security Forces Specialist Course (Law Enforcement & Security Specialist Students)	$100.20	
17	duty as the Chief Master Sergeant of the Air Force	$235.50	annual.
18	duty as the Chief Master Sergeant of the Air Force Staff	$235.50	only upon assignment.
19	duty as a USAFA radio maintenance work center technician	$153.60	once in 3 years.
20	a military entrance processing station	$153.60	annual.
21	active duty and the individual's condition requires the wearing of a maternity uniform (Note 2)	$337.20	once in 3 years.
22	active duty and the individual's condition requires the wearing of a maternity uniform when the individual is provided, as government issue, maternity working uniforms (e.g. hospital workers, Note 2)	$120.60	
23	duty as a Military Training Leader (Technical Training Schools)	$235.50	annual.

***Table 29-6. Air Force Supplementary Clothing Allowances - Effective October 1, 2011**

NOTES:

1. The supplementary clothing allowances listed are, unless otherwise noted, payable upon initial assignment to a normal tour of the duties described and at the frequency specified in this table. Allowances to be paid as annual allowances will be paid upon assignment and upon each subsequent anniversary date of the initial assignment or entitlement, provided the member is projected to remain in the assignment for at least an additional 6 months. Allowances to be paid as once in 3 year allowances, will be paid after 36 months from the date of any prior payment, provided the individual's condition/duties continue to require the supplementary allowance and they are projected to remain in the assignment for at least 6 additional months. Allowances to be paid as only upon assignment allowances will be paid only when first assigned to the specified duty. A supplementary allowance may not be paid more frequently than once per year for similar duty even if at different locations or commands or for subsequent recalls to active duty within 1 year, except by special authority of the Service Secretary or his designee.
2. When the reduced maternity uniform allowance has been paid and the member subsequently qualifies for a full maternity uniform allowance within 3 years of the reduced payment, the member will receive only the difference between the two allowances. A member may not receive more than the full maternity uniform allowance value within any 36-month period. A reduced maternity uniform allowance may not be paid within 36 months of a full maternity uniform allowance.

*Table 29-6. Air Force Supplementary Clothing Allowances Effective October 1, 2011(Continued)

MARINE CORPS SUPPLEMENTARY CLOTHING ALLOWANCES – EFFECTIVE OCTOBER 1, 2011			
RULE	A	B	C
	When a Marine Corps enlisted member is assigned to	then the supplementary clothing allowance to be paid in cash is	and the frequency of payment is (note 1)
1	a unit or position that qualifies a male staff non-commissioned officer (SNCO) for either a Medium or Large Blue Supplementary Uniform Allowance	$58.00	only upon assignment.
2	a unit or position that qualifies a female staff non-commissioned officer (SNCO) for either a Medium or Large Blue Supplementary Uniform Allowance	$72.00	
3	recruiting duty following graduation from Recruiters School as a male staff non-commissioned officer (SNCO)	$58.00	
4	recruiting duty following graduation from Recruiters School as a female staff non-commissioned officer (SNCO)	$72.00	
5	recruiting duty following graduation from Recruiters School as a male sergeant or below (E-1 to E-5) (Note 2)	$0	
6	recruiting duty following graduation from Recruiters School as a female sergeant or below (E-1 to E-5) (Note 2)	$0	
7	to the Commandants' Staff of the United States Naval Academy as a male staff non-commissioned officer (SNCO) enlisted advisor (Note 2)	$58.00	
8	to the Commandants' Staff of the United States Naval Academy as a female staff non-commissioned officer (SNCO) enlisted advisor (Note 2)	$64.00	
9	duty as a male student at the Naval Academy Preparatory School	$1228.55	
10	duty as a female student at the Naval Academy Preparatory School	$1239.25	
11	duty as the Sergeant Major of the Marine Corps	$225.12	

NOTES:

1. The supplementary clothing allowances listed are, unless otherwise noted, payable upon initial assignment to a normal tour of the duties described and at the frequency specified in this table. Allowances to be paid as annual allowances will be paid upon assignment and upon each subsequent anniversary date of the initial assignment or entitlement, provided the member is projected to remain in the assignment for at least an additional six months. Allowances to be paid as once in three year allowances, will be paid after 36 months from the date of any prior payment, provided the individual's condition/duties continue to require the supplementary allowance and they are projected to remain in the assignment for at least six additional months. Allowances to be paid as only upon assignment allowances will be paid only when first assigned to the specified duty. A supplementary allowance may not be paid more frequently than once per year for similar duty even if at different locations or commands or for subsequent recalls to active duty within one year, except by special authority of the Service Secretary or his designee.

2. The Marines will be issued the uniform items.

***Table 29-7. Marine Corps Supplementary Clothing Allowances Effective October 1, 2011**

CIVILIAN CLOTHING ALLOWANCES FOR OFFICERS AND ENLISTED MEMBERS EFFECTIVE OCTOBER 1, 2011		
RULE	A	B
	When an officer or enlisted member is entitled to a Civilian Clothing Allowance for	then the amount of payment is (notes 1 and 2)
1	permanent duty initial payment	$954.00
2	permanent duty annual replacement payment	$318.00
3	temporary duty of at least 15 days in a 30-day period (Note 3)	$318.00
4	temporary duty of at least 30 days in a 36-month period	$636.00

NOTES:

1. By law, an officer is authorized a civilian clothing allowance only if the officer's permanent duty station is outside the United States.
2. Unless exception is given, the maximum amount payable for all temporary duty performed in any 36-month period will not exceed the maximum prescribed for duty of at least 30 days.
3. The 15-day qualification requirement does not apply to explosive Ordnance Disposal and Explosive Detector Dog personnel on United States Secret Service support duty, Defense Courier Service couriers, or Defense Threat Reduction Agency military personnel. These personnel may be authorized up to the maximum Temporary Duty Civilian Clothing Allowance for 30 days upon their initial temporary duty travel requirement.

***Table 29-8. Civilian Clothing Allowances for Officer and Enlisted Members – Effective October 1, 2011**

SETTLEMENT OF CASH CLOTHING ALLOWANCES							
RULE	A	B				C	D
	When member is entitled to	and is a member of the				and has	then
		Army	Navy	Marine Corps	Air Force		
1	a Standard Initial Clothing Allowance, a reduced or Partial Standard Initial Clothing Allowance		X			completed 6 months of active duty (Note)	settle balance of allowance due.
2			X		X	drawn clothing equaling or exceeding the allowance	settle amount, collect amount due from member, if appropriate.
3					X	completed 30 days of active duty (Note)	settle balance of allowance due.
4			X			completed recruit training	settle balance of allowance due.
5			X		X	reenlisted in the same branch of the Regular Service subsequent to expiration of 3 months from date of last discharge or release from active duty	pay or credit amount authorized immediately.
6	a Special Initial Clothing Allowance or a reduced or Partial Special Initial Clothing Allowance		X		X		pay or credit amount authorized immediately.
7	an initial cash allowance for personal purchase of specified items	X	X	X	X	established entitlement to an initial clothing allowance	pay or credit amount authorized immediately.
8	a civilian clothing allowance	X	X	X	X		pay or credit amount authorized immediately.

NOTE:
On discharge, release from active duty, or death, before completion of 6 months of active duty (Navy), or 30 days (Air Force), reduce the monetary clothing allowance to amount of clothing already supplied.

Table 29-9. Settlement of Cash Clothing Allowances

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SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 30
"OFFICERS' UNIFORM AND EQUIPMENT ALLOWANCE"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

This updated chapter supersedes the previously published version dated September 2009

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Updated references and hyperlinks.	Update
Bibliography	Added references.	Add

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CHAPTER 30

OFFICERS' UNIFORM AND EQUIPMENT ALLOWANCE

3001 ENTITLEMENT

In accordance with guidance contained in this chapter, officers of the Armed Forces of the United States may be entitled to an initial uniform allowance and/or an additional active-duty uniform allowance as reimbursement for the purchase of required uniforms and equipment.

3002 INITIAL UNIFORM ALLOWANCE

300201. General. Officers of the Armed Forces of the United States are entitled to an initial uniform allowance as provided in this section.

300202. When Payable. Except as provided in the NOTE in this paragraph, the initial uniform allowance is payable only once to an officer:

A. Upon first reporting for active duty (other than for training) for a period of more than 90 days. A member entering active duty as an officer in a Regular Component, upon Reserve Officer Training Corps (ROTC) graduation, is considered to have entered into active duty for more than 90 days.

B. Upon completing at least 14 days of active duty or active duty for training as a member of a Reserve Component.

C. Upon completing 14 periods of inactive-duty training as a member of the Ready Reserve. Each period of inactive-duty training must be of at least 2 hours' duration.

D. Upon reporting for the first period of active duty required of a member of the Armed Forces Health Professions Scholarship Program.

NOTE: Upon transfer to another Reserve Component that requires a different uniform, a Reserve officer may receive another initial uniform allowance.

300203. Amount Payable. All officer personnel commissioned or appointed in the Regular or Reserve Components of the Army, Navy, Air Force, and Marine Corps are authorized $400 as reimbursement for the purchase of uniform and equipment, regardless the source of commission or previous enlisted status.

300204. Restrictions

A. If a member has received an initial uniform allowance in any amount as an officer under conditions other than those listed in subparagraphs 300202.A, B, C, or D, then the member cannot again be entitled to the initial uniform allowance.

B. Regular officers may not receive this allowance when transferring to another Military Service.

C. Only periods of duty that require wearing of the uniform are counted for entitlement to the initial uniform allowance.

D. An officer must be determined physically qualified for active duty before entitlement to an initial uniform allowance accrues.

3003 ADDITIONAL ACTIVE-DUTY UNIFORM ALLOWANCE

300301. General. Officers of Reserve Components, officers of the Army or Air Force of the United States without specification of component, and ROTC graduates appointed in the Regular Components are entitled to an additional active-duty uniform allowance as provided in this section.

300302. When Payable

A. This allowance is payable each instance of entry or reentry into active duty, or active duty for training (including authorized travel time) for more than 90 days. The period served may be under orders specifying active duty for more than 90 days, or under two or more orders requiring a continuous period of more than 90 days' active duty.

B. An officer commissioned in a Regular Component, upon ROTC graduation, accrues entitlement to the allowance on commencement of duty as a Regular officer. The officer is considered then to have entered on active duty for more than 90 days.

300303. Amount Payable. The additional active-duty uniform allowance is payable to qualified officers in the amount of $200 as reimbursement for the purchase of required uniforms and equipment.

300304. Restrictions

A. This allowance is not payable if the officer has received an initial uniform allowance of more than $400 during the current tour of active duty, or within 2 years prior to entering the current tour.

B. This allowance is not payable when the tour of duty for which payment is being considered began within 2 years after the end of a previous period of active duty, or active duty for training of more than 90 days. This applies whether or not a uniform allowance was paid for the previous tour of duty. It applies only if the prior service was performed as a Reserve officer, as an officer of the Army or Air Force of the United States, without specification of component, or as a Regular officer commissioned upon ROTC.

C. An officer of a Reserve Component or of the Army or Air Force of the United States, without specification of component, is not due this allowance solely because of appointment in or transfer to the Army, Air Force, or another Reserve Component.

D. A Reserve officer ordered to an indefinite tour of active duty, or active duty for training, is not entitled to this allowance until the member completes more than 90 days of that tour.

E. Only periods of duty requiring the wearing of the uniform are counted for entitlement to the allowance prescribed in this paragraph.

F. To be entitled under this paragraph, an officer must be determined physically qualified for active duty.

300305. Computation of 2-Year Period. Compute the 2-year period during which no active duty or active duty for training was performed as follows:

A. When an officer is ordered to active duty, or active duty for training, for a period of more than 90 days, the 2-year period begins on the day following the day of release from active duty or active duty for training.

Example 1: A Reserve officer was ordered to active duty for training under orders specifying a 92-day tour of duty to begin March 1, 2005, and to end May 31, 2005. The officer actually was released from active duty for training May 31, 2005. The 2-year period began on June 1, 2005. Entitlement to the next additional active-duty uniform allowance accrues if the officer is called to active duty, or active duty for training, for a period of more than 90 days on or after June 1, 2007.

Example 2: If the officer in Example 1 served 35 days of a tour of active duty under orders specifying duty of more than 90 days, and was released from active duty for training April 4, 2005, then the 2-year period started April 5, 2005. Entitlement to the next additional active-duty uniform allowance accrues if the officer is called to active duty, or active duty for training for a period of more than 90 days, on or after April 5, 2007. Refund of allowance or any portion thereof is not required since entitlement was based on reporting for active duty for a period of more than 90 days.

B. When an officer is ordered to active duty for training for an indefinite period, and serves more than 90 days, the 2-year period begins on the day following the day of release from active duty.

Example 1: A Reserve officer was ordered to active duty for training for an indefinite period to begin March 1, 2005. The officer was released from active duty July 1, 2005. On the 91st day of duty (May 30, 2005), the officer was entitled to the allowance as of the first day of duty (March 1, 2005) if other conditions of entitlement were met. The 2-year period

starts July 2, 2005. Entitlement to the next additional active-duty uniform allowance accrues if the officer is called to active duty, or active duty for training, for a period of more than 90 days on or after July 2, 2007.

Example 2: If the Reserve officer in Example 1 (this subparagraph) was released from active duty on April 4, 2005 after serving only 35 days, then he or she would not be entitled to the additional active-duty uniform allowance for that period of active duty for training.

C. When an officer is separated from a Regular Component and is later appointed an officer in a Reserve Component and ordered to active duty, or active duty for training, for more than 90 days, the 2-year period restriction in subparagraph 300304.B does not apply. Exception: Regular officers appointed upon completion of ROTC training after October 12, 1994, are subject to the 2-year restriction.

Example: An officer was separated from a Regular Component on June 30, 2005, and was appointed an officer in a Reserve Component on July 1, 2005. The member reported for active duty for more than 90 days on May 1, 2007. The member was entitled to the additional active-duty uniform allowance when reporting on the present tour of active duty, since the previous tour was as a Regular officer.

3004 DETERMINATIONS

300401. First-Time Reporting for Active Duty and Allowances. An officer reporting for active duty for the first time, who meets the requirements for entitlement to the initial uniform allowance and the additional active-duty uniform allowance, is entitled to receive both allowances subject to the restrictions of paragraphs 300204 and 300304.

300402. Received Initial Uniform Allowance. An officer who receives, or has previously received, an initial uniform allowance as an officer under any conditions other than those listed in subparagraphs 300202.A, B, C, or D is not eligible to receive the initial uniform allowance upon transfer to, or appointment in, another Reserve Component or the Army or Air Force of the United States, without specification of component.

300403. Reserve Officers' Uniform Allowance Entitlements. A Reserve officer who receives, or has previously received, an initial uniform allowance under the conditions listed in subparagraphs 300202.A, B, C, or D, and again qualifies for the initial uniform allowance and/or the additional active-duty uniform allowance by meeting the basic requirements of this chapter, is eligible to receive the initial and/or the additional allowance upon transfer to, or appointment in, another Reserve Component or the Army or Air Force of the United States, without specification of component, if the wearing of a different uniform is required.

300404. Reserve Officers' Additional Allowance Entitlement. If otherwise eligible, a Reserve officer is entitled to be paid the additional active-duty uniform allowance even if the member has not received an initial uniform allowance.

3005 CIVILIAN CLOTHING MONETARY ALLOWANCE

300501. Officers' Civilian Clothing Allowance. Officers assigned to a permanent duty station outside the United States, who are required to wear civilian clothing all or a substantial portion of the time in the performance of official duty, may be authorized an allowance for civilian clothing.

300502. Entitlement and Rate for Civilian Clothing Allowance. Entitlement criteria and allowance rates for civilian clothing allowances are specified in ***Chapter 29, paragraph 290403*** of this volume.

BIBLIOGRAPHY

CHAPTER 30 – OFFICERS' UNIFORM AND EQUIPMENT ALLOWANCE

3002 – INITIAL UNIFORM ALLOWANCE

300202.E	37 U.S.C. 417(b)
300204.A	37 U.S.C. 415(b)

3003 – ADDITIONAL ACTIVE-DUTY UNIFORM ALLOWANCE

300302.A	33 Comp Gen 250 Public Law 107-107, section 606, December 28, 2001
* 300304.A	37 U.S.C. 416
300304.B	43 Comp Gen 265
300304.D	33 Comp Gen 242
300305	42 Comp Gen 550

3004 – DETERMINATIONS

300403	37 U.S.C. 417(b)
300404	43 Comp Gen 729 Public Law 100-180, December 4, 1987 OASD(FM&P) (MM&PP)(C) Memo, February 1, 1988

* 3005 – CIVILIAN MONETARY CLOTHING ALLOWANCE

37 U.S.C. 419

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 31
"PERSONAL MONEY ALLOWANCE"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Former 310102	Renumbered as 310103.	Update
310102 Bibliography	Inserted authority for Admirals and Vice Admirals, in certain positions, to receive Personal Money Allowance.	Add

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310101 Officers
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310103 Enlisted Members

3102 Monthly Amounts Payable

3103 Taxability and Withholding Tax

Table 31-1 Personal Money Allowance – Amounts Payable

* Bibliography

CHAPTER 31

PERSONAL MONEY ALLOWANCE

*3101 ENTITLEMENT

310101. Officers. Officers in the capacities listed in Table 31-1 (Personal Money Allowance — Amounts Payable) who are entitled to receive basic pay are also entitled to receive a personal money allowance. This allowance is in addition to any other pay or allowance authorized.

* 310102. Allowance for Certain Naval Officers. A naval officer assigned in a position listed in rules 5 through 9 of Table 31-1 and who simultaneously serves in the grade of Admiral or Vice Admiral is entitled to the Personal Money Allowance for the grade in addition to the one set forth for the position.

310103. Enlisted Members. An enlisted member, serving as the senior enlisted member of his or her Military Service, is also entitled to receive a personal money allowance. This allowance is in addition to any other pay or allowance authorized.

3102 MONTHLY AMOUNTS PAYABLE

See Table 31-1.

3103 TAXABILITY AND WITHHOLDING TAX

Personal money allowance is subject to Federal and state income tax withholding.

PERSONAL MONEY ALLOWANCE—AMOUNTS PAYABLE			
RULE	**A**	**B**	**C**
	If the member is serving	**then the annual amount payable is**	**and is paid monthly at the rate of**
1	as Chairman of the Joint Chiefs of Staff, Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army or Air Force, Chief of Naval Operations, Commandant of the Marine Corps, or Commandant of the Coast Guard (note 1)	$4,000 (note 2)	$333.33
2	as a senior member of the Military Staff Committee of the United Nations and entitled to the grade, pay, and allowances of a lieutenant general or vice admiral (note 1)	$2,200 plus $500 authorized in rule 4	$225.00
3	in the grade of general or admiral	$2,200	$183.33
4	in the grade of lieutenant general or vice admiral	$500	$41.67
5	as the Director of Naval Intelligence (note 1)	$5,200	$433.33
6	as the Superintendent of the Naval Academy (note 1)		
7	as the President of the Naval War College (note 1)	$1,000	$83.33
8	as the Commandant of Midshipmen at the Naval Academy (note 1)	$800	$66.67
9	as the Superintendent of the Naval Postgraduate School (note 1)	$400	$33.33
10	as the Sergeant Major of the Army, the Master Chief Petty Officer of the Navy, the Chief Master Sergeant of the Air Force, the Sergeant Major of the Marine Corps, the Senior Enlisted Advisor for the Chairman of the Joint Chiefs of Staff, or the Master Chief Petty Officer of the Coast Guard (note 1)	$2,000	$166.67

NOTES:

1. This allowance is based on a specific duty assignment, and it does not accrue before the date member starts or after the date member is released from such duty assignment.
2. This amount is in place of any other personal money allowance authorized.

Table 31-1. Personal Money Allowance — Amounts Payable

BIBLIOGRAPHY

CHAPTER 31 - PERSONAL MONEY ALLOWANCE

3101 - ENTITLEMENT

	310101	37 U.S.C. 413-414 Public Law 78-482, section 4, December 14, 1944 (58 Stat. 803) as amended by, Public Law 89-501, section 302
*	310102	37 U.S.C. 414(b)
	310103	37 U.S.C. 414(c) Public Law 106-398, section 609, October 30, 2000

* 3102 - MONTHLY AMOUNTS PAYABLE

37 U.S.C. 414(a)

3103 - TAXABILITY AND WITHHOLDING TAX

Treas. Reg. 1.62-2
Treas. Reg. 31.3401(a)-1
31 CFR 215.8

Table 31-1	37 U.S.C. 413 and 414
Rule 1	37 U.S.C. 413
Rule 10	Public Law 109-163, section 685, January 6, 2006

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 32
"ADVANCE, LOCAL, PARTIAL AND EMERGENCY PARTIAL PAY"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Unless otherwise noted, chapters referenced are contained in this volume

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PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
320103.B	Clarified repayment while assigned to a Hostile Fire/Imminent Danger Pay Area.	Update
Table 32-2	Reconstructed to accurately reflect current laws and policies.	Update
Bibliography	Updated statutes.	Update

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320105 Advance of Basic Allowance for Subsistence (BAS)
320106 Advance Pay Upon Evacuation of Members or Dependents
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320111 Advance Pay for Senior Reserve Officer Training Corps (SROTC) Cadets and Midshipmen Ordered to Field Training or Practice Cruises

3202 Local, Partial, and Emergency Partial Payments

320201 Local and Partial Payments
320202 Emergency Partial Payment

Table 32-1 Advance Payments—Eligibility and Amounts Payable

* Table 32-2 Repayment of Advances

Table 32-3 Payment Procedures

* Bibliography

CHAPTER 32

ADVANCE, LOCAL, PARTIAL AND EMERGENCY PARTIAL PAY

3201 ADVANCE PAYMENTS

320101. Advance Pay for Permanent Change of Station (PCS)

A. General Provisions. The purpose of an advance payment is to give funds to a member to meet extraordinary expenses incident to a government-ordered relocation. It is intended to assist with the out-of-pocket expenses, not typical of day-to-day military living, that precede or exceed reimbursements incurred in a member's change of duty locations. An advance of pay shall not be authorized for the specific out-of-pocket expenses covered by advances of other allowances and entitlements, if those advances are used (to include travel allowances and per diem, overseas station housing allowance, basic allowance for housing, and dislocation allowance).

B. Commander's Responsibility. The member's commander has a responsibility to ensure that an advance of pay is used only to help with the financial burden of a PCS. This financial burden can be complicated when a member files for bankruptcy. Commanders should be aware when a member has filed for bankruptcy and then makes a request for an advance pay. Some Bankruptcy Court jurisdictions hold that a creditor does not have the authority to recoup any post-petition debt, including advance pay, without permission from the Bankruptcy Court. This is true in cases when a member has filed a Chapter 13 bankruptcy. In such instances, the government may not be able to collect any amount of the advance pay unless the Defense Finance and Accounting Service (DFAS) receives approval from the court or after the bankruptcy is discharged or terminated. Additionally, in situations when DFAS has withheld funds for repayment of the advanced pay, DFAS will have to return the funds to the member. Accordingly, commanders should approach such advance pay requests fully aware that the government may not be able to collect the advance pay from the member even though the advanced pay was issued after the member filed for bankruptcy.

C. Entitlement. The conditions and amounts payable are contained in Table 32-1.

D. Repayment. Advances are repaid per Table 32-2.

E. Effect on Allotments. Do not pay an advance of pay in an amount that will require the stoppage of allotments for insurance or support of dependents. No allotment may be started after the advance is made if that allotment would prevent repayment of the advance of pay within the allowed period. If separation of the member from the Service is imminent, then stop all allotments necessary to collect the advance.

F. Military Service Regulations. The following regulations provide additional guidance appropriate for the specified Military Service:

1. Army: ***AR 37-104-4***;

2. Navy: ***MILPERSMAN 7220-300***;

3. Air Force: ***AFMAN 65-116 V1***; and

4. Marine Corps: ***MCO 7220.21E***.

320102. Advance of Pay and Allowances. An advance of pay is to ease hardships imposed by the lack of regular payments when a member is mobilized, ordered to duty at distant stations, or deployed aboard ships for more than 30 days.

A. Entitlement. The conditions and amounts payable are contained in Table 32-1, rules 7 through 10.

B. Repayment. These advances are repaid per Table 32-2, rules 6 through 10.

320103. Advance Pay for Assignment of 1 Year or More to Hostile Fire/Imminent Danger Pay Area

A. Entitlement. A member may be paid an advance of basic pay not to exceed 3 months less deductions. The conditions and amounts payable are contained in Table 32-1, rule 3.

* B. Repayment. This advance is repaid based on Table 32-2, rule 11; however, advance pays not fully collected prior to the death of a member will not be collected against the estate of a deceased member.

320104. Advance Pay When Ordered to Indoctrination Center

A. Entitlement. A member may be paid an advance of basic pay not to exceed 15 days. The conditions and amounts payable are contained in Table 32-1, rule 4**.**

B. Repayment. Collect the advance in full from the member's next available payday.

320105. Advance of Basic Allowance for Subsistence (BAS)

A. Entitlement. An enlisted member may be paid an advance of BAS not to exceed 3 months if the member is entitled to BAS and the commanding officer authorizes the payment following a determination that it is necessary. Individual Military Service regulations may limit BAS advances to less than 3 months.

B. Repayment. This advance is repaid based on Table 32-2, rule 12.

320106. Advance Pay Upon Evacuation of Members or Dependents. The purpose of this advance is to give funds to evacuated members or dependents to cover costs of travel, food, and other needs.

A. Entitlement. The conditions and amounts payable are contained in Table 32-1, rule 5.

B. Repayment. The advances are repaid per Table 32-2, rule 13.

320107. Advance of Allotment(s) to Dependents. The purpose of this advance payment is to allow a member to be paid the amount of an allotment(s) to dependent(s) if the member is assigned or scheduled for assignment to sea duty or other duty with a unit or command deployed or to be deployed outside the United States and the allotment(s) is made by the member not more than 60 days before the scheduled date of the assignment of the member to this duty.

A. Entitlement. The conditions and amounts payable are contained in Table 32-1, rule 6.

B. Repayment. This advance is repaid per Table 32-2, rule 14.

320108. Advance Pay for Members of the Armed Forces Health Professions Scholarship Program (AFHPSP) on Active Duty

A. Entitlement. An advance of pay, not to exceed basic pay for 1 month, may be paid to a member of the AFHPSP when reporting for the annual 45-day active duty tour.

B. Repayment. Collect the advance in full by the end of the 45-day active duty tour.

320109. Military Paydays

A. Payday is the first calendar day of the month after the month in which the entitlement was earned.

B. Except for payrolls otherwise payable on October 1, if the payday falls on a Saturday, Sunday, or Federal legal holiday, payment is authorized on the preceding workday, but not more than 3 days before the scheduled payday. This exception applies to foreign holidays recognized abroad by United States Forces. It also applies to payments made to members upon separation from the Military Service through retirement or discharge when the last day of active duty falls on a Saturday, Sunday, or Federal legal holiday.

C. For payrolls otherwise payable on October 1, the Secretary of Defense shall determine if the payroll may be dated in September.

320110. Advance of Housing Allowances. An advance of Basic Allowances for Housing and overseas housing allowance may be authorized under the terms and conditions in the ***Joint Federal Travel Regulations (JFTR), Volume 1, Chapters 9 and 10***.

320111. Advance Pay for Senior Reserve Officer Training Corps (SROTC) Cadets and Midshipmen Ordered to Field Training or Practice Cruises. An advance of pay, not to exceed the entitlement for 1 month, or the amount the SROTC member will accrue for the training, whichever is less, may be paid to an SROTC member who is ordered to perform field training or a practice cruise. Collect the advance in full from the member's field training or practice cruise entitlement.

3202 LOCAL, PARTIAL, AND EMERGENCY PARTIAL PAYMENTS

320201. Local and Partial Payments. These payments are authorized only for overseas areas where on-base military banking facilities are not readily available. Exceptions may be granted for members assigned to classified or contingency operations where the exigencies of their assignments may require local cash or partial payments. In this circumstance, the member's commander may authorize immediate cash payments up to the amount of accrued entitlement to date, when deemed appropriate to the mission (see Table 32-3).

320202. Emergency Partial Payment

A. For members residing or assigned within the United States (including Alaska and Hawaii), this is a payment deemed time sensitive and required within 24 hours due to an unforeseen set of circumstances or the resulting state that calls for immediate action (see Table 32-3). Payment shall be made in an expeditious manner, e.g., direct deposit or a check payment. The supporting DFAS site may be able to affect overnight electronic funds transfer (EFT) payment if circumstances warrant.

B. The member's commander, in coordination with the supporting finance office, may authorize emergency payments, up to the amount of accrued entitlement to date in the following circumstances:

1. Emergency pay and allowances earned to date as reflected on the member's pay account, when no pay was received on regular payday or when there is a major medical emergency or death in the member's immediate family and payment is needed within 24 hours.

2. Emergency travel advance, when the traveler does not have a government travel charge card.

3. Discharge gratuity (as required by ***Chapter 35, Table 35-11***), when payment is needed within 24 hours.

4. Payment of military death gratuity benefit to a beneficiary, when payment is needed within 24 hours.

5. Payment to military member of advance pay and allowances and/or evacuation allowance, when dependents must be evacuated as result of a natural disaster or life threatening situations.

6. Payment to dependents, when forfeiture of pay and allowances is waived under conditions defined in ***Chapter 48, subparagraph 480306.C***.

ADVANCE PAYMENTS - ELIGIBILITY AND AMOUNTS PAYABLE

RULE	A A member in receipt of orders for (to)	B and	C when approved in writing by	D may be paid an	E in an amount	F to be paid by the supporting DFAS site (note 1)
1	a permanent change of station move, to include (note 2): -between stations -to new station upon reenlistment (following a break in service) -commencement of active duty by newly commissioned regular officer -change of home port -Reserve forces member in receipt of orders to active duty of 140 days or more -extended active duty (Reserve or retired members)	the member signs a form confirming that the intended uses of the funds are for the purposes stated in the form; and the PCS is not due to separation from service or trial by court-martial	the member's commanding or recruiting officer (including enlisted commandant of the Noncommissioned Officer (NCO) Academy) for grades E-3 and below (except as more restrictively prescribed in regulations of the Military Service concerned)	advance of basic pay	of 1 month of basic pay, less deductions (note 3)	to member's financial institution not earlier than 30 days prior to departure (note 4); en route; first duty station or after beginning travel to first duty station after complet-ion of physical examination; or within 60 days after arrival at new/first duty station (home port, note 4) (note 5).
2			the member's commanding or recruiting officer (including enlisted commandant of the NCO Academy)		not to exceed 3 months of basic pay, less deductions, if warranted and justified (notes 3 and 6)	
3	assignment for duty (permanent or temporary) for 1 year or more (or extended beyond 1 year) to an area where the member would receive hostile fire/imminent danger pay under ***37 United States Code (U.S.C.) 310***				of 1 month of basic pay, not to exceed 3 months, less deductions (notes 3 and 7)	to member's financial institution (note 8).

Table 32-1. Advance Payments - Eligibility and Amounts Payable

ADVANCE PAYMENTS - ELIGIBILITY AND AMOUNTS PAYABLE

RULE	A A member in receipt of orders for (to)	B and	C when approved in writing by	D may be paid an	E in an amount	F to be paid by the supporting DFAS site (note 1)
4	a training or indoctrination center on induction or enlistment		the center commander (including enlisted commandant of the NCO academy)	advance of basic pay	not to exceed 15 days of basic pay (notes 9 and 10)	advances will be deposited, via Direct Deposit / Electronic Fund Transfer (DD/EFT) by the supporting DFAS site, to the basic trainee's account at the designated financial institution.
5	evacuation of member or dependents from a place outside the U.S. or other place as the Secretary of Defense designates (note 11)	evacuation of member or all military depen-dents in the area is ordered by the area commander, the State Department, or other authorized U.S. official		advance of basic pay, payable to member or to member's dependents, in one or more installments	as designated by the member, in a total amount of not more than 2 months of basic pay (net of any forfeiture and Montgomery G.I. Bill; no other deduction considered)	paid as an emergency local payment at permanent station or any military disbursing office either overseas or in the United States.
6	for assignment to sea duty or other duty with a unit or command deployed or to be deployed outside the United States (note 12)			amount of an allotment(s) for dependent(s)	equal to amount of the allot-ment(s) for 1 month (note 13)	
7	mobilization or recall to active duty under ***10 U.S.C. 12301***, ***12302***, ***12303***, ***12304***, or ***688***	has reported for duty but cannot be paid pay and allowances due within 14 days of reporting for that duty	the member's commander (including enlisted commandant of the NCO academy)	advance of pay and allowances	not to exceed 3 months of pay and allowances less deductions (note 3 and rule 4)	to member's financial institution or mailed from DFAS central site to an address.

Table 32-1. Advance Payments - Eligibility and Amounts Payable (Continued)

ADVANCE PAYMENTS, ELIGIBILITY AND AMOUNTS PAYABLE						
	A	B	C	D	E	F
RULE	A member in receipt of orders for (to)	and	when approved in writing by	may be paid an	in an amount	to be paid by the supporting DFAS site (note 1)
8	assignment to a distant duty station	pay and allowances cannot be paid regularly	the member's commander (including enlisted commandant of the NCO academy)	advance of pay and allowances	not more than 3 months of basic pay and allowances, less deductions (note 3)	to member's financial institution or mailed from DFAS central site to an address.
9	assignment to a distant duty station	pay and allowances cannot be paid regularly	the member's commander (including enlisted commandant of the NCO academy)	advance of pay and allowances	more than 3 months of basic pay and allowances, less deductions, when approved by: Army or Air Force--Major Command; Navy--Office of Comptroller; USMC--Commandant of the Marine Corps (MPP) (note 3)	to member's financial institution or mailed from DFAS central site to an address.
10	deployment aboard ship for more than 30 days (Navy-Marine Corps only)	pay and allowances cannot be paid regularly	the member's commander (including enlisted commandant of the non-commissioned officer (NCO) academy.)	advance of pay and allowances	not more than the basic pay (plus submarine and sea duty pay for members attached to submarines) and allowances that will accrue during the period of deployment, less deductions (note 3).	to member's financial institution or mailed from supporting DFAS site to an address.

NOTES:

1. For emergency payment exceptions, see paragraph 320202.
2. Temporary duty (TDY) en route does not preclude payment. An advance payment for a permanent change of station (PCS) move in the same geographical area of the member's prior duty station or home port, or place from which ordered to active duty, is authorized only when movement of the member's household at government expense is authorized per ***JFTR, chapter 5, part D***.

Table 32-1. Advance Payments - Eligibility and Amounts Payable (Continued)

3. Deductions:
   a. For advance pay computation (rules 1 and 2) the following deductions will be made: (a) forfeitures; (b) Montgomery G.I. Bill; (c) Federal/state income tax withholding; (d) Federal Insurance Contribution Act; (e) Servicemembers Group Life Insurance; (f) Armed Forces Retirement Home; (g) Dependent Dental Plan; (h) TRICARE, (i) monthly repayment of a prior advance; (j) indebtedness to the U.S. or its instrumentalities, whether scheduled (monthly debt installment) or unscheduled (one-time collection); (k) garnishments; (l) statutorily-required support allotments in force; (m) court-ordered bankruptcy payments; and (n) Thrift Savings Plan (TSP) (basic pay designation only).
   b. For advance of pay and allowances computation (rules 6, 7, 8, 9) include total of all allotments in force and TSP designations i.e. special pay incentive pay, and bonuses (if paid monthly).
4. The "30-day window" may be expanded to not exceed 90 days prior, and the "60-day window" may be expanded to not exceed 180 days after, when justified for extenuating circumstances; requires written approval of the member's commander (including enlisted commandant of the NCO academy). The member must provide written justification indicating the specific circumstances requiring the early or late advance payment.
5. Not later than 60 days after effective date of change or 60 days after vessel arrives at new home port/home yard, whichever is later.
6. The member must provide written justification clearly showing that accrual or anticipated out-of-pocket PCS expenses equal or exceed the amount of advance requested; requires written approval of the member's commander. The advance payment may be made in 1, 2, or 3 installments.
7. Upon request, the member shall be granted an advance payment equaling 1 month of basic pay. The Secretary concerned, at his discretion, may grant a request for up to 2 or 3 months of advanced basic pay if member can justify financial hardship.
8. The member may request the advance at any time during the period of assignment. The earliest that the member may apply and receive the advance is the effective or start date of the assignment, as specified in the member's orders. This is generally when the member is authorized to begin travel to comply with the assignment order.
9. This advance is collected in full when the member receives their first regular pay.
10. For Army members only. Advance will be paid using services Stored Value Cards. An exception to the 15-day limit is authorized and an Army member may be advanced up to 21 days of basic pay for the purpose of paying the cost of round trip travel to the member's home during annual holiday leave period (mid-December through early January). Collection of the advance will be made in the January processing cycle.
11. This advance is not payable for evacuation of individual dependents.
12. The advance payment may not be made more than 60 days before the scheduled date of the duty assignment.
13. Establish an allotment(s) for dependents in the member's pay record simultaneous to paying the advance.

Table 32-1. Advance Payments - Eligibility and Amounts Payable (Continued)

REPAYMENT OF ADVANCES

RULE	A	B	C	D	E
	When a member was paid an	**and**	*** begin collecting (note 1)**	**and when approved in writing by**	**at the rate of**
1	advance(s) of pay incident to a PCS		the first day of the month following payment of advance(s)		1/12 of the amount(s) advanced each month for the next 12 months (notes 2, 3, and 4).
2		when justified by the member that repayment within 12 months would create severe hardship (note 5)		the member's commander (including enlisted commandant of the non-commissioned officer (NCO) academy)	1/24 of the amount(s) advanced each month for the next 24 months (notes 2, 3, 6, and 7).
*3		member's separation is imminent (includes members unexpectedly forced to retire under the Selected Early Retirement Board (SERB) (note 8)	immediately the remaining outstanding advance prorated over the remaining months of service		all unpaid pay and allowances, except enlisted separation advanced travel allowance, are used to collect the outstanding advance (notes 9, and 10).
*4		member's orders are revoked/cancelled	immediately the outstanding balance in full.		
*5		member dies			
6	advance(s) of pay and allowances (for duty at a distant station or deployed aboard ships for more than 30 days)		the first day of the month following payment of advance(s)		1/12 of the amount(s) advanced each month for the next 12 months (notes 2, 3, and 4).
*7		duty ends earlier than expected			equal monthly installments of not less the 1/12 of the unliquidated amount advanced per month for 12 months (notes 2 and 3).
8		member's separation is imminent (includes members unexpectedly forced to retire under the Selected Early Retirement Board (SERB) (note 8)	immediately the remaining outstanding advance prorated over the remaining months of service		all unpaid pay and allowances, except enlisted advanced travel allowance, are used to collect the outstanding advance (notes 9 and 10).
9		member's orders are revoked/cancelled	immediately the outstanding balance in full.		
10		member dies			

*** Table 32-2. Repayment of Advances**

REPAYMENT OF ADVANCES

RULE	A	B	C	D	E
	When a member was paid an	and	* begin collecting (note 1)	and when approved in writing by	at the rate of
11	advance of basic pay when deployed in a combat zone for 1 year or more		the advance on the first day of the first month beginning on or after the date on which the member receives the advance pay		1/12 of the amount(s) advanced each month for the next 12 months (notes 2, 11, and 12).
12	advance of BAS (enlisted members)		the first day of the first month beginning after the payment of the advance		the amount of BAS accruing to the member's credit. If entitlement to BAS ends before repayment, then collect the balance due as an overpayment.
13	advance pay for evacuation of member or dependents		the first day of the month following payment of advance(s) (note 13)		1/12 of the amount(s) advanced (or remaining amounts if waiver applies) each month for the next 12 months (notes, 2, 11, 13, and 14).
14	advance payment in the amount of an allotment(s) to dependents		the advance in the month following the month payment was made		1/6 of the amount(s) advanced each month for the next 6 months (notes 2 and 3).
15	advance of pay and allowances upon being mobilized or recalled under *10 U.S.C. 12301*, *12302*, *12303*, *12304*, or *688*		the advance on the first day of the month after the payment of the advance		1/3 of the amount advanced each month for 3 months, or at the rate needed to repay the advance by the scheduled termination date of the orders, whichever is earlier.

NOTES:

1. The repayment period shall, in all cases, be scheduled to repay the advance before the member's expected date of separation. In unusual circumstances, the initiation of collection action may be delayed if the delay is approved by the Director, DFAS or designee.
2. Upon the member's request, repayment may be made in lump-sum or increased monthly amounts.
3. The repayment period shall be scheduled to repay the advance before the member's expected date of separation. Repayment should be scheduled for completion before the start of a subsequent PCS move.
4. When executing PCS orders of less than 12 months, Reserve Component recipients of advance pay must accept a repayment schedule that provides for repayment by termination date of orders.
5. The member must provide written justification clearly showing that a 12-month repayment schedule would create severe financial hardship. The request must be approved in writing by the member's commander (including enlisted commandant of the NCO academy).
6. When request is disapproved, collection will be at the rate specified in rule 1.
7. When the repayment period is extended after the repayment schedule of less than 24 months is operating, repayment will be prorated per Military Service regulations, not to exceed the 24 months from the initial collection month.

*** Table 32-2. Repayment of Advances (Continued)**

*8. If the member immediately reenlists, then repayment of the advance pay may be continued into the new enlistment. To extend repayment of an advance into retired pay, projected SERB retirees must submit a written request to extend repayment into retired pay that clearly demonstrates the circumstances of their hardship. The requests will be submitted via the member's chain of command to the servicing central site for review and approval on a case-by-case basis by DFAS-IN/SPR.

9. Uncollected advances are treated as accounts receivable in the accounts of the disbursing officer. Such amounts remain a debt owed the United States by the member.

10. If a member is entitled to separation payment under ***10 U.S.C. 1174***, ***1174a***, ***1175***, or ***1175a*** and has a separation payment pending equal to or greater than the outstanding advance pay balance at separation, then the member may request that the repayment rate not be accelerated and the existing rate continue. That portion of the advance not collected prior to separation will be deducted from the separation payment.

11. The repayment period shall, in all cases, be scheduled to repay the advance before the member's expected date of separation.

12. The estate of a deceased member shall not be required to repay any portion of the advanced pay paid to the member and not repaid before the death of the member.

13. The Secretary of the Military Service concerned is authorized to waive recovery of an advance of not more than basic pay for 1 month when such recovery would be against equity and good conscience or against the public interest.

14. The Secretary of the Military Service concerned is authorized to extend repayment period up to a 24 month schedule.

* Table 32-2. Repayment of Advances (Continued)

PAYMENT PROCEDURES

RULE	A	B	C
		then the payment practice for	
	If payment type is a/an	**Overseas Command is (note 1)**	**CONUS (includes Alaska and Hawaii) is**
1	local partial payment (note 2)	to pay bonuses, annual special pays, separation, death, unpaid pay and allowance, health and comfort, waiver of forfeitures for dependents.	not authorized.
2	an emergency partial payment		no local payment is made (note 3).
3	advance PCS	to pay all pay grades 1 month pay (E-3 and below with CO's approval), E-4 and above max 3 months pay with CO's approval.	paid centrally via DD/EFT.
4	advance basic pay		to pay not more than 15 days basic pay at training or indoctrination center or centrally via direct deposit (DD)/EFT as systems become available.
5	advance basic allow-ance for subsistence	to pay a maximum of 3 months entitlement (note 2)	paid centrally via DD/EFT.
6	advance dependent evacuation allowance	to pay a maximum of 2 months entitlement (note 2)	to pay a maximum of 2 months of basic pay paid locally as an emergency partial payment.
7	advance for an Armed Forces Health Profession Scholarship Program participant		to pay a maximum of 1 month of basic pay when reporting for 45 days active duty tour; paid centrally via DD/EFT.
8	advance for a person in the SROTC		to pay 1-month entitlement or the amount the member will accrue for the training; paid centrally via DD/EFT.
9	advance overseas housing allowance	to pay 1 year accrued allowances determined on the basis of housing expenses, and the authorized overseas housing allowance and interim housing allowance may be paid locally if required.	not applicable
10	advance basic allowance for housing		paid centrally via DD/EFT.
11	advance for mobilization deployment of a member	to pay a maximum of 3 months pay.	
12	advance for shipboard deployment of a member	to pay all pay due for Navy and Marine Corps members. Not applicable to Army and Air Force members.	
13	advance for distant duty	to pay a maximum of 3 months basic pay and allowances.	

NOTES:

1. Payments may be paid locally when consistent with mission requirements and nonavailability of DoD military banking facilities.
2. Local payments are authorized with commander's approval.

Table 32-3. Payment Procedures

3. Emergency partial payment may be made when approved by the member's commander and coordinated with the local finance office for the following circumstances:
   a. Pay and allowances earned to date on the MMPA when no pay was received on regular payday or when there is a major medical emergency or death in the immediate family of the member.
   b. Emergency travel advance when the traveler does not have a government travel charge card.
   c. Discharge gratuity (as required by Table 35-11).
   d. Payment of death gratuity benefit to beneficiary and payment.
   e. Payment to military member of advanced pay and allowances and/or evacuation allowance to evacuate dependents as a result of a natural disaster or life threatening situation.
   f. Payment to dependents when a member's forfeiture is waived in favor of those dependents.

Table 32-3. Payment Procedures (Continued)

BIBLIOGRAPHY

CHAPTER 32 – ADVANCE, LOCAL, PARTIAL AND EMERGENCY PARTIAL PAY

3201 – ADVANCE PAYMENTS

320101	37 U.S.C. 1006(a)
320102	37 U.S.C. 1006(b)
320103	37 U.S.C. 212
320105	37 U.S.C. 402(c)
320106	37 U.S.C. 1006(c)
320107	37 U.S.C. 1006(a)(2)
320108	37 U.S.C. 1006(i)
320109	37 U.S.C. 1006(h)
	5 U.S.C. 6103
320110	37 U.S.C. 403(a)
320111	37 U.S.C. 1006(j)

Table 32-1

	Rule 3	37 U.S.C. 212
*	Rule 5	37 U.S.C. 1006(c)
*	Note 13	37 U.S.C. 212

Table 32-2

*	Rule 11	37 U.S.C. 212
*	Rule 13	37 U.S.C. 1006(c)
*	Note 6	MS Comp Gen B-144839, December 13, 1966
*	Note 12	37 U.S.C. 212
*	Note 13	37 U.S.C. 1006(c)

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 33
"PAYMENTS ON BEHALF OF MENTALLY INCOMPETENT MEMBERS"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Rules 1 and 2 Table 33-1 Bibliography	Updated the agency responsible for making trustee designations in accordance with Deputy Secretary of Defense delegation authority.	Update

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PAYMENTS ON BEHALF OF MENTALLY INCOMPETENT MEMBERS

3301 Entitlement

3302 Payment

3303 Member Mentally Incompetent Before Entry on Active Duty

3304 Finality of Payments to Trustee

3305 Restriction Against Acceptance of Fees

*Table 33-1 Payment of Mentally Incompetent Members

*Bibliography

CHAPTER 33

PAYMENTS ON BEHALF OF MENTALLY INCOMPETENT MEMBERS

3301 ENTITLEMENT

Members on active duty are entitled to active duty pay and allowances even though mentally incapable of managing their own affairs. This includes miscellaneous payments authorized on separation from the Military Service. See ***Chapter 35***.

3302 PAYMENT

The appointment of a guardian, trustee, or other legal representative is a prerequisite to payment. For designation of trustee and payment offices, see Table 33-1.

3303 MEMBER MENTALLY INCOMPETENT BEFORE ENTRY ON ACTIVE DUTY

When it is shown that a member was judicially declared mentally incompetent before induction or enlistment, member is not entitled to pay and allowances. See ***Chapter 1***.

3304 FINALITY OF PAYMENTS TO TRUSTEE

Any payments on behalf of a mentally incompetent member to a designated trustee(s) are a complete discharge of the obligation of the United States as to amounts paid.

3305 RESTRICTION AGAINST ACCEPTANCE OF FEES

A person serving in a legal, medical, fiduciary, or other capacity may not demand or accept a fee, commission, or other charge (except bonding fee) for any service performed in administration of a mentally incompetent member account.

PAYMENT OF MENTALLY INCOMPETENT MEMBERS				
RULE	A	B	C	D
	When	and member is in the	then the trustee is designated by	and payment is made by
*1	a court of competent jurisdiction has not appointed a guardian, committee, or other legal representative	Army or Air Force	Director, DFAS-CL	DFAS-IN.
*2		Navy or Marine Corps		DFAS-CL.
3	a court of competent jurisdiction has appointed a guardian, committee, or other legal representative	Army, Navy, Marine Corps, or Air Force	none required	appropriate office shown in rules 1, 2, or 3 above except as indicated in note.

NOTE: Army Only: Local disbursing officer servicing the member's financial record may make payments.

***Table 33-1. Payment of Mentally Incompetent Members**

BIBLIOGRAPHY

CHAPTER 33 - PAYMENTS ON BEHALF OF MENTALLY INCOMPETENT MEMBERS

3301 - ENTITLEMENT

37 U.S.C. 601-604

*Table 33-1

Deputy Secretary of Defense Memo, January 29, 1991
Comptroller of the Department of Defense Memo February 1, 1991
Director, Defense Finance and Accounting Service Memo, August 26, 2010
Deputy Director, Operations, Defense Finance and Accounting Service Memo, September 9, 2010

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 34
"PAY ENTITLEMENT OF MEMBERS MISSING, MISSING IN ACTION, INTERNED, AND PAYMENTS TO DEPENDENTS"

All changes are denoted in blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Chapter Title	Eliminated the term "ETC".	Update
3408	Eliminated "Penalty for Fraudulent Receipt of Monies Under this Chapter" section and renumbered sections 3408 to 3410.	Delete
340901 Bibliography	Clarified accrued leave limitations while in a missing in action status.	Update
Table 34-1	Clarified the authorities given the Director, Defense Finance and Accounting Service for processing accounts of members missing in action.	Update
Table 34-1	Changed the Navy delegated address to Bureau of Naval Personnel, ATTN: N135C, 5720 Integrity Dr., Millington, TN 38055-6200.	Update
Table 34-1	Changed the Air Force's delegation responsibility to the Director, Defense Finance and Accounting Service, Indianapolis, Indiana due to consolidation of functions.	Update
Table 34-2	Changed the military pay accounts maintenance locations to Cleveland for the Marine Corps and Indianapolis for the Air Force due to consolidation of functions.	Update
Bibliography	Updated with correct references.	Update.

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* Table 34-2 Pay and Allowances Which Accrue to Missing Members

CHAPTER 34

PAY ENTITLEMENT OF MEMBERS MISSING, MISSING IN ACTION, INTERNED, AND PAYMENTS TO DEPENDENTS

3401 DEFINITIONS

340101. Member. See the ***Definitions*** section (item 77).

340102. Dependent. See the ***Definitions*** section (item 36). In addition, for the purposes of this chapter, the term "dependent" also means a dependent designated in official records, or a person determined to be a dependent by the Secretary of the Military Service concerned or the Secretary's designee.

340103. Missing Status. See the ***Definitions*** section (item 80).

3402 AUTHORITY TO MAKE OFFICIAL DETERMINATIONS UNDER THE MISSING PERSONS ACT

See Table 34-1.

3403 ENTITLEMENT TO PAY AND ALLOWANCES WHILE IN A MISSING STATUS

340301. General. A member who enters a missing status is entitled to the pay and allowances to which entitled when the missing status began or to which the member later becomes entitled. The right to a certain pay or allowance is not affected by the fact that the member had not actually received payment before entering missing status. See Table 34-2 for items of entitlement.

340302. Basic Allowance for Housing (BAH) and Basic Allowance for Subsistence (BAS) Entitlement. Members without dependents are entitled to BAH at the without-dependent rate. Enlisted members are entitled to BAS. Payments of these allowances are authorized from the beginning of the missing status, even though there was no housing or subsistence allowance entitlement before the missing status began.

3404 ALLOTMENTS FOR MEMBERS IN MISSING STATUS

Allotments in effect before a member enters a missing status may be continued. As directed by the Secretary of the Military Service concerned (or designee), allotments may be initiated, suspended, resumed, increased, decreased, or discontinued where circumstances so warrant in the interests of the missing member, the dependents, or the government.

3405 TAX WITHHOLDING FOR MEMBERS IN MISSING STATUS

See paragraph ***440102*** and subparagraph ***440103.C.2***.

3406 REVIEW OF CASE AFTER 12 MONTHS AND FINDING OF DEATH

340601. Review of Case After 12 Months. When a 12-month period (from starting date of the member's absence) is about to end and the member has not been reported officially as dead, imprisoned, or interned, the case is fully reviewed. After this review and when the 12-month period has ended (or following any later review warranted by information received or other circumstances), the Secretary of the Military Service concerned (or designee):

A. Directs continuance of the member's missing status, if the member reasonably may be presumed to be living, or

B. Makes a finding of death.

340602. Continuance of Member's Missing Status. When a member is continued in a missing status under subparagraph 340601.A, credit pay and allowances to his or her account. Allotments are continued, discontinued, increased, or initiated as provided in ***Chapters 40 through 43***. When the Secretary of the Military Service concerned (or designee) officially reports that a missing member is alive and in the hands of a hostile force or is interned in a foreign country, allotment payments are authorized. These payments on the member's behalf continue through the date on which the Secretary of the Military Department concerned (or designee) receives evidence that the member is dead. When a member returns to Military Service control, the member resumes control of allotments.

340603. Finding of Death. A finding of death includes the date upon which death is presumed to have occurred for the purposes of stopping pay and allowances, settlement of accounts, and payment of death gratuities. This date is the day following the day the member has been absent 12 months, unless the missing status is continued beyond that day. In this case, the date of death is the date determined by the Secretary of the Military Department concerned (or designee).

340604. Change in Date of Death. Payment of an account made following a report, determination, or finding of death may not be recovered and the case may not be reopened because of a later report or determination fixing an earlier date of death. If a later date of death is established, then the account is reopened and settled on the basis of the later date.

3407 CONCLUSIVENESS OF SETTLEMENTS

Settlements made under this chapter are conclusive upon the accounting officers of the government in effecting settlement of the accounts of a disbursing officer. The Secretary of the Military Department concerned (or designee) is authorized to settle members' accounts for payment under the ***Missing Persons Act***. In the absence of fraud or criminal intent on the part of the disbursing officer, credit is allowed for any erroneous payment or overpayment made by the disbursing officer under this chapter. No recovery may be made from any officer or employee who authorizes any payment under this chapter in the absence of fraud or criminal intent on the part of that officer or employee.

3408 PAYMENT OF DEATH GRATUITY

See ***Chapter 36*** for payments when member in missing status is reported dead, or for whom a finding of death is made.

3409 ACCRUED LEAVE

* 340901. Accumulation. Members, while in a missing status, can accumulate leave without regard to any leave accrual limitations stated in ***Chapter 35, paragraph 350102.B***. However, a member whose death is prescribed under section 3406 may, in addition to leave accrued before entering a missing status, accrue not more than 150 days of leave during the period of a missing status, unless the actual date of death is found to have occurred on a date when the member had accrued leave in excess of 150 days. Leave accumulated while in a missing status may not be taken but shall be paid.

340902. Settlement. Leave accumulated while in a missing status will be accounted for separately and settled as follows:

A. Return From Missing Status. Members will be paid for all leave accumulated while in a missing status as soon as possible after return from a missing status. Items to be included in the accrued leave payment are provided in ***Table 35-5***. Computation will be based on the rates to which the member was entitled on the date that his or her name was removed from the missing status.

B. Death in a Missing Status. Notwithstanding the death of a member while in a missing status, leave will continue to accrue to his or her account through the date that the Secretary of the Military Department concerned (or designee) receives evidence that the member is dead or through the date of death as prescribed or determined under section 3406. Although leave will accrue for the entire missing status period, the actual accrued leave settlement will vary according to circumstances.

1. Death Prior to Fifth Year Missing in Action (MIA) Status. Payment for unused leave accrued to a member's credit while in a missing status is for 150 days, providing that he or she was continued in a missing status for 5 or more years. Payment for 150 days is made even though it later is found that member's actual death occurred within the first 5 years after entry into missing status or upon entry into such status. Settlement for accrued leave is based on the amount of leave accrued to the member's credit before entering the missing status and the 150 days of leave described in paragraph 340901. Items to be included in the accrued leave payment are identified in ***Table 35-5***. Computation is based on the rates to which the member was entitled on the date of death.

2. Death Subsequent to Fifth Year MIA Status. When it is found that the member’s actual death occurred subsequent to the fifth year after entry into a missing status, payment for unused leave accrued to his or her credit while in a missing status is for the total accrued until death. Settlement for accrued leave is based on the amount of leave accrued to the member's credit before entering the missing status plus the accrual until death described herein.

Items to be included in the accrued leave payment are identified in ***Table 35-5***. Computation is based on the rates to which the member was entitled on the date of death.

3. Death, MIA Status Less Than 5 Years. Payment for unused leave accrued to a member's credit while in a missing status, when he or she was continued in a missing status for less than 5 years, is for the total accrued through the date that the Secretary of the Military Department concerned (or designee) makes a finding of death. Settlement for accrued leave is based on the amount of leave accrued to the member's credit before entering the missing status plus the accrual until finding of death described herein. Items to be included in the accrued leave payment are identified in ***Table 35-5***. Computation is based on the rates to which the member was entitled on the date of death.

4. Special Conditions of Entitlement. Settlement of accrued leave for a deceased member who was promoted while in a missing status is based on the amount of leave accrued to his or her credit before entering the missing status and the amount of leave accumulated in a missing status as provided in the applicable provisions of subparagraphs 341002.B.1, 2, or 3. Computation is based on the grade to which promoted and rate of pay in effect on the date of the presumed finding or the date of the determination of death. This will apply even though the Secretary of the Military Department (or designee) concerned later determines that the member died before the date of promotion. See Table 34-2, rule 6.

3410 REFERENCES

341001. Army

A. Casualty accounting, reporting, and notification. See ***AR 600-8-1***.

B. Transportation of dependents, household goods, and personal effects. See ***JFTR Volume 1***, and ***DFAS-IN Regulation 37-1***.

341002. Navy

A. Casualty accounting, reporting, and notification. See ***MILPERSMAN 1770 series***.

B. Transportation of dependents, household goods, and personal effects. See ***JFTR Volume 1***, and ***MILPERSMAN 4050 and 4650 series***.

341003. Air Force

A. Casualty accounting, reporting, and notification. See ***AFI 36-3002***.

B. Transportation of dependents, household goods, and personal effects. See ***JFTR, Volume 1***.

341004. Marine Corps

A. Casualty accounting, reporting, and notification. See ***MCO P3040.4E***.

B. Transportation of dependents, household goods, and personal effects. See ***JFTR Volume 1***, and Marine Corps Transportation Manual ***MCO P4600.7C***.

AUTHORITY TO MAKE OFFICIAL DETERMINATIONS UNDER THE MISSING PERSONS ACT					
	A	B	C	D	E
RULE	**If missing member is**	**authority to make all determi-nations is vested with the**	**who has delegated to**	**authority to make determina-tions**	**and all determinations**
*1	Army or Air Force	Director, Defense Finance and Accounting Service	Deputy Director for Operations, Defense Finance and Accounting Service	pertaining to facts of dependency, starting, stopping, or changing allotments of pay, waiving recovery of erroneous payment or overpayment, and settling accounts of members affected	are conclusive in the absence of fraud or criminal intent.
*2	Navy	Secretary of the Navy	Bureau of Naval Personnel, ATTN: N135C, 5720 Integrity Dr., Millington, TN 38055-6200	status of members and their dependents, of death, of essential dates, and facts of dependency	
3	Marine Corps		Head, Personal Affairs Branch, Human Resources Division, Manpower Department, U.S. Marine Corps, Washington, DC 20380-0001		

NOTE: The approving authority pertaining to the disposition of net pay or deposits to the Savings Deposit Program for members held captive is the Secretary of the Military Service concerned (or designee).

*Table 34-1. Authority to Make Official Determinations Under the Missing Persons Act

PAY AND ALLOWANCES WHICH ACCRUE TO MISSING MEMBERS					
	A	B	C	D	E
RULE	When member is	who is	then member is	with accounts maintained in or administered by	and
1	Army	missing, missing in action, interned in a foreign country, beleaguered or besieged by a hostile force, or detained in a foreign country against a member's will	entitled to receive or have credited to member's account the pay and allowances to which entitled when missing status began or to which member becomes entitled later, as follows: Basic pay, Special pay, Incentive pay for Hazardous duty, BAH (note 7), BAS (note 7), FSA, FSH (note 1), Station per diem allowances for not more than 90 days (note 2) HFP if the member qualified immediately before entry to a missing status (note 8)	DFAS-IN	payments continue through date of receipt by the Military Service concerned of evidence of death of the member or date of presumption of death made by the Secretary of the Military Department concerned or Secretary's designee, or date of return to Military Service jurisdiction (note 3).
2	Navy			DFAS-CL	
*3	Marine Corps			DFAS-CL	
*4	Air Force			DFAS-IN	
5	Army, Navy, Marine Corps, or Air Force	officially determined to be absent without authority rather than in a missing status	not entitled to pay and allowances for any such period (note 4).		
6		an officer, warrant officer, or enlisted member who receives a promotion while in a missing status (note 5)	entitled to pay and allowances of the pay grade to which promoted from the date of orders announcing the promotion.		
7		in a missing status has a change of conditions upon which pay and allowances are based	entitled to the pay and allowances based on the changed conditions (note 6).		
8		an enlisted member who continues in missing status after expiration of term of service	entitled to continuance of pay and allowances.		

***Table 34-2. Pay and Allowances Which Accrue to Missing Members**

PAY AND ALLOWANCES WHICH ACCRUE TO MISSING MEMBERS					
	A	B	C	D	E
RULE	When member is	who is	then member is	with accounts maintained in or administered by	and
9	Army, Navy, Marine Corps, or Air Force	in receipt of or has placed to member's credit pay, wages, allowances, or other compensation from the hostile force	not charged or debited with any such amount against member's pay and allowances.		

NOTES:

1. A member may qualify for FSA-T while in a missing status if the continuous period of more than 30 days is completed after entering the missing status. (See paragraphs ***270303 and 270304***.)
2. Travel per diem and clothing monetary allowances do not accrue during a missing status, even though member was entitled to them when missing status began.
3. When facts or events warrant, the Secretary of the Military Department concerned (or designee) may change or modify a prior determination.
4. See ***JFTR, Volume 1, Chapter 10, paragraph U10422*** for continuing credit for BAH for 2 months following month of absence for members in pay grades E-1, E-2, E-3, or E-4 (4 years or less service) with dependents.
5. This applies even though the Secretary of the Military Department concerned (or designee) is later made that the member died before the date of promotion.
6. For example, if the sole dependent of a missing member dies, credit for BAH at the with-dependents rate ceases and any allotment in force in the dependent's favor is stopped and deductions cease.
7. Members without dependents are entitled to BAH at the without-dependent rate. Enlisted members are entitled to BAS at the rate payable when rations in kind are not available. See paragraph 340302.
8. See paragraph ***440102*** and subparagraph ***440103.C.2*** to determine possible Combat Zone Tax Exclusion implications.

Table 34-2. Pay and Allowances Which Accrue to Missing Members (Continued)

BIBLIOGRAPHY

CHAPTER 34 - PAY ENTITLEMENT OF MEMBERS MISSING, MISSING IN ACTION, INTERNED, ETC., AND PAYMENTS TO DEPENDENTS

3402 - AUTHORITY TO MAKE OFFICIAL DETERMINATIONS UNDER THE MISSING PERSONS ACT

*		37 U.S.C. 555

3403 - ENTITLEMENT TO PAY AND ALLOWANCES WHILE IN A MISSING STATUS

	340302	52 Comp Gen 23

3405 - TAX WITHHOLDING FOR MEMBERS IN A MISSING STATUS

		26 U.S.C. 112(d)

3406 - REVIEW OF CASE AFTER 12 MONTHS AND FINDING OF DEATH

		37 U.S.C. 555 and 556

3407 - CONCLUSIVENESS OF SETTLEMENTS

		37 U.S.C. 557

3409 - ACCRUED LEAVE

*		10 U.S.C. 701(g)
*	340902.A	37 U.S.C. 501(h)
	340902.B.4	51 Comp Gen 759
Table 34-1		37 U.S.C. 551-557
*Table 34-2		37 U.S.C. 551-557
	Note 1	45 Comp Gen 633
	Note 7	52 Comp Gen 23

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 35
"SEPARATION PAYMENTS"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
350102.B Bibliography	Changed the ending date to September 30, 2013 for leave accrual up to 75 days.	Update
350201.B	Added provisions to Sole Survivorship discharge whereby members would not be required to repay unearned pays or benefits and allowing the Secretary concerned to determine if payment of unpaid bonus or pays is warranted.	Add
3505	Eliminated service restriction for Contract Cancellation Pay and Allowances.	Update
350503.E	Added in separation pay per title 10 United States Code 12312(b)(3).	Add
351002 Bibliography	Added payment amount language effective October 1, 2009.	Add
351003 Bibliography	Changed the eligibility ending date to June 30, 2011.	Update
351107 Bibliography	Added payment restrictions for Stop Loss when a member voluntarily reenlists or extends and receives a bonus payment.	Add
Table 35-6	Updated hyperlinks.	Update

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CHAPTER 35

SEPARATION PAYMENTS

3501 ACCRUED LEAVE PAY

350101. General Entitlement

A. A member who is discharged under honorable conditions is entitled to payment of unused accrued leave unless the member continues on active duty under conditions that require accrued leave to be carried forward. An enlisted member who voluntarily extends their enlistment for the first time is also entitled to payment for unused accrued leave.

1. Conditions for Payment of Unused Accrued Leave. See Tables 35-1 through 35-4 for specific rules governing whether a member may be paid for unused accrued leave.

2. Career Leave Payment Limitation of 60 days

a. Effective February 10, 1976, a military member is entitled to receive payment for no more than 60 days of accrued leave during a military career. Payments for unused accrued leave made before that date shall be excluded from this 60-day limitation.

b. Effective July 14, 1976, a military member eligible for an unused accrued leave settlement is authorized an election with regard to payment or carryover of the leave. The member may elect to receive payment for a portion of the unused leave, not to exceed a career total of 60 days, and to have the remaining accrued leave carried forward to a new or extended enlistment. The total of paid and carried forward leave may exceed 60 days.

3. One-Time Leave Payment. An enlisted member of the Armed Forces who would lose accumulated leave in excess of the 120 days in subparagraph 350102.B.1 may elect to be paid for such leave up to 30 days. This election can only be taken once during a career. This leave payment does apply against the 60 days of leave paid during a career as stated in subparagraph 350101.A.2. This one-time payment exception applies to members who:

a. Serve on active duty for a continuous period of at least 120 days in an area in which the member is entitled to hostile fire pay/imminent danger pay.

b. Are assigned to a deployable ship or mobile unit or to other duty designated by the Secretary concerned as qualifying, or

c. On or after August 29, 2005, are performing duty designated by the Secretary of Defense as qualifying duty for the purposes of this subparagraph.

d. Serve on active duty in a duty assignment in support of a contingency operation.

4. Exceptions to the 60-Day Career Leave Payment Limitation

a. Contingency Operations. The 60-day leave payment limitation does not apply with respect to leave accrued by a member of a Reserve component or in the Retired Reserve or by a retired member of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps, or a member of the Fleet Reserve or Fleet Marine Corps Reserve during any period while the member also is:

(1) Serving on active duty in support of a contingency operation on or after December 5, 1991, or

(2) Serving on active duty in connection with the Persian Gulf conflict (other than for training) under authority of Title 10, United States Code (U.S.C.), sections ***672***, ***688***, ***12302***, ***12304***, ***12306***, or ***12307***, on or after August 2, 1990.

b. Active Duty of 31 to 365 Days. The 60-day leave payment limitation does not apply to leave accrued by a member of a Reserve component while serving on active duty, full-time National Guard duty, or active duty for training during a period of more than 30 days, but not in excess of 365 days, beginning on or after October 1, 2001.

c. Death on Active Duty. The 60-day leave payment limitation does not apply to leave accrued by a member who dies while on active duty (or a member or former member who dies after retirement or discharge, but before receiving payment of accrued leave). Payment of accrued leave for a deceased member is based upon the unused accrued leave that he or she carried forward into the leave year in which deceased plus the unused leave that accrued during that leave year, beginning on or after February 10, 1996.

d. Career Leave Payment Total. Unused leave accrued specifically under the conditions of subparagraphs 030501.A.4.a through 030501.A.4.c is additional to the member's career leave payment limitation of 60 days. Such unused excepted leave may be carried forward into a new contract period of active duty and later be eligible for payment in addition to other leave to which the 60-day career ceiling applies. See paragraph 350102 for rules that apply to accounting for accrued and used leave, and subparagraph 350103.B for calculating the payment amount and the possible application of the combat zone tax exclusion.

Example: On January 1, 2001, a National Guard member on active duty, under ***Title 32, U.S.C.***, is mobilized for 3 years with his unit under ***10 U.S.C. 672***. Although previously paid for career leave of 48 days, the member has elected to carry forward all 32 days of accrued unused leave from the pre-mobilization period. On April 6, 2001, he is discharged and immediately ordered to active duty for another period of 3 years. The member used leave from April 2 through April 5, 2001 (4 days). He has 36 days

accrued unused leave at discharge (32 days from his balance brought forward, plus 8 days of accrued under the mobilization, minus the 4 days of leave used). He may elect to be paid for a maximum of 16 days of leave at discharge, which includes the 12 days up to the 60-day limitation, plus 4 days of excepted leave (earned 8 days of excepted leave less the 4 days used). The remaining balance of 20 days (or more, if he takes payment for less than the full 16 days of leave) may be carried forward into the new active duty period. If payment is made for 12 or less days, then 4 days of the carryover are an exception to the 60-day payment limitation and may be paid in the future if they remain unused.

B. Under regulations prescribed by the Secretary of the Military Department concerned, a member sentenced to unsuspended dismissal or unsuspended dishonorable or bad-conduct discharge by court-martial may be required to take leave pending review of the conviction (i.e., appellate leave) as provided by ***Article 76a, Uniform Code of Military Justice***. Such member may elect to be paid in a lump sum for the leave accrued to his or her credit as of the day before the day the leave begins. Otherwise, each day of appellate leave shall be charged as a day of leave and the member paid accordingly until all of the member's accrued leave is used. Payment shall be based on the rate of basic pay to which the member was entitled on the day before the day leave is to begin.

C. A member who is discharged under other than honorable conditions or because of fraudulent enlistment forfeits all accrued leave at the time of discharge and is not entitled to payment for accrued leave, regardless of the length of time the separated member has served.

D. A member who is enlisted or commissioned on or after October 19, 1984 and is discharged for unsatisfactory performance or misconduct for any of the following reasons forfeits all accrued leave at the time of discharge. Such forfeiture also applies to any member with prior military service who had a break in service of 93 or more consecutive days:

1. Enlisted members forfeit leave at discharge for the following reasons:

a. Defective enlistment or induction (minority and fraudulent entry only).

b. Entry-level performance and conduct.

c. Unsatisfactory performance.

d. Homosexuality (unless the member receives an honorable discharge).

e. Drug/alcohol abuse rehabilitation failure.

f. Misconduct.

g. Separation in lieu of trial by court-martial.

h. Security (unless the member receives an honorable discharge).

2. Officers forfeit leave at discharge for the following reasons:

a. Separation for cause.

b. Dropped from the rolls.

c. Homosexuality (unless the member receives an honorable discharge).

d. Misconduct/moral/professional dereliction.

e. Separation in lieu of trial by court-martial.

f. Security (unless the member receives an honorable discharge).

350102. Leave Accounting

A. Accrued leave must be carefully accounted for and accurately identified as to the time and circumstances under which it was earned. The number of days accrued and value of unused leave that is to be sold depends upon the timeframe and circumstances under which it was earned.

1. Leave accrued on or before August 31, 1976 is valued using basic pay, basic allowance for housing, basic allowance for subsistence, and, if applicable to the individual, the personal money allowance. This leave is generally called "saved leave."

2. Leave earned on or after September 1, 1976 is valued using only basic pay.

3. Leave accrued in a combat zone or qualified hazardous duty area or while hospitalized as a result of action in such a zone or area is generally known as combat zone tax exclusion (CZTE) leave. See paragraph ***440103*** for full descriptions of the circumstances under which such leave accrues. CZTE leave for enlisted members is exempt from Federal income tax. CZTE leave for officers is exempt from Federal income tax up to a specified limit. See subparagraph 350103.B for a discussion of tax exclusion limits. All leave earned during a month in which a member serves for any period of time in a combat zone or qualified hazardous duty area is CZTE leave. A single day of qualifying service in such circumstance qualifies all leave accrued in that month as CZTE leave.

* B. Leave accrues to a service member serving on active duty for 30 days or more. It is accrued at the rate of 2½ days for each month of active service, excluding periods of absence from duty without or over leave, periods of confinement resulting from courts-martial, and periods of leave required to be taken pending review of court-martial conviction. For partial months, it accrues at the rate of ½ day for any period of 6 days or less. A member may not carry forward a leave balance of more than 60 days into a new fiscal year except during the period October 1, 2008 through September 30, 2013, when 75 days may be carried forward or when entitled to Special Leave Accrual (SLA), as outlined below.

1. A member who serves on active duty while entitled to hostile fire/imminent danger pay for a continuous period of at least 120 days may carry forward up to 120 days of SLA into the new fiscal year. Under this exemption, unused leave may be carried forward until the end of the third fiscal year following the fiscal year in which the service in the qualifying hostile fire/imminent danger area is terminated. If the 120 days of SLA were earned during the period October 1, 2008 through December 31, 2010, then unused leave may be carried forward until the end of the fourth fiscal year following the fiscal year in which the service in the qualifying hostile fire/imminent danger area is terminated.

2. On or after September 30, 1979, a member not qualifying for SLA for service in a hostile fire/imminent danger area may qualify and carry forward up to 120 days of unused leave when assigned to a designated deployable ship, mobile unit, or other similar prescribed duty. On or after August 29, 2005, a member may also qualify and carry forward up to 120 days of unused leave if he or she is performing qualifying duties as designated by the Secretary concerned. The duty assignment must be under conditions where operational mission requirements prohibit normal leave utilization as determined by the military service concerned or designated commander. Under this exemption, unused SLA leave may be carried forward until the end of the third fiscal year following the fiscal year in which the qualifying service is terminated. If the 120 days of leave were accumulated during the period October 1, 2008 through December 31, 2010, then unused leave may be carried forward until the end of the fourth fiscal year following the fiscal year in which the service in the qualifying assignment or other similar prescribed duty is terminated.

3. The maximum amount of SLA leave that may be carried forward is the leave balance at the end of the fiscal year following the end of the SLA period not to exceed 120 days. The maximum amount will be reduced to a new level whenever the leave balance drops below the previously set level. If at any time the leave balance drops to or goes below 60 days, or 75 days during the period October 1, 2008 to September 30, 2013, then there is no longer any SLA protected leave. Therefore, the actual maximum leave that can be carried forward into succeeding fiscal years is the lowest leave balance achieved following the completion of the SLA duty or the usual 60 days, or 75 days during the period October 1, 2008 to September 30, 2013, whichever is greater. If the SLA qualifying period crosses a fiscal year, then the entire leave balance (not to exceed 120 days) will be carried forward and the leave accrued from the beginning of the new fiscal year through the end of the SLA qualifying period will be added to establish the maximum. Any portion of a leave balance in excess of 60 days which could have been taken before the end of the fiscal year had the member not been assigned

to SLA qualifying duty will not be included in the carryover amount.

Example 1: On August 31, 2003, a member had a leave balance of 80 days. On September 15, 2003, he was assigned to duty qualifying for SLA as described in subparagraph 350102.B.1. Had the member not been assigned to SLA duty, he could have possibly taken 15 days leave from September 16 through September 30. If the member had taken leave during this period, then there would still have been a loss of 7.5 days (82.5 days accrued through September 30, less the 15 days potentially taken and the normal 60-day carryover restriction) at the end of the fiscal year. Therefore, since only the portion that potentially could have been taken is protected, the member may carry forward 75 days and will lose 7.5 days of leave.

Example 2: The member in example 1 continued on SLA duty until September 15, 2004. No leave was permitted during this period, and the member's accrued leave totaled 105 days at the end of September. If the leave balance does not drop at any time below 105 days, then it may be carried forward for 3 fiscal years, until September 30, 2007. If the member took 30 days of leave from April 1 through April 30, 2005, then this would result in a leave balance of 92.5 days (105 days accrued through September, plus 17.5 days accrued from October through April, less the 30 days of leave taken) and a new maximum amount of leave that may be carried forward. If no further SLA is earned and the leave balance is not further reduced to a new lower level, then the maximum leave the member may carry forward into succeeding fiscal years (until September 30, 2007) is 92.5 days.

4. Contingency Operations

a. Effective September 30, 2004, active duty members who serve in duty assignments in support of a contingency operation are authorized to accumulate annual leave in excess of 60 days, as shown on the end of the month September Leave and Earning Statement (LES). These service members are authorized to retain such leave (not to exceed 90 days) until the end of the fiscal year or the following fiscal year, if other reasons preclude use of such leave.

b. Effective January 28, 2008, active duty members who serve in duty assignments in support of a contingency operation are authorized to accumulate annual leave in excess of 60 days, or 75 days for the period October 1, 2008 through December 31, 2010, as shown on the end of month September LES. These members are authorized to retain up to 120 days until the end of the second fiscal year after the fiscal year in which such service on active duty is terminated.

C. Leave will be accounted for by crediting it sequentially in the chronological order in which it is accrued. Generally, when used, leave will be charged with the oldest accrued leave charged first. This method is known as First In, First Out. As an exception, combat zone tax exempt leave will be charged first regardless of when it was earned. Also, saved leave, described in subparagraph 350102.A.1, will be charged last.

Example 1: On August 31, 2001, a member had accrued 65 days of unused leave, 55 days of which had been accrued and remained unused from a period before September 1, 1976 (i.e., saved leave), and zero days of tax exempt leave. The member took leave from September 5 through 24, 2001, a period of 20 days. The leave taken is first applied to the 12 days accrued since September 1, 1976. This leaves 8 days to apply to the saved leave, reducing that balance to 47 days.

Example 2: On August 31, 2001, a member had accrued 75.5 days of unused leave, 55 days of which had been accrued and remained unused from a period before September 1, 1976 (i.e., saved leave), and 7.5 days of accrued unused CZTE leave. The CZTE leave had been earned for two separate periods, 5 days for active service from January 2 through February 6, 2001 in a combat zone, and 2.5 days for active service from August 7 through August 30, 2001 in a qualified hazardous duty area. The member took leave from September 5 through September 24, 2001, a period of 20 days. The leave taken is first applied to the 7.5 days of CZTE leave. This leaves 12.5 days to be applied to the non-CZTE leave earned since September 1, 1976, reducing that balance to 2.5 days as of September 24, 2001. The saved leave balance remains at 55 days.

350103. Leave Payments and Taxability

A. Payments for accrued leave are normally subject to taxation and income tax withholding. Payments for saved leave accrued before September 1, 1976, will also include non-taxable allowances. See Table 35-5 for determining the elements of pay to use in the computation of accrued leave payments.

B. Payments for CZTE leave are tax-exempt from Federal taxation and not subject to Federal or State income tax withholding up to the monthly limit specified by the Internal Revenue Service (IRS). That limit is different for enlisted members and officers. The limit is fully described in ***Chapter 44***, subparagraph 440102.A, summarized as follows:

1. Enlisted members (E-1 and above) and warrant officers (W-1 through W-5) have no limitation or ceiling on the value of payments exempt from Federal or State taxes and Federal tax withholding for any month in which they qualify for an exemption.

2. Officers (O-1 and above) are subject to a limit on the value of federal tax exempt payments and from exemption from federal and state tax withholding for each month in which they qualify for an exemption. Since November 21, 1995, the exemption amount for officers has been set at the value of the highest rate of enlisted basic pay plus the value of any hostile fire or imminent danger pay the officer may have been entitled to in that qualifying month. The applicable rate of enlisted basic pay would be that listed in ***Chapter 1***, Table 1-10, Note 2 of this volume, for the corresponding qualifying month. To determine whether the limitation will apply to a payment for accrued unused leave, the leave must be allocated to the months in which earned and for which the officer qualified for CZTE status. The value of the leave for each individual month must be added to any payments the officer has received for that tax exempt month and the total compared to the monthly limitation amount. Tax exemption may

only be given for the value of that portion of the CZTE leave that does not exceed the limitation available. Any payments for CZTE leave value that exceed the limitation available will be treated as taxable income.

Example: A Reserve Component O-5 with over 12 years service began active duty on January 25, 2002, and reported temporary additional duty to a designated combat zone on January 26, 2002. He departed the zone on March 2, 2002 and was separated from active duty and paid for unused accrued leave on March 4, 2002. The officer was entitled to monthly basic pay of $5,073.30 and to monthly imminent danger pay of $150. The monthly basic pay for the most senior enlisted member in each military service was $5,382.90 per month during that period. The officer has been paid for his active duty service and is awaiting payment for his earned leave. He had previously sold back 58 days of leave at the end of other active duty periods. The officer earned .5 days of leave in January and in March and 2.5 days for February. This is a total of 3.5 days leave, and when added to the 58 days previously sold, would exceed the maximum of 60 days that may be sold in a career. This leave, however, is exempt from payment limitation since the Reserve officer was on active duty for a period of more than 30 but less than 366 days. Payment of the .5 days of leave for both January and March is fully exempt from income tax and income tax withholding since the prior tax-free payments for his basic pay and hostile fire/imminent danger pay in those 2 months was well below the tax exemption limitation value of $5,532.90 (senior enlisted basic pay of $5,382.90 and hostile fire/imminent danger pay of $150). However; only a portion of the 2.5 days of unused accrued attributable to February is exempt from income tax and income tax withholding. The officer has already received tax-exempt treatment of his February salary and imminent danger pay using all but $309.60 of his available exemption (exemption equals $5,532.90 and the amount used was the officer's base pay plus the hostile fire/imminent danger pay or $5,223.30). The 2.5 days of leave is valued at $422.78, leaving $113.18 of the leave payment subject to tax and tax withholding.

350104. Leave Payments and Debts. Payments for accrued leave may be used to satisfy debts to the U.S. Government without restriction.

350105. Leave Payment to Beneficiaries. Payments for accrued leave owed at death will be paid to the eligible beneficiary or beneficiaries under the provisions of ***Chapter 36***, section 3602.

A. If a member dies while on active duty of 30 days or more, then the accrued leave is payable along with all other unpaid pay and allowances to the eligible beneficiary.

B. If a member or former member dies after retirement or discharge, but before receiving any or all compensation for accrued leave, then the balance is payable to the eligible beneficiary and claims for payment must be submitted to the appropriate following address:

Army and Air Force Members
Director
DFAS-Indianapolis
DFAS-PMTEC/IN
8899 E. 56th Street
Indianapolis, IN 46249-0845

Navy and Marine Corps Members
Director
DFAS-Cleveland
DFAS-PMMACB/CL
1240 E. 9th Street
Cleveland, OH 44199-2055

3502 SEPARATION PAY (NONDISABILITY)

350201. Entitlement

A. Full Separation Pay. Beginning on June 20, 1991, full payment of nondisability separation pay has been authorized to Military Service members of the Regular and Reserve Components who have been involuntarily separated from active duty and have met each of the following four conditions:

1. The member has met one of the following criteria for active military service:

a. The member is on active duty or full-time National Guard duty and has completed at least 6 years, but less than 20 years, of active service. Reserve members not on the active duty list when separated must have 6 years of continuous active duty or full-time National Guard duty immediately preceding separation. A period of active duty is considered continuous if any break in active service does not exceed 30 days.

b. The member (other than a Regular enlisted member) was on active duty or full-time National Guard duty on November 5, 1990, and on that date had 5 or more, but less than 6, years of active service. Reserve members not on the active duty when separated must have 5 years of continuous active duty or full-time National Guard duty immediately preceding separation. A period of active duty is considered continuous if any break in active service does not exceed 30 days.

c. Effective December 1, 1993, a member who is a Regular officer and is separated under ***10 U.S.C., chapter 36*** (except under sections ***630***(1)(A) or ***643*** of such chapter or under 10 U.S.C., ***580*** or ***6383***) must have completed at least 6 years, but less than 20 years, of active service.

d. The member, who is a Regular officer and is separated under ***10 U.S.C., chapter 36*** (except under sections ***630***(1)(A) or ***643*** of such chapter, or under 10 U.S.C., sections ***580*** or ***6383***) must have completed 5 or more years, but less than 6 years, of active service on November 30, 1993.

2. The member's separation must be characterized as "honorable" and none of the conditions apply that are listed in paragraph 350202.

3. A member who is separated involuntarily through either the denial of reenlistment or the denial of continuation on active duty or full-time National Guard duty must meet one of the following four specific conditions:

a. The member must be fully qualified for retention but denied reenlistment or continuation. This includes a Military Service member who is eligible for promotion as established by the Secretary of the Military Service concerned, but is denied reenlistment or continuation on active duty under established promotion or high year of tenure policies.

b. The member must be fully qualified for retention but involuntarily separated under a Reduction in Force by authority designated by the Secretary of the Military Service concerned.

c. The member, if a Regular officer, commissioned or warrant, must be separated under ***10 U.S.C. 564***, ***1165***, or ***6383***, or ***Chapter 36***; if a Reserve commissioned officer other than a commissioned warrant officer must be separated or transferred to the retired Reserve under ***10 U.S.C.***, chapters ***573*** or ***861***, or, if a Reserve commissioned officer on the active duty list or a Reserve warrant officer must be separated for similar reasons under Military Service policies.

d. The member must be denied reenlistment or continuation on active duty or full-time National Guard duty under subparagraphs 350201.A.3.a through 350201.A.3.c, and have accepted an earlier separation from active duty.

4. The member must have entered into a written agreement with the Military Service concerned to serve in the Ready Reserve of a Reserve Component of the Armed Forces for a minimum period of 3 years following the separation from active duty.

a. A member who enters into this written agreement and who is qualified for service in the Ready Reserve will, upon separation from active duty, be enlisted or appointed, as appropriate, as a Reserve member by the Military Service concerned. If the person has a service obligation under ***10 U.S.C. 651*** or any other law that is not completed at the time of separation from active duty, then the 3-year obligation begins on the day after the day on which the member completes the prior obligation.

b. A member who enters into this written agreement and who is not qualified for enlistment or appointment in the Ready Reserves need not be enlisted or appointed by the Military Service concerned to be considered to have met this condition of eligibility for separation pay.

B. Sole Survivorship Discharge

1. A sole survivorship discharge is the separation of a member from the armed forces at the member's request when the member is the only surviving child in a family in which:

a. The father, mother, or one or more siblings served in the Armed Forces; and who was killed, died as a result of wounds, accident, or disease; or is in a captured or missing in action status; or is permanently 100 percent disabled or hospitalized on a continuing basis (and is not employed gainfully because of the disability or hospitalization); and,

b. The death, status, or disability did not result from the intentional misconduct or willful neglect of the parent or sibling and was not incurred during a period of unauthorized absence.

2. A member who receives a sole survivorship discharge shall be entitled to full separation pay even though the member completed less than 6 years of active service immediately before that discharge.

3 The amount of the full separation pay to be paid shall be based on the years of active service actually completed by the member before the member's discharge.

4. These sole survivorship discharge provisions shall apply to any sole survivorship discharge granted after September 11, 2001.

* 5. Effective October 28, 2009, members who receive a sole survivorship discharge shall not be required to repay any unearned bonus, incentive pay, or similar benefit previously paid to the member.

* 6. Effective October 28, 2009, the Secretary concerned may grant an exception to the requirement to terminate the payment of any unpaid amounts of a bonus, incentive pay, or similar benefit if he determines that termination of the payment of the unpaid amounts would be contrary to a personnel policy or management objective, would be against equity and good conscience, or would be contrary to the best interests of the United States.

C. Half Separation Pay. Beginning on June 20, 1991, half payment of nondisability separation pay has been authorized to Military Service members of the Regular and Reserve Components who involuntarily have separated from active duty and have met each of the following four conditions: (NOTE: In extraordinary instances, the Secretary of the Military Service concerned may award full separation pay to a member otherwise eligible for half

separation pay when the specific reasons for the separation and the overall quality of the member's service have been such that denial of full separation pay would be clearly unjust.)

1. The member must meet one of the criteria for active service specified in subparagraph 350201.A.1.

2. The member's separation must be characterized as "honorable" or "general," and none of the conditions apply that are listed in paragraph 350202.

3. The member must be separated involuntarily by the Military Service concerned through either the denial of reenlistment or the denial of continuation on active duty or full-time National Guard Duty under one of the following specific conditions:

a. The member is not fully qualified for retention and is denied reenlistment or continuation under any of the following conditions:

(1) Expiration of service obligation.

(2) Selected changes in service obligation.

(3) Convenience of the government.

(4) Homosexuality.

(5) Drug abuse rehabilitation failure.

(6) Alcohol abuse rehabilitation failure.

(7) Security.

(8) Weight control failure.

b. The member must be separated under a Military Service specific program established as a half-payment level by the Secretary of the Military Service concerned.

c. The member must be denied reenlistment or continuation on active duty or full-time National Guard duty under subparagraphs 350201.C.3.a and 350201.C.3.b, and accept an earlier separation from active duty.

4. The member must have entered into a written agreement with the Military Service concerned to serve in the Ready Reserve for a minimum period of 3 years following separation from active duty.

a. A member who enters into this written agreement and is

qualified for the Ready Reserve will, upon separation from active duty, be enlisted or appointed, as appropriate, as a Reserve member by the Military Service concerned. If the person has a service obligation under ***10 U.S.C. 651*** or any other law that is not completed at the time of separation from active duty, then the 3-year obligation begins on the day after the day on which the member completes the prior obligation.

b. A member who enters into this written agreement and is not qualified for enlistment or appointment in the Ready Reserve need not be enlisted or appointed by the Military Service concerned to be considered to have met this condition of eligibility for separation pay.

350202. Limitations of Eligibility. Military Service members separated under the following circumstances are not eligible for separation pay:

A. The member is separated from active duty at the member's own request. The following are considered to be separations at the member's own request:

1. A member declines training that the Military Service offers to qualify for a new skill or rating as a precondition to reenlistment or continuation on active duty.

2. A member requests separation under regulations established by the Secretary of the Military Service concerned as provided for in ***DoD Directives 1332.14*** and ***1332.30***.

3. A Reserve officer declines a Regular appointment at the mandatory integration point when an all-regular career force program is implemented by the Secretary concerned.

B. The member is separated from active duty during an initial term of enlistment or an initial period of obligated service. The initial term of enlistment or initial period of obligated service is the active service obligation that the member incurred upon initial enlistment or upon enrollment in a commissioning program. This limitation also applies to a member who desires to reenlist or continue at the conclusion of the initial term of enlistment or an initial period of obligation and is denied by the Military Service concerned.

C. The member is released from active duty for training or from full-time National Guard duty for training.

D. The member is immediately eligible at separation for retired or retainer pay based upon his or her military service.

E. The member is a warrant officer whose appointment is terminated and who then elects to enlist.

F. The member is separated as a result of the execution of a court-martial sentence.

G. The member is being dropped from the rolls of the Military Service concerned.

H. The member is being separated under other than honorable conditions.

I. The member is an enlisted member who is separated for unsatisfactory performance or misconduct, as set forth in ***DoD Directive 1332.14***, except when half-pay is authorized in subparagraph 350201.C.

J. The member is an officer who is separated for substandard performance or acts of misconduct or moral or professional dereliction, except when half pay is authorized in subparagraph 350201.C.

K. The member is separated under a Military Service-specific program established as a no-payment level by the Secretary concerned.

L. A determination is made by the Secretary of the Military Department concerned in an extraordinary case that the conditions under which the member is separated do not warrant a separation payment. This authority is not to be delegated. It is intended that only sparing use will be made of this discretionary authority to deny payment.

M. A Regular officer having twice failed for selection for the promotion to the next higher grade is not entitled to separation pay if that officer, after such second failure of selection for promotion, is selected for, and declines, continuation on active duty for a period that is equal to or more than the amount of service required to qualify the officer for retirement.

N. A Reserve officer who, is not selected for promotion to the next higher grade for the second time and is to be discharged or released from active duty, and who after such failure of promotion, is selected for and declines continuation on active duty:

1. If the period of time for which the officer was selected for continuation on active duty is less than the amount of service that would be required to qualify the officer for retirement, then the officer's discharge or release from active duty shall be considered to be involuntary.

2. If the period of time for which the officer was selected for continuation on active duty is equal to or more than the amount of service that would be required to qualify the officer for retirement, then the officer's discharge or release from active duty shall not be considered to be involuntary.

350203. Computation of Active Service. Compute active service time as follows:

A. Qualifying years, except as noted in subparagraph 350201.A.1, do not have to be continuous; however, the last phase of the qualifying term must end immediately before the separation from active duty occurs.

B. Compute fractions of years in the following manner:

1. Separation Pay. Beginning September 24, 1983, each full month of military service that is in addition to the number of full years of active service has been counted as 1/12 of a year. Disregard any remaining fractional part of a month.

2. Readjustment or Severance Pay. Six months or more is counted as a whole year, and disregard any part less than 6 months. (NOTE: In computing readjustment pay, the minimum eligibility of 5 full years of continuous active duty must be met first.)

C. Periods for which a Military Service member previously has received separation pay, severance pay, or readjustment pay may be counted for eligibility purposes (to ensure the member meets the minimum required years of active duty), but may not be used in the multiplier to determine the amount of separation pay for a subsequent separation.

D. Count periods of active military service in a Regular or Reserve Component. Include active duty for training performed on or after August 10, 1956.

E. Do not include periods of absence without leave, confinement time awaiting trial that results in a conviction, confinement time while serving a court-martial sentence, and time lost while not in the line of duty. Count time in service to make up for lost time.

F. Do not include service as a cadet or midshipman while in a Military Service academy or a Reserve Officer Training Program.

350204. Computation of Separation Pay

A. Compute full separation pay at 10 percent of 12 times the amount of monthly basic pay to which entitled at the time of separation from active duty, times the active service time as computed in paragraph 350203.

B. Compute "half separation pay" at 50 percent of what the full separation pay would have been.

350205. Recoupment of Separation Pay From Retired or Retainer Pay or From Department of Veterans Affairs (VA) Disability Compensation. Except as provided under subparagraph 350205.C, military members who receive separation pay, severance pay, or readjustment pay under any provisions of law based on service in the Armed Forces, and, subsequently, either qualify for retired or retainer pay under ***10 U.S.C.*** or ***14 U.S.C.*** or become eligible for disability compensation administered by the VA, are subject to the recoupment of the

gross taxable separation, severance, or readjustment pay they received, which shall be accomplished from retired or retainer pay or VA disability compensation, as follows:

A. Retired Pay. Recoupment shall be accomplished through monthly deductions from each payment of retired or retainer pay payable to the retired member until the total amount of the deductions equals the gross taxable amount of separation, severance, or readjustment pay received by the member. (NOTE: See ***Chapter 4 of DoD FMR Volume 7B*** for guidance on the calculation of the recoupment.)

B. VA Disability Compensation. Recoupment shall be accomplished through a deduction from the VA disability compensation payable to the retired member in an amount that is equal to the gross taxable amount of separation, severance, or readjustment pay made after September 30, 1996. The amount to be deducted from the VA disability compensation shall be equal to the gross taxable amount of such separation, severance, or readjustment pay, less the amount of Federal income tax withheld from such pay at the flat withholding rate for supplemental payments prescribed under ***Publication 15, Department of the Treasury, Internal Revenue Service***. This reduction, however, shall not apply to disability compensation for which the entitlement to that disability compensation is based on a later period of active duty than the period of active duty for which the separation pay, severance, or readjustment was received.

C. Repay Severance or Readjustment Pay. Notwithstanding subparagraphs 350205.A and 350205.B, members who received severance or readjustment pay before September 15, 1981, and who, on or after September 15, 1981, became entitled to retired or retainer pay under ***10 U.S.C.*** or ***14 U.S.C.***, are required to repay the severance or readjustment pay, in accordance with the laws in effect on September 14, 1981.

350206. Availability to Liquidate Debts. Separation pay under this section may be used to liquidate debts to the U.S. Government.

3503 SAVINGS PROVISIONS FOR READJUSTMENT AND SEVERANCE PAY (OTHER THAN DISABILITY)

350301. Basic Conditions of Entitlement

A. This section is applicable only to members who were on active duty (other than for training) on September 14, 1981, and after such date are involuntarily discharged or released from active duty. Members entitled to readjustment or severance pay under this section and separation pay under section 3502 may not receive both, but shall elect which they will receive. If no election is made, then members will receive the amount that is most favorable to them.

B. With respect to members discharged or released on or after October 19, 1984, members have not been entitled to readjustment or severance pay if the Secretary of the Military Department concerned determines that the conditions under which the discharge or separation occurs do not warrant such pay. It is intended that this discretionary

authority to deny payment will be sparingly used. This provision does not apply to Regular officers who have completed 5 or more, but less than 20 years of service, who are involuntarily discharged, or released from active duty because of failure to be selected for promotion.

350302. Effect on Retired Pay or VA Compensation

A. See paragraph 350205 for procedures when readjustment or severance pay is received after September 14, 1981.

B. Refund Upon Retirement. A Reserve member who received a readjustment payment on separation after June 28, 1962 and before September 15, 1981, and who later qualified for retired or retainer pay under ***10 U.S.C.*** or ***14 U.S.C.*** (upon completing 20 years of active service), must refund 75 percent of the gross readjustment pay, without interest, by immediate deduction from retired or retainer pay. This was not required if readjustment pay had been waived or refunded under subparagraph 350302.C.

C. Waiver or Refund Before Retirement. A member may waive entitlement to readjustment pay. Also, the full amount of such pay may be refunded before retirement. Under either condition, the member shall receive retired or retainer pay immediately upon retirement or transfer to the Fleet Reserve or Fleet Marine Corps Reserve.

D. VA Disability Compensation. When a member who receives readjustment pay before September 15, 1981, becomes entitled to VA disability compensation, the VA has deducted 75 percent of the readjustment payment from future VA compensation. The VA does not make a deduction when VA disability compensation is based on a later period of service. A member who elected, on or before June 27, 1962, to receive readjustment pay in lieu of VA disability compensation may have been awarded disability compensation effective on and after June 28, 1962. The VA reduces the disability compensation by 75 percent of the readjustment payment, unless readjustment pay was waived or refunded.

350303. Entitlement to and Computation of Readjustment Pay. Conditions of entitlement are in Tables 35-7 and 35-8. Table 35-9 shows how readjustment pay is computed.

350304. Computation of a 5-Year Continuous Period. To compute the 5 years of continuous active duty needed to qualify for readjustment pay, follow these rules:

A. Breaks in Service. Breaks in service of 30 days or less do not destroy the continuity of active duty (even though two or more breaks total more than 30 days). The time covered by such breaks, however, must be excluded in computing the minimum 5 years of active duty.

NOTE: Do not consider absent without leave, confinement, time awaiting trial which results in conviction, time lost through intemperate use of drugs or alcohol, or time lost through disease or injury resulting from misconduct as “breaks in service.”

B. Active Duty for Training. Include active duty for training performed on and after August 10, 1956.

C. Service Component. Combine service in the Regular Component with service in a Reserve Component.

D. Officer or Enlisted Service. Combine duty as an enlisted member and as a commissioned or warrant officer.

E. Other Branch of Service. The 5-year period continuous active duty need not be performed in the same Military Service.

F. Home Awaiting Orders. Do not include time spent at home awaiting active duty orders.

350305. Computation of Active Service. See paragraph 350203.

350306. Entitlement to and Computation of Severance Pay (Other Than Disability). See Table 35-10.

350307. Availability to Liquidate Debts. Readjustment and severance pay under this section may be used to liquidate debts to the U.S. Government.

3504 DISABILITY SEVERANCE PAY

350401. Entitlement. A member separated from the Military Service for physical disability is entitled to severance pay if qualified as prescribed in personnel regulations of the Military Service concerned. When a member is entitled to disability severance pay, separation orders specify this entitlement.

350402. Disability Incurred During Nonpay Status. A member who incurs a disability while in a total pay forfeiture status is not entitled to disability severance pay. This is true even though the Secretary of the Military Service concerned remits the unexecuted portion of the sentence, including all uncollected forfeitures.

350403. Computation

A. Formula. To compute disability severance pay, multiply the sum of basic pay for 2 months by the number of combined years (but not over 19) of active service and inactive duty points. Do not include as basic pay the 25-percent increase prescribed under certain conditions for a Navy or Marine Corps member retained on active duty after enlistment expires.

B. Years of Service. There is no minimum amount of performed service time required to be eligible for disability severance pay. The member's separation orders will specify the total combined years of active service and inactive duty points to be counted in computing

severance pay. Round this total to the nearest whole year, with 6 months or more rounded up. The maximum number of years of service for computing the disability severance pay will be 19 years. The minimum number of years for computation purposes shall be:

1. Six years in the case of a member separated from the Armed Forces for a disability incurred in the line of duty in a combat zone (as designated by the Secretary of Defense) or incurred during the performance of duty in combat-related operations as designated by the Secretary of Defense.

2. Three years in the case of any other member.

C. Grade at Which Disability Severance Pay is Computed. Compute severance pay on basic pay of the following highest grade or rank described:

1. The grade or rank in which the member is serving at separation.

2. The permanent Reserve grade held at separation.

3. The highest temporary or permanent grade or rank in which member served satisfactorily as determined by the Secretary of the Military Service concerned.

4. For those selected for promotion, if the disability is found during a physical examination, then the grade or rank to which the member would have been promoted if there were no disability.

D. Example of Computation. An E-6 has 11 years, 4 months, and 9 days of active service and 76 inactive duty training periods ("points") on the date of separation for physical disability. Compute the entitlement as follows:

11 years, 4 months, 9 days =	11.3583 years
76 "points" / 360 =	.2111 years
Total Service =	11.5694 years

Since it is a decimal greater than .5, round the total upward to 12 years. 12 years times 2 months of basic pay of an E-6 over 10 equals amount of disability severance pay.

NOTE: For purposes of this calculation, the number of points that may be considered may not exceed 60 points for any 1 anniversary year that closed before September 23, 1996, 75 points for anniversary years that closed on or after September 23, 1996, but before October 30, 2000, and 90 points for anniversary years that close on or after October 30, 2000.

350404. Taxability and Withholding

A. General. Disability severance pay is normally taxable income. It is not subject to tax withholding or reporting, however, if at least one of the following three conditions exists:

1. On September 24, 1975, the individual was either a member of a Uniformed Service or was under a binding written commitment to become a member.

2. The entitlement resulted from combat-related injury or illness, as determined by the Secretary of the Military Service concerned (or designee), which happens as a result of any of the following activities:

a. As a direct result of armed conflict.

b. While actually performing extra-hazardous service, even if the service does not directly involve combat.

c. Under conditions simulating war, including maneuvers or training.

d. By an instrumentality of war, such as weapons.

3. The member has official notification from the VA approving entitlement to disability compensation for the same illness or injury that caused the entitlement to disability severance pay.

B. Withholding Taxes. Withhold income taxes from all payments of disability severance pay unless the member qualifies for an exemption under subparagraph 350404.A. Finance or personnel officers should advise members that their taxable payments of disability severance pay will become nontaxable if, later in the same tax year or in a subsequent tax year, the VA awards the member disability compensation for the same illness or injury for which the member was paid disability severance pay. See subparagraphs 350404.C and 350404.D for how to obtain a refund of the income taxes withheld from disability severance pay that becomes non-taxable as a result of the VA's award, at a later date, of VA disability compensation.

NOTE: The VA may award disability compensation in either the same tax year or a subsequent tax year in which a member is paid disability severance pay. Once a member is awarded disability compensation, a refund of the income taxes withheld may be requested as discussed in subparagraphs 350404.C and 350404.D.

C. VA Disability Compensation Awarded in the Tax Year of the Disability Severance Pay Payment. Finance or personnel officers should advise members that a refund of taxes withheld from the gross taxable amount of their disability severance pay payment may be obtained from the supporting DFAS site if disability compensation from the VA is awarded in the same tax year in which the member received disability severance pay. To obtain a refund

from the servicing DFAS site, the member's tax refund request must be received and processed by December 31st of the year in which the disability severance pay payment was paid, along with documentation evidencing the VA's award of disability compensation in the same year for the same injury or illness that established the member's entitlement to disability severance pay. A corrected TD Form W-2 ("Wage and Tax Statement") reducing the member's taxable wages by the gross amount of the disability severance payment amount may be issued when supporting documentary evidence of the same year VA award is received after the cutoff date.

D. VA Disability Compensation Awarded in a Tax Year Subsequent to the Year of the Disability Severance Pay Payment. Finance or personnel officers should advise members that a refund for income taxes withheld from their disability severance pay payment must be obtained from the IRS when the date of the VA's award of disability compensation is in a calendar year subsequent to the year in which the member received disability severance pay. No prior year corrected TD Form W-2 may be issued to the member, since the member's disability severance pay was taxable at the time of payment. The member should also be advised to submit the appropriate documentation from the VA along with related separation documents to claim a reduction in that year's taxable income.

350405. Availability to Liquidate Debts. Disability severance pay may be used to liquidate debts to the U.S. Government.

350406. Recoupment From VA Compensation. The VA deducts disability severance compensation from any VA compensation for the same disability to which the member or member's dependents become entitled under any law administered by the VA. There are two exceptions:

A. No deduction will be made in the case of disability severance pay received by a member for a disability incurred in the line of duty in a combat zone or incurred during performance of duty in combat-related operations as designated by the Secretary of Defense.

B. No deduction will be made from any death compensation to which a member's dependents become entitled after the member's death.

350407. Other Benefits and Claims. A member paid disability severance pay is not entitled to any payment from the Military Service for, or arising out of, service before separation. This does not prohibit payment if an amount is due the member on the date of separation or if a claim is allowed under law.

*3505 CONTRACT CANCELLATION PAY AND ALLOWANCES

* 350501. Entitlement. Reserve members released from active duty (other than for training) without their consent before the end of their active duty agreement made under ***10 U.S.C. 12311***(a) are entitled to a special payment under ***10 U.S.C. 12312***. This payment is in addition to any pay and allowances to which the member is otherwise entitled.

350502. Computation. To compute the amount payable, multiply the number of years and fraction of years of the unexpired period of service under the contract by the sum of basic pay, special pay, and allowances for 1 month to which the member is entitled on the day of release. Count a fraction of a month that is 15 days or more as a whole month and disregard a fraction of a month that is less than 15 days. Separation orders show the number of years and months of unexpired service for which contract cancellation pay and allowances are payable.

350503. Restrictions. A member is not entitled to the special payment authorized by this section if:

A. Dismissed or discharged under the sentence of a court-martial.

B. Released because of an unexplained absence without leave of at least 3 months.

C. Released because of conviction and sentence to confinement in a federal or state penitentiary or correctional institution which sentence has become final.

D. Released because of a physical disability resulting from intentional misconduct or willful neglect.

* E. Eligible for retired pay, separation pay, or severance pay under another provision of law (this restriction does not apply to readjustment pay).

F. Placed on a temporary disability retired list.

G. Released to accept an appointment, or to be enlisted, in a Regular Component of an Armed Force.

350504. Withholding Tax. Contract cancellation pay is subject to withholding tax.

350505. Availability to Liquidate Debts. Contract cancellation pay may be used to liquidate debts to the U.S. Government.

3506 MISCELLANEOUS SEPARATION PAYMENTS

350601. Discharge Gratuity. See Table 35-11.

350602. Travel Allowance on Separation. See ***Joint Federal Travel Regulations (JFTR), paragraph U5125***, and ***Volume 9*** of this Regulation.

3507 SPECIAL SEPARATION BENEFIT (SSB)

350701. Entitlement. A member who separates voluntarily from a Military Service before December 31, 2001 could, under conditions prescribed by the Secretary concerned, elect

to receive a special separation benefit (SSB). Such a member must have met each of the following conditions:

A. Time-in-service requirements:

1. A member separating prior to November 30, 1993 must have served for more than 6 years on active duty, full-time National Guard duty, or any combination thereof before December 5, 1991, but have less than 20 years of service creditable for retirement.

2. A member separating on or after November 30, 1993 must have served for more than 6 years on active duty, full-time National Guard duty, or any combination thereof, but less than 20 years of service creditable for retirement.

B. The member must have completed an initial term of enlistment or initial period of obligated service prior to separation.

C. The member must have served at least 5 years of continuous active duty, full-time National Guard duty, or any combination thereof immediately prior to the date of separation.

D. The member must not be eligible immediately for retired or retainer pay because of Military Service.

E. The Secretary of the Military Service concerned (or designee) must approve the member's application for voluntary separation before the member may receive payment.

F. The member must have entered into a written agreement to serve in the Ready Reserve for a period of not less than 3 years following separation. If the member had any other service obligation remaining unfulfilled at the time of separation, then the new 3-year period of obligated service began on the day after the day the member completed such period of prior obligated service.

G. The member's separation must not have resulted from release from a period of active duty for training.

H. The member must not have been approved for payment of variable separation incentive (VSI). (See section 3508.)

350702. Computation. Upon approval, and upon receipt of the member's election to receive SSB, pay the member a lump sum computed according to this formula: Multiply the rate of monthly basic pay on the date of separation times 12 times the years of active service times 0.15.

A. Compute years of active service according to the formula in subparagraphs 350203.B.1, D, E, and F. Do not count any period of prior military service for which the member has received separation pay, severance pay, or readjustment pay under any provision of law relating to members of the Uniformed Services. When computing partial years of service, round fractional parts of a year to the nearest 1/10 of 1 percent, or 3 decimal places. For example, if the member has 11 years and 5 months of service, then the year multiplier in the formula would be 11.417.

B. Withhold Federal and state taxes at the rate appropriate for one-time payments.

C. Deduct from the remaining balance any debt owed the United States.

D. Do not collect Federal Insurance Contributions Act (FICA) taxes.

E. Payment will be made on, but in no cases prior to, date of separation.

F. For separations after November 11, 1993, reduce the gross amount of the SSB payment by the gross amount of any of the following bonuses that the member received during the calendar year in which the member is separating with entitlement to SSB:

1. Multiyear special pay, section ***0502***.

2. Enlistment/reenlistment bonus of any type, section ***0901*** and paragraphs ***570402***, ***570403***, and ***570404***.

3. Nuclear officer career accession bonus, ***Chapter 3***.

4. Nuclear career annual incentive bonus, ***Chapter 3***.

5. Nuclear officer accession bonus, ***Chapter 3***.

6. Aviator retention bonus, ***Chapter 20***.

7. Registered nurse accession bonus, section ***2101***.

8. Bonus for critical acquisition positions (***37 U.S.C. 317***); but do not effect this reduction if the member separates within 1 year of the date of termination of the period for which the bonus has been paid. Do not reduce any payment to less than zero. The date the bonus is received means the date on which the bonus is payable. Reduction in SSB entitlement and collection of unearned bonuses because of failure to fulfill the contract under which the bonus was paid are two separate actions. If the reduction in SSB equals or exceeds the bonus recoupment required elsewhere in this volume, then no further action is necessary. If, however, the SSB reduction is less than the required bonus recoupment, then the difference remains as a debt owing by the member.

Example 1: On March 1, 1993, the member reenlisted for 4 years with entitlement to selective reenlistment bonus (SRB) in the amount of $18,000. The member received one-half of the bonus at reenlistment, with the remainder paid in three annual installments: $3,000 each on March 1, 1994, 1995, and 1996. The member separated under the SSB program on December 31, 1993, with a SSB entitlement in the gross amount of $28,000. Since the member received the bonus in the same calendar year in which separating under the SSB, the member's gross SSB entitlement was reduced by $9,000, the gross amount of the bonus paid. Since collection of the unearned SRB would have amounted to only $5,250, ($9,000 SRB paid minus the bonus earned for 10 months at $375 per month), no further collection was required.

Example 2: The facts are the same except the member separated on September 30, 1996. Since the separation event occurred within 1 year of the date of termination of the bonus period, no reduction was made from the SSB payment. Since the member did not complete 5 months of the period for which he received the bonus, however, he was indebted to the United States in the amount of $1,875 (unearned bonus for 5 months at $375 per month). This amount was collectible from any funds otherwise due at separation, including the SSB payment.

Example 3: The facts are the same except the member separates under the SSB program on December 31, 1994. Since the member separated during a year in which she had received an SRB installment, the first action was to reduce her SSB entitlement by the amount of the March 1, 1994: $3,000 installment. This reduced her SSB to $25,000 (before taxes); however, the member only served 22 months of the reenlistment, so she earned only $8,250 of the total bonus of $12,000 she had received (22 months at $375 per month). Her gross debt for the unearned bonus was $12,000 minus $8,250, or $3,750. That debt was reduced by the $3,000 reduction in her SSB entitlement, leaving a debt of $750 to be collected from final pay, including her net SSB entitlement.

350703. Forfeiture and Recoupment

A. A deduction shall be made from a member who has received an SSB and later qualifies for retired or retainer pay. The deduction shall be a portion of such retired or retainer pay until an amount equal to the gross amount of such SSB has been deducted. See ***Chapter 4, section 0406 of DoD FMR, Volume 7B*** for details of the recoupment formula.

B. A deduction shall be made from a member who has received an SSB and qualifies for benefits under the law as administered by the VA. The deduction from such benefits shall be the gross amount of the SSB paid to the member. Effective for payments of SSB that are made after September 30, 1996, the amount subject to recoupment under this paragraph is the total gross amount of SSB paid, less the amount of Federal income tax withheld from such pay (such withholding being at the flat withholding rate for Federal income tax withholding, as in effect pursuant to regulations prescribed under ***Publication 15, Department of the Treasury, Internal Revenue Service***). There shall be no such deduction, however, if the disability for

which the member receives compensation was incurred or aggravated during a period of later active duty.

C. Subsequent receipt of basic pay for active or Reserve service, of muster duty allowance, or of compensation for a period of inactive duty training does not require the forfeiture of an SSB.

D. If the member does not complete the required 3 years service in the Ready Reserve, for reasons other than through no fault of the member, then collect on a pro rata basis any unearned portion of the member's SSB from the date of his or her failure to maintain Reserve affiliation through the date of the 3-year commitment. The member's Reserve Personnel Activity will certify when he or she does not complete the Reserve commitment through personal fault.

Example: A member separated on June 30, 1995 with an SSB entitlement of $64,000 and a commitment to serve in the Ready Reserve through June 29, 1998. Effective December 17, 1997, the member was separated from his Reserve unit, through fault of the member as certified by the servicing personnel activity. The member was credited with serving a total of 2 years and 6 months of Reserve service using the following computation method (if more than 14 days round up; if less than 15 disregard):

YR	MO	DAY	
97	12	17	
-95	06	30	
02	05	17	
		+ 01	(inclusive day)
02	05	18	

The unearned portion of the SSB was 6/36 of $64,000, or $10,667. A debt against the member was established in that amount.

E. A member whose application for separation with entitlement to an SSB was approved by competent authority after September 30, 1994 forfeits all entitlement to the SSB payment if that member is employed in a civilian position in the Department of Defense at any time before the expiration of 180 days following the date the member is released from active duty with entitlement to the SSB. This includes appointment to a position while on terminal leave if that appointment is not terminated prior to the date of the member's separation. Upon receipt of notification of such employment, collection action must be instituted to recoup the gross amount of SSB paid to or on behalf of the member.

350704. Termination of Program. No member of the Armed Forces may be separated under this program after December 31, 2001.

3508 VOLUNTARY SEPARATION INCENTIVE (VSI)

350801. Entitlement. A member who separates voluntarily from Military Service before December 31, 2001 could, under conditions prescribed by the Secretary of the Military Department concerned, elect to receive a VSI. The member must meet each of the following conditions:

A. Time-in-service requirements:

1. Members separating prior to November 30, 1993 must have served more than 6 years on active duty, full-time National Guard duty, or any combination thereof before December 5, 1991, but have less than 20 years of service creditable for retirement.

2. Members separating on or after November 30, 1993 must have served more than 6 years on active duty, full-time National Guard duty, or any combination thereof, but have less than 20 years of service creditable for retirement.

B. The member must have completed initial term of enlistment or initial period of obligated service prior to separation.

C. The member must have served at least 5 years of continuous active duty, full-time National Guard duty, or any combination thereof immediately prior to the date of separation.

D. The member must not be immediately eligible for retired or retainer pay because of military service.

E. The Secretary of the Military Service concerned (or designee) must approve the member's application for voluntary separation before the member may receive payment.

F. The member must accept voluntary appointment or enlistment in, or transfer to the Ready Reserve of a Reserve Component, and must continue to serve in a Reserve Component during the entire period of eligibility for VSI. If the member does not continue to serve in the Ready Reserve, then the VSI installments terminate on the date of separation from the Reserve Component or transfer to the Retired Reserve. If the member becomes ineligible to serve for the following reasons, then VSI installments continue for the remaining period authorized if:

1. The separation or transfer is required by reason of the age or number of years of service of the member.

2. The separation or transfer is required by reason of failure of selection for promotion or medical disqualification of the member, except in a case in which the Secretary of Defense or Secretary of Transportation determines that the basis of the separation or

transfer is a result of a deliberate action by the member with the intent to avoid retention in the Ready Reserve or Standby Reserve.

3. In the case of separation, the member is separated from the Reserve Component for appointment or enlistment in or transfer to another Reserve Component of an Armed Force for service in the Ready Reserve or Standby Reserve of that Armed Force.

G. The member has not been approved for payment of SSB. (See section 3507.)

350802. Computation. Upon approval, and upon receipt of the member's election to receive VSI, pay the member a lump sum at separation computed according to the following criteria.

A. Multiply the rate of monthly basic pay on date of separation times the years of service times 12, times 0.025. When computing partial years of service, round fractional parts of a year to the nearest 1/10 of 1 percent, or 3 decimal places. For example, if the member has 11 years and 5 months of service, then the year multiplier in the formula would be 11.417.

B. So long as the member continues to serve in a Reserve Component, make annual payments on the anniversary date of the member's separation from active service until the total number of payments made equals twice the number of years of active service used in computing the basic entitlement. See the following example for instance where the member's years of active service are not a whole number.

Example: The member separates on June 30, 1992 with a total of 11 years, 3 months, and 11 days of active service, at which time the member is a major with more than 10 years service. The initial installment of VSI, paid on the date of separation, is the member's basic pay of $3,156.30, times 12 times .025, times 11-3/12 (only full months of service count), which equals $10,652.51. The member is due 22 of these payments (11-3/12 times 2). Make 21 more payments of $10,652.51, the last such full payment being due on June 30, 2013. On June 30, 2014, pay the member a final installment of $5,326.26, which is one-half the amount of the prior installments.

C. Compute years of service according to ***10 U.S.C. 1405***. Do not count any period of prior military service for which the member has received separation pay, severance pay, or readjustment pay under any provision of law relating to members of the Uniformed Services.

D. For separations after November 11, 1993, reduce the gross amount of the initial VSI payment (and any subsequent installments) until the total reduction equals the gross amount of any of the following bonuses which the member received during the calendar year in which the member is separating with entitlement to VSI:

1. Multiyear special pay (see section ***0508***).

2. Enlistment/reenlistment bonus of any type (see ***Chapter 9*** and paragraphs ***570402, 570403, and 570404***).

3. Nuclear officer accession bonus (see ***Chapter 3***).

4. Nuclear officer career accession bonus (see ***Chapter 3***).

5. Aviator retention bonus (see ***Chapter 20***).

6. Registered nurse accession bonus (see ***section 2101***).

7. Bonus for critical acquisition positions; see ***37 U.S.C. 317***. Do not, however, make a reduction if the member separates within 1 year of the date of termination of the period for which the bonus has been paid. Do not reduce any payment to less than zero. The date that the bonus is received means the date on which the bonus is payable. If the reduction in the initial VSI installment equals or exceeds the bonus recoupment required elsewhere in this volume, then no further action is necessary. If, however, the VSI installment reduction is less than the required recoupment, then the difference remains as a debt owing by the member.

Example 1: Member A reenlisted for 4 years on January 3, 1994 and received an SRB payment in the gross amount of $12,000. She separated on December 31, 1994 with entitlement to an initial gross VSI payment of $3,232. Since she received a VSI payment in the same calendar year in which a bonus was paid, reduce the initial VSI payment to zero; the member, however, still was liable for the unearned portion of the bonus, which must be collected from any payments that she otherwise is due, including any future VSI installment payments.

Example 2: The facts are the same as example 1, except member B separated under the VSI program on January 31, 1995. Since he did not receive a bonus during the calendar year 1995, there was no reduction in the amount of his VSI entitlement. However, the member still was liable for the unearned portion of the bonus, which must be collected from any payments otherwise due the member, including the initial and any future VSI installments.

Example 3: Member C reenlisted for 4 years on October 1, 1994 with entitlement to SRB in the total amount of $12,000. She received $6,000 at reenlistment, with the remainder to be paid in $2,000 installments on October 1, 1995, 1996, and 1997. On December 31, 1995, she separated with entitlement to 15 VSI payments of $3,453 each. Since the member separated during a calendar year in which she received an SRB installment, the gross VSI installment was reduced by the $2,000 received October 1, 1995. Also, the member had earned only $3,750 (15 months at $250 per month) of the SRB paid to her, though she had been paid a total of $8,000. The balance due for unearned SRB was $8,000, less the $3,750 earned and less the $2,000 by which her VSI initial installment was reduced. This left a debt of $2,250 to be collected from final pay. All final pay, including the remaining initial net VSI entitlement of $1,453, shall be used to liquidate the debt.

Example 4: The facts are the same as in example 3, except member D

separated on October 31, 1996. Since the separation event occurred within 1 year of the date of the termination of the bonus period, no reduction was made from the VSI payment. (This included the initial and all annual payments.) Since the member did not complete 11 months of the period for which he received the bonus, he was indebted to the United States for $2,750. This amount must be collected from any funds otherwise due at separation, including the VSI payment.

E. A member who is in receipt of basic pay for active or Reserve service or inactive duty training compensation may elect to have his or her next VSI installment payment reduced by an amount no greater than the total amount of such pay or compensation received since the prior VSI installment payment. Do not reduce the installment payment unless the member provides a signed authorization which specifies the exact dollar amount by which to reduce the installment payment. If the member fails to qualify for retired/retainer pay for any reason, then the amounts that have been offset are not refundable. A member may not reduce installment payments on account of muster duty allowances.

F. Withhold Federal and state taxes at the rate appropriate for onetime payments.

G. Deduct from the payment any debt owed the United States.

H. Do not collect FICA taxes.

I. Payment shall be made on, but in no cases prior to, date of separation.

350803. Forfeiture and Recoupment

A. A member who has received VSI later may qualify for retired or retainer pay through additional military service. See ***section 0405, DoD FMR Volume 7B*** for the requirement to reduce the member's retired pay until total reductions equal the gross amount of VSI the member has received. The reductions in retired pay will include only the amounts of VSI the member has received. Do not include prior reductions the member may have elected under subparagraph 350802.E.

Example: A member separated on June 30, 1992 with entitlement to VSI of $8,000 per year for 16 years (a total of $128,000). During each of the next 8 years, the member drilled with a Reserve unit and authorized a reduction in VSI of $5,000 per year because of the Reserve training compensation she received. Thereafter, she received seven more VSI anniversary payments in the full amount of $8,000 per year. When she became eligible for retired or retainer pay, the total reduction of such pay is $88,000 ($8,000 for the initial installment, plus $3,000 for each of the next eight installments, plus $8,000 for each of the next seven installments). The reductions in retired pay were equal to the gross amount that she received, including any taxes withheld from the VSI payment.

B. A member who receives VSI, and subsequently qualifies for disability compensation under laws administered by the VA, shall have the amount of disability compensation payable to the member offset from the next VSI payment.

1. The annual VSI payment shall be offset by the same amount of disability compensation received during the 12-month period immediately preceding the VSI payment. In no instance will the disability compensation offset exceed the annual VSI installment.

Example 1: The VSI recipient was separated from active service on September 30, 1992 and received an initial VSI payment in the amount of $7,000. On the VSI anniversary date of September 30, 1993 an annual payment of $7,000 was made. On April 15, 1994, the member was paid a $1,800 retroactive disability compensation payment (for the period November 1992 through April 1994) and received $100 per month thereafter. The September 30, 1994 annual gross VSI payment will be offset by $2,300 ($1,800 retroactive payment plus $100 received per month from May 1994 through September 1994).

Example 2: Same as in example 1, except the member received a $6,000 retroactive payment on April 15, 1994, and $500 per month thereafter. The September 30, 1994 annual gross VSI installment of $7,000 will be completely offset with no payment due the member. Although the member received $8,500 in disability compensation during the immediate preceding 12-month period, the maximum deduction from the September 30, 1994 payment is $7,000. No collection action is required on the remaining $1,500, nor will it be carried forward to the September 30, 1995 payment.

Example 3: Same as in example 1, except through administrative oversight, $2,300 was not offset from the September 30, 1994, VSI installment. The $2,300 becomes a debt owed by the member and is subject to immediate collection action. If collection is not accomplished, then deduct $3,500 ($2,300 which should have been offset from the previous payment plus the current offset of $100 per month for 12 months) from the September 30, 1995, payment.

Example 4: Same as in example 2, except through administrative oversight $7,000 was not offset from the September 30, 1994 VSI installment. As in example 3, the $7,000 becomes a debt and requires immediate collection from the member. If collection action is not accomplished, then the $7,000 debt can be collected from future VSI payments. Since the member received $6,000 ($500 for 12 months) disability compensation during the immediate 12-month period prior to the next September 30, 1995 installment, collect the remaining $1,000 towards the $7,000 debt. In this case, carry the remaining $6,000 unpaid debt forward.

2. Do not deduct from the member's VSI payment if the member is receiving VA disability compensation related to a period of service earlier than the period of service for which the member is receiving VSI.

C. If a member elected to have deducted any amount of basic pay for active or Reserve service or compensation for inactive duty training, then deduct the gross amount of such pay or compensation from the next installment of VSI due before computing tax withholding.

D. Do not pay any further installments to a former member who fails to maintain Reserve affiliation for reasons other than specified in subparagraph 350801.F, or whose Reserve Personnel Activity certifies the member was transferred to the Standby or Retired Reserve through fault of the member. Collect on a pro rata basis any unearned portion of the member's VSI from the date of the member's failure to maintain Reserve affiliation through the date the next installment would have been due.

Example: A member separated on July 31, 1995, with annual VSI entitlement of $7,500. Effective November 30, 1995, the member is separated from his Reserve unit because of usage of illegal drugs. The unearned portion of the VSI (see subparagraph 350703.D for computation method) is 8/12 of $7,500, or $5,000. Establish a debt against the member in that amount.

E. In the event a member becomes eligible for retired or retainer pay concurrently with annual VSI payments, both entitlements may continue to be paid (see ***DoD FMR Volume 7B, Chapter 4, subparagraph 040502.B***). Retired/retainer pay is offset according to subparagraph 350803.A.

F. A member whose application for separation with entitlement to VSI was approved by competent authority after September 30, 1994 forfeits all entitlement to VSI payments, including the initial payment, if the member is employed in a civilian position in the Department of Defense at any time before the expiration of 180 days following the date the member is released from active duty with entitlement to VSI. This includes appointment to a position while on terminal leave if that appointment is not terminated prior to the date of the member's separation. Upon receipt of notification of such employment, institute collection action to recoup the gross amount of the first VSI installment. Do not pay any further VSI installments, even if the former member separates from such civilian employment during the period the member would otherwise be entitled to VSI installments.

350804. Death. Upon death of the member, VSI annual payments continue for the remaining period of the entitlement. Make payment to the beneficiary as designated by the member or as otherwise provided by law (see section ***3602***). See ***Volume 7B, Chapter 23, subparagraph 230403***, for beneficiary payment procedures.

350805. Transfer or Assignment. The member may not transfer or assign the right to VSI payments to any person or entity, except as indicated in paragraph 350804.

350806. Termination of Program. The Secretary may not approve a request for voluntary appointment, enlistment or transfer to a reserve component under this program after December 31, 2001.

3509 VOLUNTARY SEPARATION PAY (VSP)

350901. Entitlement. A member who separates voluntarily may, under conditions prescribed by the Secretaries of the Military Departments concerned, be paid a Voluntary Separation Pay (VSP). The authority to separate a member in conjunction with VSP applies for the period October 17, 2006 through December 31, 2012.

350902. Eligibility. The Secretaries of the Military Departments may offer a member the opportunity to apply for VSP if the member:

A. Has served on active duty or full-time National Guard for more than 6 years but less than 20 years.

B. Has served at least 5 years of continuous active duty or full-time National Guard duty immediately preceding the date of separation from active duty.

C. Has not been approved for payment of voluntary separation incentive under section 3508 (***10 U.S.C. 1175***).

D. Upon separation is not immediately eligible for retired or retainer pay based upon his/her military service.

E. Meets such other requirements as the Secretaries of the Military Departments may prescribe, which may include requirements relating to years of service; skill; rating; military specialty; or competitive category, grade, or rank; remaining period of obligated service; or any combination of these factors.

F. Requests separation from active duty or full-time National Guard duty.

350903. Initial Term of Obligated Service. Effective January 1, 2009, the member is required to complete the initial term of obligated service in addition to meeting requirements in paragraph 350902 prior to separation. Prior to January 1, 2009, a member's obligation to complete an initial term of obligated service before separation shall be subject to the discretion of the Secretaries of the Military Departments. For the purpose of this section, "initial term of obligated service" means the initial period of required active-duty service incurred upon commissioning or enlistment, together with any additional period of required active-duty service incurred during the initial period of required active-duty service.

350904. Ineligible for VSP. The Secretaries of the Military Departments shall not offer a member the opportunity to apply for VSP if a member:

A. Does not meet the eligibility requirement of paragraph 350902.

B. Is discharged with disability severance pay under section 3504 (***10 U.S.C. 1212***).

C. Is transferred to the temporary disability retired list under 10 U.S.C. ***1202*** or ***1205***.

D. Is being evaluated for disability retirement under ***10 U.S. C., chapter 61***.

E. Had previously been discharged with voluntary separation pay.

F. Is subject to pending disciplinary action or is subject to administrative separation or mandatory discharge under any other provision of law or regulation.

350905. Application for VSP. A member may request and subsequently enter into a written agreement with the Secretary of the Military Department concerned to separate from active duty or full-time National Guard duty and accept an appointment or enlistment in, or transfer to, the Ready Reserve of a Reserve component for a period of not less than 3 years, as a condition of receipt of voluntary separation pay and benefits.

350906. Approval for VSP. The Secretary of the Military Department shall determine each year the number of military members to be separated, and provided separation pay and benefits during the fiscal year beginning in such year. Eligible members shall not be automatically entitled to receive VSP based solely upon request. The Secretaries of the Military Departments shall review all applications for voluntary separation and approve only those that meet the needs of the Military Departments. A member whose request is approved shall be separated from active duty.

350907. Computation of VSP

A. The Secretary concerned shall specify the amount of VSP to be paid to an individual, but the amount may not be greater than four times the full amount of separation pay that a member of the same pay grade and years of service would receive for an involuntary separation under ***10 U.S.C. 1174***.

B. Compute years of active service according to the formula in subparagraphs 350203.B.1, D, E, and F. Do not count any period of prior military service for which the member has received separation pay, severance pay, or readjustment pay under any provision of law relating to members of the Uniformed Services. When computing partial years of service, round the fractional parts of a year to the nearest 1/10 of 1 percent, or 3 decimal points. For example, if the officer has 10 years and 7 months of service, then the multiplier would be 10.583.

350908. Payment. VSP will be paid in a lump-sum payment. The VSP gross amount cannot be greater than the amount computed in paragraph 350907.

350909. Repayment of VSP When a Member Qualifies for and Receives Retired Pay

A. A member who is paid VSP and later qualifies to receive retired pay shall

have deducted from each payment of such retired pay a monthly installment as specified by the Secretaries of the Military Departments. The total amount of retired pay deductions shall equal the gross VSP amount paid to the member.

B. The requirement to repay VSP following retirement from the Armed Forces does not apply to a member who is eligible to retire at the time the member applied for and was accepted for VSP benefits.

C. The Secretaries of the Military Departments may waive the requirement to repay VSP if it is determined that recovery would be against equity and good conscience and would be contrary to the best interests of the United States.

D. For exception, see paragraph 350911.

350910. Veterans Affairs Disability Compensation. A member who received the VSP and subsequently qualifies for disability compensation from the VA is subject to recoupment of the gross amount of VSP paid, less Federal income taxes withheld from such pay. The VA administers the recoupment program for affected members. If the disability for which the member receives VA compensation was incurred or aggravated during a period of later active duty, then no recoupment of VSP is required, regardless of when paid. The Secretaries of the Military Departments may waive the requirement to repay the VSP if it is determined that recovery would be against equity and good conscience and would be contrary to the best interests of the United States.

350911. Members Returned to Active Duty

A. Except for the provisions in subparagraphs 350911.B and 350911.C, members who return to active duty in a Regular or Reserve component for 180 days or more shall have deducted from each payment of basic pay a monthly installment amount specified by the Secretary of the Military Department concerned. The total amount of basic pay deduction shall equal the gross amount of VSP paid to the member.

B. Recoupment shall not be required for a member who is involuntarily recalled to active duty or full-time National Guard in accordance with sections 10 U.S.C. ***12301(a), (b), (g)***; ***12302***; ***12303***; ***12304***, or ***32 U.S.C. 502(f)(1)***.

C. Recoupment shall not be required for a member who is recalled or performs active duty or full-time National Guard duty, so long as the period of active duty is less than 180 consecutive days with consent of the member in accordance with 10 U.S.C. ***101(d)(1), (2), (5)***; ***12301(d)***; ***12319***; ***12503***, or section 32 U.S.C. ***114***; ***115*** or ***502(f)(2)***.

D. The Secretary of Defense may waive, in whole or in part, repayment required under subparagraph 350911.A if the Secretary determines that recovery would be against equity and good conscience or would be contrary to the best interests of the United States. Requests for waiver under this authority should be forwarded to the Under Secretary of Defense

for Personnel and Readiness.

3510 STOP LOSS SPECIAL PAY

351001. Authority. The Secretaries concerned may provide Stop Loss Special Pay to members of the Armed Forces (including members of the reserve components) who perform duty while subject to ***10 U.S.C. 123*** or ***12305*** or any other provision of law authorizing the President to extend an enlistment or period of obligated service, or suspend an eligibility for retirement, of a member of the uniformed services in time of war or of national emergency declared by Congress or the President (referred to as a "stop loss authority"). The Stop Loss Special Pay is payable to members:

A. Who serve on active duty while the members' enlistment or period of obligated service is extended under a stop loss authority, or

B. Whose eligibility for retirement is suspended under a stop loss authority.

* 351002. Amount. The amount to be paid to or on behalf of an eligible member may not exceed $500 per month for each month or portion of a month during the period that the member was retained on active duty as a result of the stop loss authority. Effective October 1, 2009, an eligible member will be paid $500 per month for each month or portion of a month during the period that the member was retained on active duty as a result of the stop loss authority.

* 351003. Eligibility. The period of eligibility is October 1, 2008 through June 30, 2011 (after September 30, 2010, payments are subject to the availability of appropriations.)

3511 RETROACTIVE STOP LOSS SPECIAL PAY COMPENSATION

351101. Authority. The Secretaries concerned shall provide Stop Loss Special Pay Compensation to members of the Armed Forces, including members of the reserve components, and former and retired members under the jurisdiction of the Secretary who at any time during the period beginning on September 11, 2001, and ending on September 30, 2009, served on active duty while subject to ***10 U.S.C. 123*** or ***12305***, or any other provision of law (commonly referred to as a "stop loss authority") authorizing the President to extend an enlistment or period of obligated service, or suspend an eligibility for retirement, of a member of the uniformed services in time of war or of national emergency declared by Congress or the President. This compensation is payable to members:

A. Who served on active duty while the members' enlistment or period of obligated service was extended under a stop loss authority, or

B. Whose eligibility for retirement was suspended under a stop loss authority.

351102. Amount. The amount to be paid to or on behalf of an eligible member, retired member, or former member described in this section shall be $500 per month for each month or portion of a month during the period specified that the member was retained on active duty as a result of application of the stop loss authority.

351103. Limitation. Claims for retroactive Stop Loss Special Pay Compensation under this section shall be submitted to the Secretaries concerned not later than 1 year after the date the implementing rules issued by the Secretary of Defense take effect. The Secretaries concerned may not pay claims that are submitted more than 1 year after the date on which the implementing rules take effect.

351104. Treatment of Deceased Members. If an eligible member, retired member, or former member, described in paragraph 351101, dies before the payment required by this section is made, the Secretaries concerned shall make the payment in accordance with ***10 U.S.C. 2771***.

351105. Exclusion of Certain Former Members. A former member of the Armed Forces is not eligible for a payment under this section if the former member was discharged or released from the Armed Forces under other than honorable conditions.

351106. Relation to Other Stop Loss Special Pay. A member, retired member, or former member, may not receive a payment under this section and section 3510 for the same month or portion of a month during which the member was retained on active duty as a result of application of the stop loss authority.

* 351107. Effect of Subsequent Reenlistment or Voluntary Extension of Service. Effective December 19, 2009, service members who voluntarily reenlisted or extended their service after their enlistment or period of obligated service was extended, or after their eligibility for retirement was suspended; and who received a bonus for such reenlistment or extension of service are not eligible to receive the Retroactive Stop Loss Special Pay.

PAYMENT OF ACCRUED LEAVE – OFFICERS AND ENLISTED MEMBERS – SEPARATION WITHOUT IMMEDIATE REENTRY ON ACTIVE DUTY			
RULE	**A**	**B**	**C**
	If a member has been on active duty for 30 or more consecutive days and	**and**	**then accrued leave is**
1	is discharged (including as a result of resignation)	separation is under honorable conditions (note 1)	payable (notes 2 and 8).
2	is released from active duty (note 3)		payable (notes 2, 4 and 8).
3	retires		payable (notes 2, 5 and 8).
4	is transferred to Fleet Reserve or Fleet Marine Corps Reserve		
5	is discharged for fraudulent enlistment		not payable (note 6).
6	is released from duty because of void enlistment or void induction		
7	is discharged from service as a cadet or midshipman at a Military Service academy, or as a midshipman elsewhere		
8	dies on or after August 28, 1965, while on active duty	member is not put to death as lawful punishment for a crime or a military offense	payable to beneficiary with other unpaid pay and allowances as prescribed in section ***3602*** of this volume (notes 7 and 8).
9	is discharged before completing 6 months of active duty	separation is for unsatisfactory performance or misconduct for any reason set forth in subparagraph 350101.D	not payable.

NOTES:

1. If member is discharged or relieved from active duty because of expiration of term of service (ETS), and is under investigation as an alleged security risk, then do not pay accrued leave until investigation is completed and the character of the discharge determined. If discharge is under honorable conditions, then accrued leave may then be paid.
2. The period when a member is home awaiting further orders in connection with physical evaluation board proceedings is charged as leave, to the extent that leave is available, beginning with the day after member arrives home or the day after constructive travel time ends, whichever is earlier. Limit payment to accrued leave remaining at time of retirement or discharge. (See note 4 for exception.) Authorized absence under these circumstances in excess of accrued leave is not chargeable as leave.
3. A period of active duty as a Reserve or National Guard member meets the 30-day requirement if it covers 30 or more consecutive days, even though it may be directed by more than one order covering unrelated duties.
4. If a Reserve member is entitled to pay and allowances during a disability period after a specified tour of active duty has expired, then the period after that expiration date is not included in the period for which accrued leave is paid.
5. Member may not take accrued leave in lieu of payment beyond the effective date of retirement.
6. This rule does not apply when an individual inducted or enlisted into the Military Service is discovered by Military Service medical authorities to have been medically unfit for induction at the time of entrance into the Military Service and such individual is released from military control for such reason.
7. Accrued leave is payable retroactive to February 28, 1961 for a member in a missing status whose death is prescribed under ***section 3406***. Payment is made according to section 3410.
8. On and after February 10, 1976, a member may be paid for a maximum of 60 days accrued leave during a military career. See subparagraph 350101.A.3 for exceptions.

Table 35-1. Payment of Accrued Leave – Officers and Enlisted Members – Separation Without Immediate Reentry on Active Duty

PAYMENT OF ACCRUED LEAVE – OFFICERS – SEPARATION WITH IMMEDIATE REENTRY ON ACTIVE DUTY				
RULE	A	B	C	D
	If	**has been on active duty for 30 or more consecutive days and is**	**and**	**then accrued leave is**
1	an officer of any Military Service	retired	immediately reenters on active duty	not payable.
2		separated, on a day other than the end of the specified period of active duty, for the purpose of reentering on active duty in any status within any Uniformed Service (note 4)		
3		transferred to a different Uniformed Service by separation and immediate reappointment	immediately enters on active duty with the other Military Service	
4		separated for having failed selection to a higher grade	immediately reenters on active duty in an enlisted status	payable (notes 1 and 3).
5	a Reserve officer of any Military Service	released from active duty under honorable conditions under *10 U.S.C. 12313* or similar laws authorizing release of Reserve officers at convenience of government, not for the purpose of reentering active service	immediately reenters on active duty (including active duty in enlisted or warrant officer status) for the purpose of retirement	payable (note 3).
6		released from active duty under honorable conditions at end of a specified period of time member agreed to serve or was obligated to serve (notes 2 and 4)	immediately reenters on active duty (note 4)	
7	a commissioned officer of any Military Service, who simultaneously holds a warrant officer appointment	released from active duty as a commissioned officer	reverts to warrant officer status and continues on active duty	not payable.
8	a temporary officer of the Navy or Marine Corps whose enlistment has expired	reverted to enlisted status and simultaneously discharged	immediately reenlists	payable at rate of pay of rank held at time of reversion (note 3).

NOTES:

1. Officers who, after notification of an impending discharge, resign for the purpose of continuing a military career are not entitled to payment of accrued leave.
2. A Reserve officer who remains on active duty beyond expiration date of initial obligation while awaiting Regular officer appointment is not entitled to payment of unused accrued leave as the separation to accept the appointment is not considered to be at the end of a specified period. The officer must be separated on the expiration date of the initial obligation for entitlement to exist.
3. On or after February 10, 1976, a member may be paid for a maximum for 60 days of accrued leave during a military career. See subparagraph 350101.A.3 for exceptions.
4. A National Guard member serving on active duty under *Title 10* or *Title 32*, U.S. Code, who is ordered to active duty under the other title (*Title 32* or *Title 10*) is considered to have met the obligated service period for which the member agreed to serve (for the purposes of accrued, unused leave payment only), regardless of the unexpired time remaining on that *Title 10* or *Title 32* obligation. The member is not considered separated for the specific purpose of reenlisting or reentering active duty. Accrued unused leave is payable.

Table 35-2. Payment of Accrued Leave – Officers – Separation With Immediate Reentry on Active Duty

PAYMENT OF ACCRUED LEAVE – ENLISTED MEMBERS – SEPARATION WITH IMMEDIATE REENTRY ON ACTIVE DUTY				
RULE	A	B	C	D
	If an enlisted member	**has been on active duty for 30 or more consecutive days and**	**and**	**then accrued leave is (note 1)**
1	of any Military Service	on or after October 5, 1999, is discharged for the specific purpose of enlisting or reenlisting (note 5)	immediately reenlists or immediately reenters on active duty	payable.
2		prior to October 5, 1999, is separated under honorable conditions upon expiration of enlistment or is released from active duty under honorable conditions at the end of a specified period of time or was obligated to serve (notes 2, 4 and 6)		
3		prior to October 5, 1999, is separated before expiration of normal term of service or obligated period of duty for the specific purpose of enlisting or reenlisting (notes 3 and 6)		not payable.
4		is discharged for the purpose of accepting a commission or appointment as a warrant officer in any Uniformed Service		
5		enlistment is extended		go to Table 35-4.
6		extension of enlistment is canceled before or during service under the extension		
7		is retired	continues on or is recalled to active duty	not payable.
8		accepts an appointment as a cadet or midshipman without being discharged from enlisted status	enters on duty as a cadet or midshipman	payable as though member was discharged on day before date appointment was accepted.
9	inducted under the Universal Military Training and Service Act, or enlisted in the Regular Army under that Act	is separated under honorable conditions at the end of the period member is required to serve	immediately enlists or reenlists	payable.
10	of the Army or Air Force who has more than 20 but less than 30 years' service	is retired and transferred to the Reserve Component of member's Military Service	is immediately ordered into active service	not payable.
11	of the Navy or Marine Corps	is transferred to the Fleet Reserve or Fleet Marine Corps Reserve	continues on active service without a break in active service	

Table 35-3. Payment of Accrued Leave – Enlisted Members – Separation With Immediate Reentry on Active Duty

NOTES:

1. On or after February 10, 1976, a member may be paid for a maximum of 60 days of accrued leave during a military career. See subparagraph 350101.A.3 for exceptions.
2. A member is considered as discharged upon expiration of enlistment if discharged not more than 3 months before the normal expiration date of the enlistment (effective January 2, 1968). The date of normal expiration of enlistment is excluded in computing the 3-month period.
3. A member is not considered as having been discharged for the purpose of enlisting or reenlisting if discharge occurs not more than 3 months before the normal expiration of the extension period (effective January 2, 1968). The date of normal expiration of the extension period is excluded in computing the 3-month period.
4. An extension of the active-duty obligation does not create an entitlement under this rule.
5. For these purposes, the term "discharge" means separation or release from active duty under honorable conditions, or termination of an enlistment in conjunction with the commencement of a successive enlistment (without regard to the date of the expiration of the term of the enlistment being terminated).
6. A National Guard member serving on active duty under ***Title 10*** or ***Title 32***, U.S.C., who is ordered to active duty under ***Title 10*** or ***Title 32*** is considered to have met the obligated service period for which the member agreed to serve (for the purposes of accrued unused leave payment only), regardless of the unexpired time remaining on that ***Title 10*** or ***Title 32*** obligation. The member is not considered separated for the specific purpose of reenlisting or reentering active duty. Accrued unused leave is payable.

Table 35-3. Payment of Accrued Leave - Enlisted Members - Separation With Immediate Reentry on Active Duty (Continued)

PAYMENT OF ACCRUED LEAVE–ENLISTED MEMBERS–EXTENSION OF ENLISTMENT: DISCHARGE AND REENLISTMENT BEFORE EXTENSION IS COMPLETED				
RULE	A	B	C	D
	If an enlisted member of	**has been on active duty for 30 or more consecutive days and**	**and member**	**then accrued leave is (note 1)**
1	any Military Service	enlistment is involuntarily extended	continues on active duty in extension period	not payable until discharge.
2		voluntarily first extends enlistment, regardless of duration of extension		payable on day before effective date of extension (leave accrued during extension is paid on discharge after extension is completed) (note 2).
3	any Military Service, whose enlistment has been involuntarily extended	is separated under honorable conditions upon expiration of the involuntary extension of enlistment	immediately reenlists	payable.
4		is separated under honorable conditions, before extension period expires, for purpose of reenlisting		
5	any Military Service, who has voluntarily extended enlistment	prior to October 5, 1999, extension is canceled before service under it begins and member is discharged under honorable conditions at normal expiration of enlistment (note 3)		
6		prior to October 5, 1999, extension is canceled after service under it begins and member is discharged under honorable conditions, for purpose of reenlisting (note 4)		not payable.
7		on or after October 5, 1999, extension is canceled after service under it begins and member is discharged under honorable conditions, for purpose of reenlisting		payable.

NOTES:

1. On and after February 10, 1976, a member may be paid for a maximum of 60 days of accrued leave during a military career. See subparagraph 350101.A.3 for exception.
2. No payment can be made on second or subsequent extensions.

Table 35-4. Payment of Accrued Leave – Enlisted Members – Extension of Enlistment: Discharge and Reenlistment Before Extension is Completed

COMPUTATION OF ACCRUED LEAVE PAYMENT (NOTE 6)

RULE	A	B	C			
	If member is entitled to accrued leave payment under Table 35-1, 35-2, 35-3, or 35-4, and is an	**and member has**	**the complete payment for the number of days accrued leave, but not more than 60 in a military career, to include: (note 1)**			
			Basic Pay (note 2)	**BAS (note 6)**	**BAH (note 6)**	**Personal Money Allowances (note 6)**
1	enlisted member in pay grades E-5 to E-9	dependents (note 3)	at rate applicable on date of separation (note 4)	70 cents per pay	$1.25 per day	none.
2		no dependents			none	
3	enlisted member in pay grades E-1 to E-4					
4	officer	dependents (note 3)		at rate applicable on date of separation (prorate for number of days of accrued leave)	at rate contained in paragraph ***U10002.B, JFTR*** for member with dependents on date of separation (notes 4 and 5)	if officer was receiving this allowance on date of separation (limited to allowances listed in chapter 31). Compute at rate payable on that date (note 4).
5		no dependents			at rate contained in paragraph ***U10002.B, JFTR*** for member without dependents on date of separation (notes 4 and 5)	

NOTES:

1. When the final leave balance includes a one-half day total, compute the amount to be paid by crediting the member with one-half of a day entitlement. Round the total to the nearest penny.
2. Do not include in basic pay the 25-percent increase authorized certain Navy and Marine Corps members retained beyond normal ETS.
3. A dependent on active duty is not considered a dependent in determining right to BAH.
4. Date of separation is date of discharge, release from active duty, transfer to Reserve, or death; day before effective date of retirement; day before date of appointment as cadet or midshipman; or day before effective date of extension of enlistment.
5. Pay BAH even though the member is not receiving BAH on date of separation because public quarters are occupied or available.
6. Cash settlement of leave accrued as of August 31, 1976 will be on the basis of basic pay, Basic Allowance for Subsistence, Basic Allowance for Housing, and Personal Money Allowance, as appropriate. Cash settlement of leave accrued on and after September 1, 1976 will be on the basis of basic pay only for all grades, officer and enlisted. See subparagraph 350102 for examples.

Table 35-5. Computation of Accrued Leave Payment

SEPARATION PAY ENTITLEMENT AND COMPUTATION (NOTE 8)			
RULE	A	B	C
	If a member is	and is involuntarily discharged or released from active duty because of (note 1)	then compute separation pay at
1	an officer (notes 2 and 3)	failure to be selected for promotion (note 4)	10 percent of 12 months of basic pay multiplied by years and fractions of a year based on additional full months of active service.
2	a warrant officer separated during the 3-year probationary period	failure to be selected for promotion	
3	a warrant officer	second failure to be selected for promotion and does not enlist or the request to enlist is denied and is not retained on active duty in grade above W-4	
4	a Reserve member	non-selection for an additional tour of active duty for which member volunteered unconditionally	
5	a chaplain	failure to maintain professional qualifications	
6	a Reserve member	separation at any time prior to the completion of a specified period of active duty or indefinite period of active duty except separations for reasons shown in rules 8 and 9 and subparagraphs 350203.A.10 through 13	
7	a warrant officer or Reserve officer	age (notes 6 and 7)	
8	an officer or Reserve enlisted member (note 5)	substandard performance of duty, moral or professional dereliction, unfitness or unsatisfactory performance, misconduct, unsuitability, homosexuality, drug abuse, to include drug rehabilitation failure, inability to perform prescribed duties, repetitive absenteeism, nonavailability for worldwide assignment as a result of parenthood, or retention is not consistent with the interest of national security	one half of 10 percent of 12 months of basic pay multiplied by years and fractions of a year based on additional full months of active service.
9	an officer	written notification that member must show cause for retention and who subsequently requests discharge or release from active duty	

NOTES:

1. Includes member's acceptance of an earlier release before the scheduled involuntary separation date, as directed by the Secretary of the Military Service concerned.
2. Includes a Regular commissioned officer with less than 5 years of commissioned service.
3. Includes a Regular officer continued on active duty pursuant to *10 U.S.C. 637(a)* or a Reserve officer continued on active duty after failure to be selected for promotion, upon expiration of the period of continuation on active duty, or upon separation if continuation is declined.
4. Includes officer not found qualified for promotion to grade of First Lieutenant or Lieutenant (JG).
5. A warrant officer who is eliminated for unfitness or unsatisfactory performance of duty and elects to enlist is not entitled to separation pay.
6. Includes members separated after expiration of Secretarial retention period.
7. If the member is eligible for voluntary retirement, then the member is not entitled to separation pay even though the member does not apply for retirement concurrently with release from active duty.

Table 35-6. Separation Pay Entitlement and Computation

ENTITLEMENT TO READJUSTMENT PAY (NOTE 1)

RULE	A	B	C	D
	If a Reserve member or a member of the USA or USAF without component (temporary), who has completed immediately before separation at least 5 years of continuous active duty, is (notes 2 and 8)	**and**	**and**	**then readjustment pay is (note 9)**
1	involuntarily released from active duty for reason other than moral or professional dereliction (see Table 35-8 rulings on whether separation is "involuntary release")	is immediately eligible for separation pay based on military service under some other law except ***10 U.S.C. 12312*** (note 3)	elects to receive readjustment pay (note 4)	payable.
2			elects to receive other separation pay	not payable.
3		is immediately eligible for retired or retainer pay based solely on military service (including retired pay under title ***10 U.S.C., chapter 1223*** for non-regular service) (note 6)		
4		is eligible for VA disability compensation		payable but VA will deduct from future VA compensation (subparagraphs 350205.B and 350302.D).
5	released from active duty because of moral or professional dereliction (note 5)			not payable.
6	released from active duty at own request (note 7)			
7	released from active duty upon completion of a specific tour of active duty	volunteers for an additional tour of active duty in keeping with current directives	is not accepted for the additional tour	payable.
8	released from active duty upon completion of a specific tour of active duty	volunteers for a shorter period of active duty than permitted in current directives	is not accepted for the additional tour	not payable.
9		volunteers for a period of active duty contingent on assignment to certain type of duty or location, or being tendered specific type of contract		

NOTES:

1. Members entitled to readjustment pay under section 3503 and separation pay under section 3502 may not receive both, but shall elect which one they will receive.
2. A period of active duty is continuous if it is not interrupted by a break in service of more than 30 days. Paragraph 350205 specifies how to compute the 5-year active duty period.
3. "Separation pay" means an amount paid in connection with separation from the Military Service when the person's military status is terminated. This includes payments under sections 3502, 3503, 3504, and 3506.

Table 35-7. Entitlement to Readjustment Pay

4. A member may elect to receive either readjustment pay or other separation pay (as defined in note 3), but not both. A member who elects to receive readjustment pay may not later change the election to receive other separation pay.
5. A member dismissed or discharged as a result of trial by court-martial, dropped from the rolls of the Military Service concerned, or administratively discharged under other than honorable conditions is presumed to be separated because of moral or professional dereliction. An honorable discharge or a discharge under honorable conditions is presumed to be not due to moral or professional dereliction unless the Secretary of the Military Service concerned determines it to be such. Do not pay readjustment pay until character of discharge is determined.
6. If eligible for voluntary retirement under ***10 U.S.C. 8911*** or ***3911***, then a member is not entitled to readjustment pay even though such an election is made not to retire concurrently with involuntary release from active duty.
7. Disapproval of a Reserve officer's request to withdraw an application for separation will not change the release from "voluntary" for consideration of entitlement to readjustment pay.
8. Readjustment pay is not payable upon release from active duty for training or full-time training duty.
9. With respect to members discharged or released on or after October 19, 1984, the member is not entitled to readjustment pay if the Secretary of the Military Department concerned determines that the conditions under which the member is discharged or separated do not warrant such pay.

Table 35-7. Entitlement to Readjustment Pay (Continued)

RULES FOR DETERMINING WHETHER SEPARATION IS INVOLUNTARY RELEASE FROM ACTIVE DUTY (NOTE 1)				
RULE	A	B	C	D
	If a Reserve member is	and	then separation is	and
1	involuntarily released from active duty as a Reserve officer	immediately enlists in the Regular Component of any Military Service, or enters on active duty as a regular or Reserve officer in the same or a different Military Service	an actual involuntary release from active duty, regardless of reentry on active duty	entitlement to readjustment pay is determined under Table 35-7.
2	a commissioned officer serving in dual status and is released from active duty as a Reserve commissioned officer	reverts to a Regular warrant officer status	not an actual release from active duty	readjustment pay is not authorized.
3	serving under a temporary appointment as a Reserve commissioned or warrant officer and the appointment is terminated	reverts to a permanent Reserve enlisted or warrant officer status without a break in service		
4	granted release from active duty at member's request, before completion of tour of duty	requests release after offer to serve another tour of active duty was denied	at member's own request	
5	released from active duty upon reaching the mandatory age limit of 60	does not offer to serve another tour of active duty	an involuntary release from active duty	entitlement to readjustment pay is determined under Table 35-7.
6		offer to serve another tour of active duty is denied		
7	a female officer and is involuntarily released from active duty for reasons of pregnancy or minor children	separation is under approved recommendation of board of officers (note 2)		

NOTES:

1. This table reflects the Comptroller General's decision regarding what constitutes "involuntary release from active duty." Do not consider the table all-inclusive.
2. A female officer may waive a hearing before the board without affecting her right to readjustment pay. The separation is still considered involuntary.

Table 35-8. Rules for Determining Whether Separation is Involuntary Release From Active Duty

COMPUTATION OF READJUSTMENT PAY

RULE	A If readjustment pay is authorized under Table 35-7 and separation is	B compute readjustment pay on basis of	C multiplied by years of active service	D but do not pay more than	E and reduce by
1	for any reason other than stated in rules 2 and 3 below	2 months of basic pay of grade in which member is serving when separated	but not over 12 computed under paragraph 350203	2 years of basic pay or $15,000, whichever is less	prior readjustment payments, unless they are refunded (note 1).
2	because performance of duty falls below standards prescribed by the Secretary of the Military Service concerned (note 2)	one-half month's basic pay of grade in which member is serving when separated	but not over 18, computed under paragraph 350203	9 month's basic pay or $15,000, whichever is less	
3	because retention is not clearly consistent with interests of national security (note 2)				

NOTES:

1. When prior readjustment payment is refunded, consider the period covered by the previous payment as a period for which no payment has been made.
2. See administrative regulations of the Military Service concerned to determine whether separation is in this category.

Table 35-9. Computation of Readjustment Pay

SEVERANCE PAY ENTITLEMENT (OTHER THAN DISABILITY) AND ITS COMPUTATION (NOTE 1)					
RULE	A	B	C	D	E
	If a member is	and is discharged because	then compute severance pay at (note 6)	multiply by (note 2)	but do not pay more than
1	a Regular commissioned officer of any Military Service	of failure of selection for promotion to grade O-3 or above	2 months of basic pay of grade held at time of discharge	years of service, but not more than 12 (note 3)	2 years of basic pay or $15,000 whichever is less.
2	a woman officer of the Regular Navy or Regular Marine Corps in grade O-2	she is not on a promotion list and has completed 7 years of active commissioned service in the Navy or Marine Corps (note 5)		years of active commissioned service in the Navy or Marine Corps (note 3)	
3	a woman officer of the Regular Navy or Regular Marine Corps in grade O-3	she is not on a promotion list and has completed 13 years of active commissioned service in the Navy or Marine Corps		12 (note 3)	2 years of basic pay or $15,000, whichever is less.
4	an ensign in the Navy or a second lieutenant in the Marine Corps	found not professionally qualified upon reexamination for promotion		years of active commissioned service in the Naval service, but not more than 6 (note 4)	1 year of basic pay.
5	a Regular commissioned officer of the Army or Air Force	of substandard performance of duty	1 month of basic pay of the grade held at time of discharge	years of active commissioned service but not more than 12 (note 3)	
6	an officer of the Navy or Marine Corps with less than 20 years of service	of unsatisfactory performance of duty, as determined by selection board	2 months of basic pay of grade held at time of discharge	years of service, but not more than 12 (note 3)	2 years of basic pay or $15,000, whichever is less.
7		of unsatisfactory performance of duty, as determined by board in connection with temporary promotion in time of war or national emergency		years of service, but not more than 6 (note 3)	1 year of basic pay.

Table 35-10. Severance Pay Entitlement (Other Than Disability) and Its Computation

SEVERANCE PAY ENTITLEMENT (OTHER THAN DISABILITY) AND ITS COMPUTATION (NOTE 1)					
RULE	A	B	C	D	E
	If a member is	and is discharged because	then compute severance pay at (note 6)	multiply by (note 2)	but do not pay more than
8	a Regular commissioned officer of the Army or Air Force	of moral or professional dereliction or in the interests of national security	1 month of basic pay of the grade held at time of discharge	years of active commissioned service, but not more than 12 (note 3)	1 year of basic pay.
9	an officer of the Navy or Marine Corps	found not qualified, from cause arising from own misconduct, upon reexamination for promotion		number of months stated in separation orders	
10	a Regular warrant officer of any Military Service	of failure of selection for promotion, and member does not enlist or is not retained on active duty in the commissioned grade in which serving	2 months of basic pay of grade held at time of discharge	years of active service, but not more than 12 (note 3)	2 years of basic pay or $15,000 whichever is less.
11	a Regular warrant officer of any Military Service, who has more than 3 years of active service since original permanent appointment as a Regular warrant officer	of unfitness or unsatisfactory performance of duty, and member does not enlist	1 month of basic pay in the grade held at time of discharge	years of active service, but not more than 12 (note 3)	1 year of basic pay.

NOTES:

1. Members entitled to severance pay under sections 3503 and 3504 and separation pay under section 3502 may not receive both, but shall elect which they will receive.
2. Military Service administrative regulations govern computations of years of service for purposes of severance pay.
3. Count a fraction of a year that is 6 months or more as a full year. Disregard a fraction of a year that is less than 6 months. For Navy or Marine Corps officers, only years of commissioned service apply.
4. Count whole years only. Disregard any fraction of a year.
5. An officer retains entitlement to severance pay if discharged at the member's request at any time during the fiscal year in which the member fails to appear on a promotion list and will have completed 7 years of active commissioned service.
6. With respect to members discharged or released on or after October 19, 1984, the member is not entitled to severance pay if the Secretary concerned determines that the conditions under which the member is discharged or separated do not warrant such pay.

Table 35-10. Severance Pay Entitlement (Other Than Disability) and Its Computation (Continued)

ENTITLEMENT TO DISCHARGE GRATUITY

RULE	A If	B is	C and	D and	E and	F then
1	an enlisted member of any Military Service	a prisoner released from confinement in a military or contract prison to parole, appellate review leave, or expiration of sentence			has less than $25 in possession	pay the member the difference between funds in possession and $25 (note).
2		discharged for fraudulent enlistment	discharge is not for returning member to another branch of the Armed Forces on account of absence without authority from that branch	the member is present to receive the discharge		
3		discharged under other than honorable conditions				
4		discharged from active duty because of void enlistment	enlistment is void because contracted when member was under age			
5	an enlisted member of any Military Service	discharged from active duty because of void enlistment	enlistment is void because contracted when member was mentally incompetent			do not pay a discharge gratuity.
6		discharged for minority with pay and allowances payable through date of discharge				

NOTE:
Funds in the member's possession include personal funds and any item paid at the time of discharge or release, excluding mileage and cash advanced incident to furnishing transportation in kind.

Table 35-11. Entitlement to Discharge Gratuity

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350403.C	10 U.S.C. 1212
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350403.C.4	Public Law 107-107, section 593, December 28, 2001
350403.D	10 U.S.C. 12733
350404	26 U.S.C. 104
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350406	10 U.S.C. 1212(c)
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350406.B	10 U.S.C. 1212(d)(3)
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*3505 CONTRACT CANCELLATION PAY AND ALLOWANCES

350501	10 U.S.C. 12312

3507 SPECIAL SEPARATION BENEFIT (SSB)

350701.A	10 U.S.C. 1174a(c)(2), as amended by Public Law 102-484, Section 4422(a), October 23, 1992
	Public Law 103-160, section 502, November 30, 1993
350701.B	10 U.S.C. 1174(e)
	10 U.S.C. 1174a(g)
350701.C	10 U.S.C. 1174a(c)(3) and (4), as amended by Public Law 102-484, section 4422(a), October 23, 1992
350701.D	10 U.S.C. 1174(e)(2)(D)
	10 U.S.C. 1174a(g)
350701.E	10 U.S.C. 1174a(e)(5)
	Atch to OASD(FM&P) Memo, January 2, 1992, para C1d
350701.F	10 U.S.C. 1174a(e)
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350702	10 U.S.C. 1174a(b)(2)(A) Public Law 103-139, section 8127, November 11, 1993
350702.A	10 U.S.C. 1174a(g) 10 U.S.C. 1174(f) Atch to OASD(FM&P) Memo, January 3, 1992, para C4b(1)
350702.B	DoDPM Para 70104a
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350703.A	10 U.S.C. 1174(h)(1) 10 U.S.C. 1174a(g)
350703.B	10 U.S.C. 1174(h)(2) 10 U.S.C. 1174a(g) Public Law 104-201, Section 653, September 23, 1996
350703.C	Atch to OASD(FM&P) Memo, January 3, 1992, para C5c
350703.E	Public Law 103-335, section 8106a, September 30, 1994, amended by Public Law 104-6, section 105, April 10, 1995 ASD(FMP) Memo, February 6, 1995
350704	Public Law 106-398, section 571(b), October 30, 2000

3508 VOLUNTARY SEPARATION INCENTIVE (VSI)

350801.A	10 U.S.C. 1175(b)(1), as amended by Public Law 102-484, section 4422(b), October 23, 1992 Atch to OASD(FM&P) Memo, January 3, 1992, Para C1a
350801.A.2	Public Law 103-160, section 502, November 30, 1993
350801.B	Atch to OASD(FM&P) Memo, January 3, 1992, Para C1a
350801.C	10 U.S.C. 1175(b)(2), as amended by Public Law 102-484, section 4422(b), October 23, 1992
350801.D	Atch to OASD(FM&P) Memo, January 3, 1992, Para C1c
350801.E	10 U.S.C. 1175(b)(3)
350801.F	10 U.S.C. 1175(a)(2) Atch to OASD(FM&P) Memo, January 3, 1992 Para C2 Public Law 105-261, section 563, October 17, 1998
350801.G	10 U.S.C. 1175(a)
350802.A	10 U.S.C. 1175(e)(1)

		Atch to OASD(FM&P) Memo, January 3, 1992, Para C4a(1)
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	350802.C	10 U.S.C. 1175(e)(5)
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	350802.D	Public Law 103-139, section 8127, November 11, 1993
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	350802.F	Public Law 100-180, section 633, December 4, 1987
	350802.G	42 U.S.C. 409(d)
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	350803.D	10 U.S.C. 1175(f)
	350803.E	10 U.S.C. 1175(e)(3)(B)
	350803.F	Public Law 103-335, section 8106a, September 30, 1994, amended by Public Law 104-6, section 105, April 10, 1995
		ASD(FMP) Memo, February 6, 1995
	350806	Public Law 106-398, section 571(b), October 30, 2000

3509 VOLUNTARY SEPARATION PAY (VSP)

		Public Law 109-163, section 643, January 6, 2006
		Public Law 109-364, section 623, October 17, 2006
		USD (P&R) Memo, January 8, 2007

3510 STOP LOSS SPECIAL PAY

		Public Law 110-329, section 8116, September 30, 2008
*	351002	Public Law 111-118, section 8108(b), December 19, 2009
*	351003	Public Law 111-84, section 620, October 28, 2009

3511 RETROACTIVE STOP LOSS SPECIAL PAY COMPENSATION

		Public Law 111-32, section 310 June 24, 2009
*		OUSD (P&R) Memo, September 23, 2009
*	351107	Public Law 111-118, section 8108(d), December 19, 2009
		OUSD (P&R) Memo, January 5, 2010.
	Table 35-1	
	Rule 7	37 U.S.C. 504
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	Note 3	43 Comp Gen 802
	Note 7	Public Law 92-596, October 27, 1972
	Note 8	Public Law 94-361, July 14, 1976
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		Public Law 94-361, July 14, 1976
	Rule 3	10 U.S.C. 716
		DoD Directive 1300.4, April 2, 1984
	Rule 4	31 Comp Gen 668
	Rule 6	35 Comp Gen 25
	Note 2	MS Comp Gen B-176858, December 12, 1973
	Note 3	Public Law 94-361, July 14, 1976
	Note 4	OASD(FM&P) Memo, December 10, 1991
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	Rule 1	Public Law 106-65, section 671, October 5, 1999
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	Note 1	Public Law 94-419, September 22, 1976
		Public Law 101-510, section 1115, November 5, 1990
		OASD(FM&P) Memo, February 15, 1991
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		MS Comp Gen B-150737, March 27, 1963
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	Rule 1	Public Law 96-513, section 631, December 12, 1980
	Rules 5 and 10	36 Comp Gen 390
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	Note 4	Public Law 96-513, section 631, December 12, 1980
		MS Comp Gen B-130744, Apr 8, 1957
		36 Comp Gen 390
	Note 9	Public Law 96-513, section 633, December 12, 1980, as amended by
		Public Law 98-525, section 531, October 12, 1984
		10 U.S.C. 1174a
		10 U.S.C. 6383

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Rule 5	10 U.S.C. Chapters 359 & 859
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Note 3	10 U.S.C. 3303, 3786, 3796, 6404, 8303, 8786, 8796
Note 4	10 U.S.C. 5865
Note 6	Public Law 96-513, section 631, December 12, 1980, as amended by Public Law 98-525, section 531, October 19, 1984 10 U.S.C. 1174a 10 U.S.C. 6383

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SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 36
"PAYMENTS ON BEHALF OF DECEASED MEMBERS"

All changes are denoted by blue font

Substantive revisions are denoted by a * 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 *underlined, bold, italic, blue font*

This updated chapter supersedes the previously published version dated December 2010.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
360101.E	Expanded to include inactive training.	Add
360104.B.5 360202.C	Clarified payments to minor children.	Update
360201.A.1 360201.A.2	Inserted entitlement restrictions applicable to the final settlement of a member's military pay account.	Add
360208	Inserted exemption of repayment of Advance Pay from final settlement of a member's military pay account.	Add
Table 36-1 Note 1	Clarified member's need not designate a spouse.	Update
Table 36-5 Rule 1	Clarified "Responsibility for Payment of Death Gratuity-Air Force."	Update
Bibliography	Updated "Bibliography."	Update

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CHAPTER 36

PAYMENTS ON BEHALF OF DECEASED MEMBERS

3601 DEATH GRATUITY

360101. Members for Whom Payable. Death gratuity will be paid regardless of whether death occurred in the line of duty or as the result of a member's misconduct to eligible beneficiaries of the following (except a temporary member of the Coast Guard Reserve):

A. A member who dies while on active duty or while traveling to or from such duty;

B. A former member who dies during the 120-day period beginning on the day following date of discharge or release, under honorable conditions, from active duty (including retirement for either disability or length of service). In this case, the Secretary of Veterans Affairs must determine that death resulted from disease or injury incurred or aggravated while the member was on active duty or while in authorized travel status to or from such duty.

C. Any person who dies either while traveling to or from or while at a place for final acceptance or for entry upon active duty (other than for training) in the Military Service, who has been ordered or directed to go to that place, and who has been:

1. Provisionally accepted for that duty; or

2. Selected, under the Military Selective Service Act, for duty in that Military Service.

D. A member whose death is determined by administrative finding under the Missing Persons Act.

* E. A National Guard or Reserve member who dies while traveling directly to or from active duty for training or inactive training or while on inactive duty training (other than work or study in connection with a correspondence course of an Armed Force or attendance, in an inactive status, at an educational institution under the sponsorship of an Armed Force or the Public Health Service).

F. Any member of a Reserve Officers' Training Corps (ROTC) who dies while performing annual training duty under orders for a period of more than 13 days or while performing authorized travel to or from that annual training duty; or any applicant for membership in an ROTC who dies while attending field training or a practice cruise, or while performing authorized travel to or from the place where the training or cruise is conducted.

360102. Definitions

A. Active Duty. Active duty is full-time duty in the active service of a Uniformed Service, including active-duty training (full-time training duty, annual training duty or attendance, while in the active service, at a school designated as a Military Service school by law or by the Secretary concerned). (The exception to this definition is noted in subparagraphs 360101.B and 360101.C.)

B. Member. A member of the Military Service is a person appointed, enlisted, or inducted into a branch of the Military Services, including Reserve Components and cadets or midshipmen of the Military Service academies.

C. Reserve Components. The Reserve Components are the following: the Army National Guard of the United States; Army Reserve; Navy Reserve; Air National Guard of the United States; Air Force Reserve; Marine Corps Reserve; and Senior ROTC (SROTC).

360103. Beneficiaries

A. Designation. A member may designate one or more persons to receive a portion of the amount payable under paragraph 360106. If a member provides conflicting information regarding designation of beneficiaries and their proportionate shares of the death gratuity in blocks 11 and 14 of the ***Department of Defense (DD) Form 93***, "Record of Emergency Data", then payment will be made only to the extent that there are unambiguous designations. For example, if a member completes block 11 by designating his mother to receive 100 percent of the death gratuity, and also completes block 14 by designating his mother and his sister to each receive 50 percent of the death gratuity, there are conflicting designations. In this situation, 50 percent of the death gratuity would be payable to the mother and the remaining 50 percent would be paid in accordance with subparagraph 360103.B. The amount payable to the designee must be specified in 10-percent increments. The balance of the amount of the death gratuity, if any, will be paid in accordance with subparagraph 360103.B. Effective January 28, 2008, if a member has a spouse, but designates a person other than the spouse to receive a portion of the amount payable, then the Secretary of the Military Service concerned will provide notice of the member's designation to the spouse.

1. Effective May 25, 2007 through June 30, 2008, a member may designate another person other than those on the survivor precedent list mandated by law at that time to receive up to 50 percent of the amount payable under paragraph 360106.

2. Effective July 1, 2008, a member may designate one or more persons to receive all or a portion of the amount payable under paragraph 360106.

B. Distribution. If a member does not make a designation under subparagraph 360103.A, or designates only a portion of the amount payable, then the remaining amount of the death gratuity not covered by a designation will be paid as follows:

1. To the surviving spouse of the member, if any.

2. If there is no surviving spouse, then to any surviving children of the member and the descendants of any deceased children by representation.

3. If there is none of the above, then to the surviving parents of the member or the survivor of them.

4. If there is none of the above, then to the duly appointed executor or administrator of the estate of the member.

5. If there is none of the above, then to other next of kin of the member entitled under the laws of domicile of the member at the time of the member's death.

C. Treatment of Parents. For the purpose of subparagraph 360103.B.3, only one father and one mother may be recognized in any case, and preference will be given to those who exercised a parental relationship on the date or most nearly before the date on which the member died.

D. Death of Eligible Survivor. If an eligible survivor dies before receipt of the death gratuity, it will be paid to the living survivor next in the order of precedence (see subparagraph 360103.B).

360104. Determining Eligible Beneficiaries. When officially notified that a member of his or her command has died, the commanding officer maintaining the member's personnel or service records determines if an eligible death gratuity beneficiary exists in accordance with paragraph 360103 or the categories shown in Table 36-1. Legal assistance officers help in cases involving a question of law. Use the following evidence to establish whether an eligible beneficiary exists.

A. Lawful Spouse

1. Entitlement to Basic Allowance for Housing (BAH) or evidence of assignment of government quarters to a member and spouse; or

2. In the absence of BAH entitlement, as cited in subparagraph 360104.A.1, documentary evidence of marriage and proof of termination of any prior marriage of either the beneficiary or decedent.

B. Children. If a decedent is survived by a child or children, but is not survived by a spouse:

1. Documentary evidence showing termination of any marriage, including a certified copy of the spouse's death certificate, divorce, or annulment decree.

2. Entitlement to BAH for a child or children, or evidence of occupation of government quarters with the member before member's death.

3. In the absence of BAH entitlement, as cited in 360104.B.2, base eligibility of child or children upon documentary proof of relationship, including:

a. The original or certified copy of the original birth certificate.

b. A certified court order of adoption in the case of a legally adopted child.

4. A certified copy of the appointment paper if a guardian of a minor child, or children, has been appointed by a court (as distinguished from being awarded physical custody).

* 5. If the death gratuity is $10,000 or less, then payment for a minor child may be made to the parent, including an adoptive parent, as natural guardian when all of the following conditions exist (and the parent provides a notarized statement attesting to all of these conditions):

a. A legal guardian has not been appointed;

b. The parent has custody of the minor child;

c. The parent will hold the payment for the sole use and benefit of the minor until the minor reaches adulthood;

d. The parent will account to the minor for such amount when the minor reaches adulthood; and

e. The parent will hold the government harmless in the event the minor, when he/she reaches adulthood, brings any legal action challenging the government's payment to the minor's parent.

6. If the death gratuity is in excess of $10,000, then payment may only be made to the guardian or conservator appointed by a court to receive such payments for the minor's benefit, thereby providing the government a means of obtaining a good acquittance.

7. The relationship between a member and his or her stepchild can survive the end of the marriage from which it arose. If the marriage that created the relationship ended by death, then the relationship continues, absent evidence to the contrary. If the marriage ended by divorce, as distinguished from death, then the relationship ends unless clear and convincing evidence is furnished showing continuance of close family ties and intention to continue the prior relationship.

C. Parents. If the decedent is not survived by a spouse or child and has not officially designated any other individual(s) to receive the full death gratuity, then the parent beneficiary must furnish:

1. Documentary evidence that any marriage entered into by the decedent has been terminated.

2. A statement, witnessed by two individuals, that there are no living children.

D. In Loco Parentis. A person who stood in loco parentis (in the place of a parent) does not qualify for the death gratuity as a "parent" of the member. A member must designate such a person in order for that person to qualify as an eligible beneficiary.

E. Mentally Incompetent Beneficiary. If the beneficiary is mentally incompetent, then a photostatic or certified copy of the court order appointing a guardian, trustee, committee, or other such person is required.

F. Effect of a Will. A will does not constitute a legal designation for death gratuity since such payment is not money or debt due the member and thus cannot become part of the member's estate.

360105. Determinations Affecting Entitlement

A. Death as Lawful Punishment. No death gratuity is payable in the case of a member whose death is the result of a lawful punishment for a crime or military offense, except when such death was inflicted by any hostile force with which the Armed Forces of the United States had engaged in armed conflict.

B. Member Killed by Beneficiary. No death gratuity is payable to a beneficiary or survivor who kills a member, unless there is evidence which clearly absolves such beneficiary or survivor of any felonious intent.

C. Unauthorized Absence or Desertion

1. Absence Without Leave (AWOL) or Absence Over Leave (AOL). A death gratuity is payable in the case of a member whose death occurs while he or she is in an unauthorized absence status, either AWOL or AOL, including being in custody of civil authorities, provided the date of death is prior to the normal expiration of contracted duty.

2. Desertion. No death gratuity is payable in the case of a member who is a declared deserter at the time of his or her death, unless it is later found that the declaration was in error.

360106. Amounts Payable

A. Deaths Between August 2, 1990 and September 10, 2001. The amount of death gratuity is $6,000.

B. Deaths Between September 11, 2001 and October 6, 2001. The amount of death gratuity is $12,000.

C. Deaths On or After October 7, 2001. The amount of death gratuity is $100,000.

D. Additional Death Gratuity. An additional death gratuity in the amount of $150,000 is payable to a beneficiary of the member who died during the period beginning on October 7, 2001, and ending on August 31, 2005 and who was a member of the Armed Forces on active duty and whose death did not establish eligibility for an additional death gratuity under ***Public Law 109-13, section 1013(b)***.

E. Exemption From Indebtedness. Death gratuity payments may not be used to satisfy indebtedness (including overpayments).

F. Taxability. Effective September 11, 2001, the death gratuity amount is excluded from gross income for tax purposes. Also, see Table 44-1, Rule 16 in ***Chapter 44***.

360107. Expediting Payments. Immediate payment of a death gratuity (within 24 hours, if possible) will be made when the eligible beneficiary can be determined and there is no doubt as to the propriety of payment.

360108. Responsibility for Payment of Death Gratuity. See Tables 36-2 through 36-6.

360109. Erroneous Payment. An erroneous payment of death gratuity is one made to a person clearly not entitled to it because of administrative error and not because of statements of record made by the member.

A. Make a second payment to the rightful beneficiary when the error resulted from improper maintenance of records or administrative negligence. Do not delay this payment pending recovery of the erroneous payment from the ineligible recipient.

B. Do not make a second payment of death gratuity to a different person if the original payment was based on statements of record made by the member, and the government has no reason to doubt that the beneficiary's status was as stated.

3602 SETTLING DECEASED MEMBERS' ACCOUNTS

360201. General. This section contains the authority for payment of any unpaid pay and allowances due on behalf of a deceased member of the Armed Forces. Unpaid pay and allowances includes:

A. Pay and allowances due and unpaid at death, including settlement of accrued leave (subject to limitation in paragraph ***Chapter 35 paragraph 350101***, unless paragraph ***Chapter 34 paragraph 340901*** applies). Entitlement restrictions apply for:

* 1. Family Separation Allowance (FSA). If a member dies within the first 30 days of qualifying duty, then the member is not entitled to FSA-S (***Chapter 27 subparagraph 270103.A.2***), or FSA-T (***Chapter 27 subparagraph 270103.A.3***). They will be excluded from the final settlement of the member's military pay account.

* 2. Hardship Duty Pay – Location (HDP-L). If a member dies within the first 30 days of qualifying duty, then the member is not entitled to HDP-L (***Chapter 17 paragraph 170103***). It will be excluded from the final settlement of the member's military pay account.

B. Amounts due for travel, per diem, transportation of dependents, and shipment of household goods.

C. Member's savings deposits and interest thereon.

D. If a member dies before receiving the full amount of the bonus due (including contracted future year anniversary payments) and if death is not caused by the member's misconduct, then the remaining unpaid bonus balance is payable as a lump sum for inclusion in the settlement of the deceased member's final military pay account. If death is determined to be the result of the member's own misconduct, then termination of future payments and proration or recoupment of the bonus, as applicable, will be made in accordance with procedures established for members whose inability to complete a contracted period of service is voluntary or the result of misconduct.

E. Proceeds of any checks for items in subparagraphs 360201.A through D, un-negotiated by the member before death.

360202. Entitlement

A. Upon official notification of the death or finding of death, any amounts due the decedent are paid to the person(s) determined to be the eligible beneficiary or beneficiaries.

B. Any payments made under this section prohibit recovery of those payments by any other person.

* C. When a minor child, otherwise eligible, is a designated or nondesignated beneficiary, payment will be made according to the provisions of subparagraphs 360104.B.5 and 360104.B.6.

360203. Designated Beneficiary. Current laws allow a member to designate anyone, related or not, to receive the member's unpaid pay and allowances upon death. Designation of a beneficiary for unpaid pay and allowances must have been executed by the member and filed in accordance with regulations governing such designations. When more than one beneficiary has been named, the percentages specified by the member govern payment. If no percentages have been specified, then payment will be divided equally among designated beneficiaries.

360204. Nondesignated Beneficiary

A. Order of Precedence. In cases of deceased members who have not designated a beneficiary, the following rules apply in determining the order of precedence:

1. The widow or widower of a member.

2. If there is no surviving spouse, then the child or children of the member and descendents of deceased children, by representation.

3. If none of the above, then the parents of the member, in equal shares, or to the surviving parent.

4. If none of the above, then the duly appointed legal representative of the member's estate.

5. If none of the above, then the person(s) determined to be entitled under the laws of the state in which the member was domiciled.

B. Adopted Child. An adopted child is a legal heir in every state and is, therefore, entitled to payment of unpaid pay and allowances if otherwise proper. If the deceased member's child is adopted by others, then the child is a beneficiary only in those states where an adopted child inherits from the child's natural parent.

C. Stepchild. A stepchild is not an eligible beneficiary unless adopted by the deceased member.

D. Illegitimate Child. An illegitimate child may not be paid unpaid pay and allowances of a deceased member unless such child is recognized for inheritance purposes under the laws of the jurisdiction involved.

360205. Responsibility for Settlement of Accounts. Accounts of deceased members are settled as prescribed in the procedural instructions of the Military Service concerned.

360206. Tax Abatement. See paragraph ***Chapter 44 paragraph 440104*** if the member's death was caused by terrorist or military action overseas.

360207. Bonuses and Special Pays. If the decedent was receiving any bonuses and/or special pays, then the provisions of ***Chapter 2*** shall apply.

* 360208. Advance of Pay. The following applies to a deceased member's final pay computation:

A. Except for an advance pay paid under the provisions of ***Chapter 32 paragraph 320103*** when a member is in a combat zone and receiving imminent danger or hostile fire pay, advance pays that have not been repaid prior to the death of the member remain a debt to the United States for the unliquidated amount. Advance pays paid under paragraph 320103 and not fully collected at the time of death will not be collected against the estate of a deceased member.

B. A member may receive an early payment of pay and allowances due to a regular payday falling on a weekend or legal holiday. If the member dies before the last day of that pay period, then no collection will be taken for any extra days of pay received.

ELIGIBLE BENEFICIARIES - DEATH GRATUITY		
RULE	A	B
	Death gratuity is payable to the following living survivor(s), of the deceased member, listed below (note 1)	**which is defined as**
1	lawful spouse	a man or woman legally married to a member at the time of death.
2	child, or children, without regard to age or marital status, in equal shares (note 2)	a legitimate child.
3		a legally adopted child.
4		a stepchild if such child was a member of the decedent's household. If the marriage that gave rise to the stepparent-stepchild relationship has ended, see subparagraph 360104.B.7for guidance.
5		an illegitimate child if the father acknowledged the child in writing signed by him; or was judicially ordered to contribute to the child's support; or, was prior to his death judicially or otherwise shown by satisfactory evidence to be the father of the child; an illegitimate child of a female member as evidenced by birth certificate or other satisfactory evidence that member was mother of the child.
6	surviving parent(s) in equal shares (note 3)	the natural father or mother.
7		the father or mother through adoption.
8	other person(s)	any next of kin of the member entitled under the laws of the domicile of the member at the time of the member's death.

NOTES:

* 1. A member may elect to designate one or more persons instead of or in addition to his/her spouse as beneficiary as defined in paragraph 360103. Unless a specific percentage is shown, payment is divided equally among all designated beneficiaries. If no designation was made, then the death gratuity is to be paid to the living survivor(s) first listed in column A. See paragraph 360103.

2. If any of the member's children are deceased at the time of payment, payment is made to the deceased child(ren)'s descendants by representation. See subparagraph 360103.B.

3. Only one father or mother is recognized in any case. Give preference to those who exercised a parental relationship on the date, or most nearly before the date, on which the member died.

***Table 36 – 1. Eligible Beneficiaries - Death Gratuity**

RESPONSIBILITY FOR PAYMENT OF DEATH GRATUITY - GENERAL		
RULE	A If the deceased	B then payment is made by
1	was a member of the Army, Army National Guard, or Army Reserves (note 1)	DFAS-Indianapolis (IN) or the member's servicing finance center as specified in Table 36-3.
2	was a member of the Navy or Navy Reserves (note 1)	DFAS-Cleveland (CL) or the designated disbursing officer as specified in Table 36-4.
3	was a member of the Air Force, Air National Guard, or Air Force Reserves (note 1)	DFAS-IN or the finance office located nearest the beneficiary as specified in Table 36-5.
4	was a member of the Marine Corps or Marine Corps Reserve (note 1)	DFAS-CL as specified in Table 36-6.
5	is retired and dies within 120 days of retirement (note 2)	Retired and Annuitant Pay, DFAS-CL.
6	was discharged under honorable conditions, and dies within 120 days of separation (note 2)	the DFAS site responsible for servicing the deceased member's military pay account will be responsible for making payments to the member's beneficiaries.
7	is a member whose death is determined by administrative finding under the Missing Persons Act	
8	was a member of a SROTC (note 3)	
9	is a person who dies while traveling to or from or while at a place for final acceptance, or for entry upon active duty (other than for training) in the Military Service, who has been ordered or directed to go to that place, and who has been provisionally accepted for that duty, or selected, under the Military Selective Service Act, for duty in that Military Service	the DFAS site that would have maintained the individual's military pay account will be responsible for making payments to the member's beneficiaries.

NOTES:

1. Includes a National Guard or Reserve member who dies while traveling directly to or from active duty for training or inactive training.
2. Includes a former member who dies during the 120-day period beginning on the day following date of discharge or release, under honorable conditions, from active duty (including retirement for either disability or length of service). In this case, the Secretary of Veterans Affairs must determine that death resulted from disease or injury incurred or aggravated while the member was on active duty or while in authorized travel status to or from such duty.
3. Any member of a SROTC who dies while performing annual training duty under orders for a period of more than 13 days or while performing authorized travel to or from that annual training duty; or any applicant for membership in an ROTC who dies while attending field training or a practice cruise, or while performing authorized travel to or from the place where the training or cruise is conducted.

Table 36-2. Responsibility for Payment of Death Gratuity - General

RESPONSIBILITY FOR PAYMENT OF DEATH GRATUITY - ARMY		
RULE	A If the beneficiary is a(n)	B then death gratuity is settled by
1	Adult	the deceased members' servicing finance office. (note 2)
2	Minor	DFAS-IN.
3	Doubtful case (note 1)	DFAS-IN.

NOTES:

1. Doubtful cases include:
   a. All cases coming under subparagraphs 360105.A, B, C, or any questionable cases under paragraph 360104.
   b. Common law widow or widower.
   c. A member's minor child, an adopted child without properly certified court adoption papers, and an illegitimate child.
2. The deceased member's servicing finance office will be responsible for making payment for all adult beneficiaries who fall within the established guides of paragraph 360103.

Table 36-3. Responsibility for Payment of Death Gratuity - Army

RESPONSIBILITY FOR PAYMENT OF DEATH GRATUITY - NAVY				
	A	**B**	**C**	**D**
RULE	**When eligibility of beneficiary or propriety of payment is**	**and determination is made that eligible beneficiary is**	**and**	**then death gratuity is paid by**
1	not doubtful	a lawfully designated beneficiary	Navy Casualty Assistance (N135C) certifies beneficiary and payment amount	DFAS-CL upon authorization from N135C.
2			beneficiary requests local payment. N135C certifies beneficiary, payment amount,	the disbursing officer authorized by N135C to make payment.
3	doubtful (notes 1, 2, and 3)	required to be determined by N135C	N135C certifies beneficiary and payment amount	DFAS-CL upon authorization from N135C.

NOTES:
1. Doubtful cases include "common law widow or widower."
2. All cases coming under subparagraph 360104.F and paragraph 360105 are doubtful cases.
3. Doubtful cases include a member's minor child, adopted child without properly certified court adoption papers, and an illegitimate child.

Table 36-4. Responsibility for Payment of Death Gratuity - Navy

RESPONSIBILITY FOR PAYMENT OF DEATH GRATUITY - AIR FORCE				
RULE	**A**	**B**	**C**	**D**
	When eligibility of beneficiary or propriety of payment is	**and determination is made that eligible beneficiary is**	**and**	**then death gratuity is settled by**
***1**	not doubtful	a lawful spouse (notes 1 and 2); or adult child or children (notes 2 and 3); or a designated relative (notes 2, and 4) . Minor children are paid by DFAS along with those identified in rule 3.	upon receipt of notification of death (note 5)	the finance officer located nearest the residence of the beneficiary.
2		a designated non-relative		
3	doubtful	one of those listed in notes 1, 2, and 3		DFAS-IN.

NOTES:

1. DFAS-IN settles death gratuity payment to "common law widow or widower."
2. DFAS-IN settles all cases coming under subparagraphs 360105.A, B, or C, and any questionable cases under subparagraph 360104.F
3. DFAS-IN settles doubtful cases, including: all minor children, all adopted children without properly certified court adoption papers, and all illegitimate children.
4. Relatives consist of a member's parents, brothers and sisters, or any combination thereof.
5. If death occurs while a member is on a Permanent Change of Station (PCS) move, then the "losing" home installation notifies.

***Table 36-5. Responsibility for Payment of Death Gratuity - Air Force**

RESPONSIBILITY FOR PAYMENT OF DEATH GRATUITY - MARINE CORPS					
	A	**B**	**C**	**D**	**E**
RULE	**When the Commanding Officer (CO) determines that the eligible beneficiary is**	**and eligibility of beneficiary or propriety of payment is**	**and**	**and**	**then death gratuity is paid by**
1	a lawful spouse or a designated parent	not doubtful	the spouse or parent resides with the member at or near member's duty station or in the vicinity of the member's home port	the disbursing officer has access to member's pay and service records	DFAS-CL upon CMC (MHP-10) authorization
2				payment is requested by the CO of an activity located in an outlying area	
3				Member's unit is deployed, and the CO of the deployed unit requests by message that payment be made	
4	a lawful spouse, child or children, designated, or non-designated relatives (note 1)	doubtful (notes 2, 3, and 4)			
5		not doubtful	the relative did not reside with the member at or near member's duty station or home port		
6				payment is requested by the CO of an activity located near residence of the designated beneficiary	

***NOTES:**

1. Relatives consist of a member's parents, brothers, sisters and other next of kin of the member entitled under the laws of domicile of the member at the time of the member's death.
2. Doubtful cases include "common law widow or widower."
3. All cases coming under subparagraph 360104.F and paragraph 360105.
4. Doubtful cases include a member's minor child, an adopted child without properly certified court adoption papers, and an illegitimate child.

Table 36-6. Responsibility for Payment of Death Gratuity - Marine Corps

*BIBLIOGRAPHY

CHAPTER 36 – PAYMENTS ON BEHALF OF DECEASED MEMBERS

3601 – DEATH GRATUITY

	360101	10 U.S.C. 1475-1480
	360103	10 U.S.C. 1477
	360104.B.6	24 Comp Gen 320
	360104.E	21 Comp Gen 856
*	360105.B	34 Comp Gen 103
	360105.C.1	29 Comp Gen 294
		31 Comp Gen 645
	360106	10 U.S.C. 1478
	360109	37 Comp Gen 131

3602 – SETTLING DECEASED MEMBERS' ACCOUNTS

	360201	10 U.S.C. 2771
		37 U.S.C. 501(d)
*	360201.A.1	37 U.S.C. 427(a)(2)
*	360201.A.2	ASD(FMP) Memo, December 21, 2000
	360201.D	ASD(FMP) Memo, June 29, 1999
	360202	10 U.S.C. 2771
		MS Comp Gen B-187037, October 22, 1976
	360204.B and C	MS Comp Gen B-91021, February 6, 1950
	360204.D	MS Comp Gen B-84757, June 22, 1950
*	360208.A	37 U.S.C. 212(c)
		37 U.S.C. 1006(d)
	360208.B	37 U.S.C. 1006 (h)
	Table 36-3	Military Pay E-Message 09-020
	Table 36-4	MILPERSMAN 1770-280, July 25, 2008

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 37
"BENEFITS FOR MEMBERS HELD AS CAPTIVES"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Entire Chapter	This chapter was reviewed for accuracy and no changes to policy were deemed necessary.	Update

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3703 Savings Allotment

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CHAPTER 37

BENEFITS FOR MEMBERS HELD AS CAPTIVES

3701 FORMER CAPTIVE PAYMENT

370101. Entitlement Provisions. A former captive is a member who was held in a captive status. Entitlement is effective 27 August 1986. Entitlement may only be authorized by the Secretary of Defense (SECDEF). Once the SECDEF makes a "hostile action" determination, which is the authority for former captive payments, the Military Service Secretaries will provide the names and dates of entitlements to their respective DFAS Center. Entitlement dates may not include any of the following without specific case by case approval of the SECDEF:

A. Dates in a captive status which are not dates of actual physical custody by a hostile force (for example, dates evading capture where the presence of a hostile force prevented escape or rescue); or

B. Dates which are doubtful that the missing status was the result of hostile action or was the result of membership in the Uniformed Services. Commanders will forward any request with justification via the appropriate Military Service chain of command. When authorized, the DFAS Center concerned will make payment.

370102. Rates

A. For each day a member was held in a captive status, payment is 50 percent of the world-wide average per diem rate. Status beginning and ending days (for example, day of return to military control) are days of entitlement. Payment must be made within 1 year after the member's captive status ends. Rates will be obtained from the Office of the Under Secretary of Defense (Personnel and Readiness) (MPP/Comp), 4000 Defense Pentagon, Washington, D.C. 20301-4000.

B. Former captives may receive more than the 50 percent rate when specifically approved by the SECDEF. Recommendations justifying a higher percentage will be forwarded through command channels via the appropriate Military Service Secretary.

C. Rates for members in a former captive status resulting from Operation Desert Storm from January 1991 through April 1991 are $131.00 per day for January, February, and April; and $133.00 per day for March.

370103. Death of Member. If a member dies while in a captive status, any amount due is considered pay and allowances for the purposes of ***Chapter 34***.

370104. Exceptions

A. The SECDEF may defer payment for anyone (within the 1 year payment window) charged with a captivity-related offense and may deny payment if the member is

convicted. If convicted, whether or not payment has been made, commanders will forward the case to the SECDEF (as per paragraph 370101) with justified recommendations for payment determination. Previously-made payments later denied must be collected.

B. No payment is authorized when the Congress specifically provides for prisoner of war (POW) compensation for captivity periods. See section 3702.

370105. Taxability. Payments to former captives generally are not taxable if the captive status resulted from the deprivation of personal rights, such as terrorist activity. However, if the captive status resulted from an engagement with another nation's armed forces, then payment may be taxable and is reported as taxable income. See ***Table 44-1*** for possible applicability of the combat zone tax exclusion.

3702 PRISONER OF WAR COMPENSATION. Payment authorized by the Congress for a specific period of captivity as a POW is made by the Secretary of the Treasury and is not considered to be a Uniformed Services pay and allowances entitlement. DFAS is not involved in payment procedures or tax reporting.

3703 SAVINGS ALLOTMENT. Military Service Secretaries may allot part or all of a captive's pay and allowances (except what is already allotted) to an interest-bearing savings fund that is maintained by the Secretary of the Treasury. Withdrawal procedures are established by the Secretary of the Treasury.

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		37 U.S.C. 551
		37 U.S.C. 559(c)
		Public Law 96-449, 14 October 1980
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		OASD(FM&P) Memo, 18 August 1987
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		IRS Ltr, 24June 1988
		OASD(FM&P) Memo, 18 November 1991
3702	Prisoner of War Compensation	
		50 U.S.C. App. 2005
3703	Savings Allotment	
		37 U.S.C. 559(b)

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 38
"SERVICE ACADEMY CADETS, MIDSHIPMEN, AND SERVICE ACADEMY PREPARATORY SCHOOL STUDENTS"

All changes are denoted in blue font

Substantive revisions are denoted by a * 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 *underlined, bold, italic, blue font*

This updated chapter supersedes the previously published version dated August 2011.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Table 38-1	Add CY 2012 ration rates.	Update
Bibliography	Updated memorandums.	Update

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CHAPTER 38

SERVICE ACADEMY CADETS, MIDSHIPMEN, AND SERVICE ACADEMY PREPARATORY SCHOOL STUDENTS

3801 ENTITLEMENTS

380101. Monthly Pay. Cadets at the United States Military Academy and the United States Air Force Academy and midshipmen at the United States Naval Academy are entitled to pay at the monthly rate of 35 percent of the basic pay of a commissioned officer in the pay grade O-1 with less than 2 years of service. This monthly rate is prescribed in ***Chapter 1, Table 1-7***.

380102. Rations. Cadets and midshipmen are entitled to commuted rations at the daily rate established by the Office of the Under Secretary of Defense (Comptroller), as prescribed in Table 38-1.

380103. Incentive and Special Pays. Cadets and midshipmen are not entitled to incentive pay for hazardous duty or special pay for duty subject to hostile fire or imminent danger.

380104. Start and Stop Dates. See Table 38-2.

380105. Continuance of Pay and Allowances. Pay and allowances continue to accrue to cadets or midshipmen while they are absent in an official missing or missing-in-action status. See ***Chapter 34***. Cadets and midshipmen also are entitled to full pay while traveling under orders.

380106. Death Benefits. Death gratuity entitlement and settlement of unpaid pay and allowances instructions are contained in ***Chapter 36***.

380107. Settlement for Unused Accrued Leave. Cadets and midshipmen do not earn leave; therefore, they are not entitled to lump-sum leave benefits.

3802 OTHER STUDENTS

380201. Service Academy Preparatory School Students

A. A student at the United States Military Academy Preparatory School, the United States Naval Academy Preparatory School, or the United States Air Force Academy Preparatory School, who was selected to attend the preparatory school from civilian life, is entitled to monthly student pay at the same rate as provided for cadets and midshipmen.

B. A student at the United States Military Academy Preparatory School, the United States Naval Academy Preparatory School, or the United States Air Force Academy Preparatory School, who, at the time of the student's selection to attend the preparatory school,

was an enlisted member of the Uniformed Services will receive the monthly basic pay at the rate prescribed for the student's pay grade and years of service as an enlisted member or at the rate provided for cadets and midshipmen under section 3801, whichever is greater.

380202. Foreign Cadets and Midshipmen. Persons from a foreign nation, who are receiving instruction at the Military Service academies are entitled to the same pay, commuted rations, and travel and transportation allowances as are authorized for United States cadets and midshipmen.

3803 DEDUCTIONS FROM MONTHLY PAY

380301. Allotments. The Military Department concerned determines whether cadets and midshipmen may register allotments of pay.

380302. Collections of Indebtedness. For general policies and requirements relating to collection of indebtedness, see ***Chapter 50***. Private indebtedness for services (laundry, dry cleaning, shoe repair, e.g.) is not an indebtedness collectible under ***Chapter 50***.

380303. Servicemembers' Group Life Insurance (SGLI). Effective June 20, 1972, cadets and midshipmen became eligible for SGLI coverage while on full-time duty as a cadet or midshipman at a Service academy. See ***Chapter 47***. Details covering the administration of the SGLI program for cadets or midshipmen are contained in the pay procedural instructions of the Military Service academy concerned.

380304. Taxes. The basic pay of cadets and midshipmen is subject to Federal and state withholding tax (***Chapter 44***) and Federal Insurance Contribution Act tax (***Chapter 45***).

3804 ADVANCE PAY FOR CLOTHING AND EQUIPMENT PURCHASES

380401. General. The Secretary of the Military Department concerned prescribes the amount to be advanced each new cadet or midshipman to cover the cost of initial clothing and equipment. The amount advanced is deducted in regular installments from the cadet's or midshipman's monthly pay until fully collected. Any cadet or midshipman who is discharged (whether voluntarily or involuntarily) before graduation and before the total amount has been repaid shall turn in as much of the clothing and equipment of a distinctive military nature as is necessary to liquidate the balance owed.

380402. Discharge. If a cadet or midshipman is discharged and the value of the turned-in clothing and equipment does not cover the balance owed, then apply the value of the turned-in clothing and equipment to the balance owed and cancel the net remaining, regardless of reason for discharge.

3805 TRAVEL AND TRANSPORTATION ALLOWANCES

The travel and transportation allowances payable to cadets and midshipmen are prescribed in ***Joint Federal Travel Regulations, Volume 1, Chapter 7, Part A***.

RATIONS RATE				
Effective	**Breakfast**	**Lunch**	**Dinner**	**Total**
October 1, 1999	$1.05	2.15	2.15	$5.35
October 1, 2000	$1.05	2.20	2.20	$5.45
October 1, 2001	$1.10	2.25	2.25	$5.60
October 1, 2002	$1.15	2.30	2.30	$5.75
October 1, 2003	$1.20	2.35	2.35	$5.90
October 1, 2004	$1.25	2.55	2.55	$6.35
October 1, 2005	$1.30	2.60	2.60	$6.50
October 1, 2006	$1.30	2.65	2.65	$6.60
October 1, 2007	$1.35	2.80	2.80	$6.95
October 1, 2008	$2.10	3.85	3.85	$9.80
January 1, 2009	$2.30	4.25	4.25	$10.80
January 1, 2010	$2.30	4.25	4.25	$10.80
January 1, 2011	$2.30	4.25	4.25	$10.80
*January 1, 2012	$2.45	4.55	4.55	$11.55

NOTE: If current year is not listed, see Reimbursable Rates at the ***Office of the Under Secretary Defense (Comptroller)*** Web site.

*** Table 38-1. Rations Rates**

DATES TO START AND STOP PAY AND ALLOWANCES		
RULE	**A**	**B**
	When a cadet or midshipman	**then pay and allowances**
1	has been admitted officially to one of the Service academies	start on the day of admission (note 1).
2	has been discharged and later reappointed to one of the Service academies	were stopped on date of discharge, and start again on day of reappointment (note 1).
3	has been dismissed by sentence of court-martial	stop on the date of termination of service as specified in orders directing dismissal.
4	has been dismissed from the academy by other than court-martial action before graduating	stop on date of dismissal.
5	dies before graduation	stop on the date of death.
6	is appointed a second lieutenant in the Army or Air Force upon graduation	stop on the day before the date of graduation.
7	is commissioned in the Regular Navy or Marine Corps	stop on the day before the date of formal acceptance of appointment.
8	is placed voluntarily in a leave without pay status	stop on the day before the member enters a leave without pay status. If the member is readmitted to the academy, then pay and allowances start again on the day of readmission.
9	is not appointed a second lieutenant in the Army immediately upon graduation	continue until the member is appointed a second lieutenant or is discharged (note 2).

NOTES:

1. An Oath of Allegiance must be taken before first payment is made.
2. In case of appointment, active duty pay is payable from date of graduation (***Table 1-3,*** Rule 5); therefore, an adjustment is necessary between cadet pay received and active duty pay due.

Table 38-2. Dates to Start and Stop Pay and Allowances

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	43 Comp Gen 94
380103	30 Comp Gen 31
	47 Comp Gen 781
380106	26 Comp Gen 373
380107	37 U.S.C. 504

3802 – OTHER STUDENTS

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380202	10 U.S.C. 4344, 4345, 6957, 9344

3803 – DEDUCTIONS FROM MONTHLY PAY

380303	8 U.S.C. 1965, 1967

3804 – ADVANCE PAY FOR CLOTHING AND EQUIPMENT PURCHASES

10 U.S.C. 4350; 6960; 9350
DFAS DGD/DE Memo, May 21, 2002

3805 – TRAVEL AND TRANSPORTATION ALLOWANCES

37 U.S.C. 410,422(a)

Table 38-1 ***OUSD(C) Memo, FY12 Reimbursable Rates, Tab G***

Table 38-2

Rule 6 37 U.S.C. 204(f)
Rule 8 46 Comp Gen 261

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 39
"PAY OF SERVICE ACADEMY OFFICIALS"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue, font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Table 39-1	Clarified Personal Money Allowance for Rules 5 and 6.	Update

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*Table 39-1 Pay and Allowances - Academy Officials

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CHAPTER 39

PAY OF SERVICE ACADEMY OFFICIALS

3901 GENERAL PROVISIONS

A commissioned officer serving as an appointed official at a Military Service academy is entitled to the pay grade, pay, and allowances held by law for the position. A commissioned officer detailed as an official at a Military Service academy is not entitled to an increase in pay and allowances because of such detail, except as provided in this chapter. A member appointed as director of music at the United States Military Academy or as leader of the Naval Academy Band has the pay grade prescribed for such positions by the Secretary of the Military Department concerned (or designee).

3902 PAY AND ALLOWANCES

The pay and allowances authorized for academy officials are shown in Table 39-1 (Pay and Allowances - Academy Officials).

3903 PERSONAL MONEY ALLOWANCES

The personal money allowances authorized for the Superintendent of the United States Naval Academy and the Commandant of Midshipmen may be spent at their discretion for the contingencies of their positions. See ***Chapter 31***.

3904 LIBRARIAN

An officer of the Regular Army, retired from active service under ***Title 10, United States Code (U.S.C.), section 1251***, may be detailed on active duty to serve as librarian of the United States Military Academy. While serving as librarian, the officer is entitled to the pay and allowances prescribed for the officer's grade and years of service. Include the time spent in retirement in the computation of the officer's cumulative years of service.

3905 LEAVE OF ABSENCE - FACULTY AND OTHER OFFICERS

Professors, assistant professors, instructors, and other officers at either the United States Military Academy or the United States Air Force Academy may be granted a leave of absence for the period of suspension of the ordinary academic studies. Such leave is authorized to be granted by the superintendent concerned without deduction of pay and allowances.

3906 TRAVEL AND TRANSPORTATION ALLOWANCES

Members serving as officials at Service academies are entitled to the travel and transportation allowances prescribed in the ***Joint Federal Travel Regulations, Chapter 4***.

PAY AND ALLOWANCES - ACADEMY OFFICIALS						
	A	B			C	D
		at the United States				
RULE	When officer is serving as	Military Academy	Naval Academy	Air Force Academy	and	then the officer is entitled to the pay and allowances prescribed for
1	Superintendent	X		X		the officer's military grade and cumulative years of service.
2			X			the officer's military grade and cumulative years of service plus a personal money allowance of $5,200 per year.
3	Dean of the Academic Board	X				a brigadier general using the officer's cumulative years of service.
4	Dean of the Faculty			X		
*5	Commandant of Cadets	X		X		the officer's military grade and cumulative years of service.
*6	Commandant of Midshipmen		X			the officer's military grade and cumulative years of service plus a personal money allowance of $800 per year (note 5).
7	Permanent Professor	X		X	is serving as head of a department or has been a permanent professor for more than 6 years	a colonel using the officer's cumulative years of service.
8					is not serving as head of a department and has been a permanent professor for 6 years or less	a lieutenant colonel using the officer's cumulative years of service (note 1).
9			X		has over 36 years of creditable service for pay purposes	the officer's military grade and cumulative years of service plus additional pay of $250 per month (note 2).

Table 39-1. Pay and Allowances - Academy Officials

PAY AND ALLOWANCES — ACADEMY OFFICIALS						
	A	B			C	D
		at the United States				
RULE	When officer is serving as	Military Academy	Naval Academy	Air Force Academy	and	then the officer is entitled to the pay and allowances prescribed for
10	Registrar	X		X	has served as registrar for more than 6 years	a colonel using the officer's cumulative years of service (note 3).
11					has served as registrar for 6 years or less	a lieutenant colonel using the officer's cumulative years of service (notes 1 and 3).
12	Director of Music	X		X		commissioned officer whose grade corresponds to the rank prescribed for the Director by the Secretary of the Army (note 4).
13	Band Leader		X			the grade prescribed by the Secretary of the Navy (note 4).
14	Second Band Leader					a warrant officer W-1 using the officer's cumulative years of service.

NOTES:

1. A permanent professor or a registrar appointed from the Regular Army or the Regular Air Force is entitled to the pay of a Colonel on the day after the date that a promotion list officer, junior to him or her on the promotion list on which his or her name was carried before his or her appointment as a professor or registrar, is promoted to the grade of Regular Colonel, even though he or she served as a professor or registrar for 6 years or less.
2. Do not use the additional pay in computation of retired pay.
3. An officer detailed to serve as registrar, who is serving in a temporary grade higher than those shown in column D, rules 10 and 11, is entitled to the pay and allowances prescribed for the higher temporary grade in which the officer is serving.
4. Compute the applicable number of cumulative years of service as outlined in ***Chapter 1***.
5. See ***Chapter 31***, Table 31-1, rule 8.

Table 39-1. Pay and Allowances — Academy Officials (Continued)

BIBLIOGRAPHY

CHAPTER 39 - PAY OF SERVICE ACADEMY OFFICIALS

3901 - GENERAL PROVISIONS

37 U.S.C. 207(e)
37 U.S.C. 424

3903 - PERSONAL MONEY ALLOWANCES

37 U.S.C. 414(b)

3905 - LEAVE OF ABSENCE - FACULTY AND OTHER OFFICERS

10 U.S.C. 4341
10 U.S.C. 9341

Table 39-1

Rule 1	10 U.S.C. 4334; 9334
Rule 2	37 U.S.C. 414(b)
Rule 3	10 U.S.C. 4335(b)
Rule 4	10 U.S.C. 9335
Rule 5	10 U.S.C. 4334; 9334
Rule 6	37 U.S.C. 414(b)
Rule 7	10 U.S.C. 4336(a); 9336(a)
Rule 8	10 U.S.C. 4336(a); 9336(a)
Rule 9	37 U.S.C. 203(b)
	Public Law 109-163, section 602, January 6, 2006
Rule 10	10 U.S.C. 4336(b); 9336(b)
Rule 11	10 U.S.C. 4336(b); 9336(b)
Rule 12	37 U.S.C. 207(b); 424(b)
Rule 13	37 U.S.C. 207(e); 424(e)
Rule 14	37 U.S.C. 207(e); 424(e)
Note 1	10 U.S.C. 4336(a); 9336(a)
Note 2	37 U.S.C. 203(b)
Note 3	10 U.S.C. 4336(c); 9336(c)

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 40
"GENERAL PROVISIONS GOVERNING ALLOTMENTS OF PAY
(Other than Child and Spousal Support Allotments Required by Law)"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
400303 Table 40-1	Updated to reflect transition to electronic savings bonds.	Update
All	Reviewed chapter for accuracy, formatting, and updated references and hyperlinks.	Update

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CHAPTER 40

GENERAL PROVISIONS GOVERNING ALLOTMENTS OF PAY (Other than Child and Spousal Support Allotments Required by Law)

4001 GENERAL

400101. Application. The provisions of this chapter do not apply to child and spousal support allotments required by law to be started when a member has failed to make periodic payments under a support order. See ***Chapter 41*** for applicable provisions.

400102. Authority. Under instructions issued by the Secretary of Defense, the personnel identified in section 4004, may authorize allotments from their pay for the purposes set forth in ***Chapters 40 through 43***.

400103. Policy. The allotment system is provided to help Military Service members adjust their personal and family finances to military service. It is a convenience and privilege not to be exploited or abused. Other than amount changes, administrative changes may be made at the request of the allottee without the member's consent. This includes address changes.

4002 DEFINITIONS

See ***Glossary*** for the definition of allotment, allottee, allotter and financial organization.

4003 AUTHORIZED ALLOTMENTS

400301. General. Voluntary allotments of military pay and allowances by service members in active military service are limited to discretionary and non-discretionary allotments.

400302. Discretionary Allotments. Members are authorized no more than six discretionary allotments. The member shall certify that the allotment is within the limits of the law (e.g., allotments may not be used to repay gambling debts in a state where gambling is not permitted). Examples include, but are not restricted to, the following:

A. Payment of premiums for commercial life insurance on the life of the member, the member's spouse, or children. This includes United States Government Life Insurance, Army Mutual Aid Insurance, Navy Mutual Aid Insurance, dental and health insurance for the benefit of family, and vehicle insurance.

B. Voluntary payment to a dependent or other relative. This allotment may be made to a spouse, former spouse(s), other dependents, and/or relative(s) not legally designated as a dependent(s). Support allotments may be made payable directly to a court, a state agency, a court trustee, a welfare agency, or to a child's guardian or custodian. This allotment may be made payable to a financial organization for credit to the account of the allottee.

C. Deposits to a financial institution, mutual fund company, or investment firm.

D. Payment of car loans.

E. Payment of mortgage or rent.

F. Payment of a loan to repay consumer credit, e.g., a loan or finance company.

G. Deposits into the Savings Deposit Program.

H. Payments to the Air Force Enlisted Members Widow's Home for Air Force members only.

400303. Non-Discretionary Allotments. Non-discretionary allotments of military pay and allowances by members in active military service are limited to the following:

* A. Purchase of U.S. savings bonds through ***TreasuryDirect®*** .

B. Repayment of loans to the Army Emergency Relief, Navy and Marine Corps Relief Society, Air Force Aid Society, and American Red Cross.

C. Voluntary liquidation of indebtedness to the United States that includes the following:

1. Indebtedness incurred due to defaulted notes insured by the Federal Housing Administration or guaranteed by the Department of Veterans Affairs.

2. Payment of amounts due under the Retired Serviceman's Family Protection Plan, in the case of retired Military Service members serving on active duty.

D. Any other indebtedness to any department or agency of the United States Government (except to the Military Department that pays the member).

E. Any repayment of debts owed to an organization for funds administered on behalf of the United States Government and any such debts assigned to a collection agency.

F. Payment for pledges for charitable contributions to the following:

1. Combined Federal Campaign (CFC). Only one such allotment is authorized for any Military Service member.

2. Army Emergency Relief, Navy and Marine Corps Relief Society, or Affiliates of the Air Force Assistance Fund. Only one such allotment is authorized for any Military Service member.

G. Allotments to the Department of Veterans Affairs for Deposit to the Post-Vietnam Era Veterans Educational Assistance Program. The allotment must be divisible by $5 and with a minimum amount of $25 and not more than $100. Once authorized by the Service member, the allotment must run a minimum of twelve consecutive months, unless the member suspends participation or terminates enrollment from the program due to personal hardship or release from active duty.

H. Payment of delinquent federal, state, or local income or employment taxes.

I. Lease payments when members are assigned to privatized housing units under the Military Housing Privatization Initiative. See Chapter 43, section ***4304***.

4004 ELIGIBLE ALLOTTERS

400401. Members on Extended Active Duty. Members on extended active duty who may make allotments of pay include commissioned and warrant officers, aviation cadets, and enlisted members.

400402. Allotments Continued to Retired Status. To aid personnel in the transition from active duty to retired status, all existing authorized discretionary allotments of members on active duty may be continued as approved allotments.

4005 PAY AND ALLOWANCES WHICH MAY BE ALLOTTED

400501. Maximum Amount for Allotment. Include the following items in computing the maximum amount of pay and allowances that may be allotted for members assigned within the continental United States:

A. Basic pay.

B. Basic allowance for housing for members with dependents and members without dependents including family separation housing.

C. Basic allowance for subsistence.

D. Incentive Pays

1. Aviation Career.

2. Career Enlisted Flyer.

3. Hazardous Duty.

4. Submarine Duty.

E. Special Pays

1. Assignment Incentive.

2. Special Pays for Dental, Medical, Board Certified Nonphysician Health Care Provider, Nonphysician Health Care Provider, Nurse Anesthetists, Optometry, Reserve Health Care Professionals in Critically Short Wartime Specialties, Reserve Medical, Veterinary and Pharmacy officers.

3. Career Sea.

4. Career Sea Pay Premium.

5. Continuation Pays for Nuclear-Qualified, Engineering and Scientific, Judge Advocate, and Surface Warfare Officers.

6. Designated Unit.

7. Diplomate Pay for Psychologists.

8. Diving Duty.

9. Enlisted Members Extending at Designated Overseas Locations.

10. Officers Holding Position of Unusual Responsibility and of Critical Nature.

11. Special Duty Assignment.

400502. Members Assigned Outside the Continental United States. Include the following pay and allowance items in addition to those listed in paragraph 400501:

A. Cost-of-Living Allowance.

B. Family Separation Allowance (FSA-R only).

C. Family Separation for Housing.

D. Hardship Duty Pay.

E. Hostile Fire/Imminent Danger (applies only to members in a designated area).

F. Overseas Housing Allowance.

400503. Amounts Withheld from Pay and Allowances. The following amounts must be withheld from the maximum amount of pay and allowances that may be allotted:

A. Federal, state, and Federal Insurance Contributions Act taxes.

B. The repayment of debts properly chargeable against a member's pay account (does not include repayments of advance pay).

C. Premiums of Servicemembers' Group Life Insurance (SGLI) and Family SGLI.

D. Montgomery GI Bill deduction.

400504. Commander's Restriction. Commanders may restrict further the total amount a member may allot when necessary to help the member meet essential personal needs.

4006 PERIODS OF ALLOTMENTS

Exceptions to Allotments for Indefinite Periods. Allotments are made for indefinite periods except those:

400601. To Military Service relief organizations.

400602. To the American Red Cross.

400603. To the United States for:

A. Repayment of indebtedness.

B. Payment of delinquent federal income taxes.

400604. For CFC charity drive donations.

400605. For payment of delinquent state or local income or employment taxes.

4007 ALLOTMENT PAYMENT OFFICES

400701. Army. The Defense Finance and Accounting Service-Indianapolis, Indianapolis, IN 46249, pays all Army allotments except class X, which are paid locally.

400702. Marine Corps and Navy. The Defense Finance and Accounting Service-Cleveland, Anthony J. Celebrezze Federal Building, Cleveland, OH 44199, pays all Marine Corps and Navy allotments of pay.

400703. Air Force. The Defense Finance and Accounting Service-Indianapolis, IN 46249, pays all Air Force allotments except class X, which are paid locally.

4008 RESTRICTIONS

400801. Establishment, Discontinuance, and Changes to Existing Allotments. A properly executed form (e.g., Department of Defense ***(DD) Form 2558***, Authorization to Start, Stop or Change an Allotment) or a written request from a member (or from an agent acting under a specific power of attorney) or an automated data exchange (from specific organizations) may be used to establish, discontinue, or change an allotment. The ***DD Form 2558*** is available in an electronic medium. Further, a service member's written signature is not required to effect an allotment from pay when automated data exchange is utilized. Automated computer programs that allow members to establish, discontinue, or change an allotment using a personal identification number (PIN) are permitted. Allotments will be established, discontinued or changed only after the member's identity has been validated.

400802. Minors. Allotments may not be made payable to children under 16 years of age. They may be made payable to the children's guardian or custodian. Spouses of members may be named as allottees regardless of age.

400803. Mental Incompetents. Allotments may not be made payable to mentally incompetent persons. Allotments may be made payable to a guardian or to the institution where a mentally incompetent person is confined.

400804. Power of Attorney. The holder of a member's special power of attorney may use that document to establish, change, or stop an allotment. The special power of attorney specifically must state the authority to establish, change, or stop allotments. A general power of attorney is not acceptable to establish, change, or stop an allotment.

400805. Member Awaiting Trial by Court Martial

A. Members may not register allotments between the date that a Court Martial is ordered and the date of the approval or disapproval of the sentence, except when instructed by the convening authority to establish an allotment for deferred forfeitures.

B. Discontinue allotments whenever:

1. Necessary to permit collection of the forfeiture in the monthly amount specified and within the time limitation stated in the Court Martial sentence.

2. A member is sentenced to forfeit all pay and allowances due from the date the sentence is approved by the convening authority. This applies even though the convening authority defers the forfeitures and suspends the discharge when ordering the sentence into execution.

C. Allotments may be registered by a prisoner provided the amount of pay and allowances not forfeited is sufficient to cover allotment deductions.

400806. Returned Absentees, Deserters, and Prisoners. Allotments will not be registered for a returned absentee or deserter, unless the cognizant Defense Finance and Accounting Service (DFAS) site has verified the member's pay status.

400807. Fraudulent Enlistment. Pay and allowances may not be allotted when pay is suspended pending final action on determination of fraudulent enlistment.

400808. Reduced Pay of Allotter. When a reduction in grade or stoppage of pay does not leave sufficient funds for allotments in force, allotments will be discontinued.

4009 RIGHT TO ALLOTMENT IN CASE OF DEATH

400901. Death of Allotter. All allotments are revoked upon the death of the member. No further allotment payments may be made by the paying allotment office after receipt of notice of the member's death. Deductions made from the member's pay, but not paid to the allottee, become part of the member's arrears of pay. Allotments paid after the member's death may not be collected from the allottee, with two exceptions:

A. Allotments erroneously established after notice of death of the allotter.

B. Unearned insurance premiums (insurance premiums paid 1 month in advance of the day payment is actually due). See Military Service procedural instructions for actions required by the disbursing officer maintaining the pay account. However, the issuance of a check for an allotment does not constitute payment until it is negotiated and the amount is collected by the payee. Accordingly, if a check is sent directly to an allottee and has not been negotiated, then recoupment action is appropriate.

400902. Death of Allottee. An allotment check, even though endorsed, does not become part of an allottee's estate if it is not cashed or negotiated before the allottee's death. It is not subject to any expense incurred by, or on behalf of, the allottee before or after death. All unnegotiated allotment checks will be returned to the office from which issued. Returned

allotment checks shall be credited to the member's account or paid in accordance with Military Service instructions if the member has been separated from the Military Service.

4010 ALLOTMENT OVERPAYMENT RESPONSIBILITIES

401001. Army and Air Force

A. If an allotment payment is made to an allottee before the disbursing office receives notice to stop the payment from the official required by regulation to furnish this notice, then payment is credited to the disbursing officer. Collection is made from the allottee, if possible. If an allotment is paid in error because the officer responsible failed to report either the death of the allotter or any other fact that makes the allotment not payable, then the amount of the payment not recovered from the allottee is collected, if practicable, from the officer who failed to report.

B. Any check or bond received for which entitlement does not exist must be returned immediately to the issuing office. When an allotment payment is made after deductions from the member's pay have ceased, and the allottee does not return it to the office of issuance, the allottee should be required to submit a complete and detailed explanation. A determination of liability then shall be made.

401002. Navy and Marine Corps

A. Commanding Officer. The commanding officer is responsible for informing the disbursing officer of any facts which warrant the stoppage of an allotment and for any required follow-up action. The commanding officers of units or ships without disbursing officers have the same responsibility as do disbursing officers to initiate any necessary follow-up action regarding unacknowledged allotment requests.

B. Disbursing Officers. The disbursing officer who registers an allotment for a member is held responsible for proper entry on the military pay record. If the initial entry is incorrect, then the field disbursing officer making the entry is responsible for all payments or overpayments of the allotment. Failure to transfer an active allotment from a closed pay account to a new pay account imposes a liability on the disbursing officer concerned for all payments or overpayments made by the allotment officer.

ALLOTMENTS OF PAY - GENERAL

RULE	A	B		C		D			E	F		G	
		and Military Service letter designation is		and member on active duty is		and is an				then the allotment period		and payment is made by	
	When the purpose of an allotment is	Army and Air Force	Navy and Marine Corps	Army and Air Force	Navy and Marine Corps	Officer	Enlisted Member	Aviation Cadet	Allotments which may be continued to retired status (Note)	Indefinite	Definite	DFAS	local Disbursing Officer
1	purchase of United States Savings Bonds through ***TreasuryDirect®***	D	D	X	X	X	X	X	X	X		X	
2	charitable drive donation (Combined Federal Campaign)	C	C	X	X	X	X	X			X	X	
3	repayment of loans to Army Emergency Relief, Navy and Marine Corps Relief Society, Air Force Aid Society, or American Red Cross	L	L	X	X	X	X	X	X		X	X	
4	contribution to post-Vietnam Era Veterans Educational Assistance Program	S	E Navy V USMC	X	X	X	X			X	X Army only	X	
5	payment of indebtedness to the United States	T	T	X	X	X	X	X	X		X	X	
6	payment of delinquent taxes (federal, state, local, or employment taxes)	T	T	X	X	X	X	X	X		X	X	
7	emergency payment to a dependent	X		X		X	X				X		X
8	remittance for Retired Serviceman's Family Protection Plan for retired members on active duty	U	U	X	X	X	X			X		X	
9	charitable contribution to Army Emergency Relief, Navy and Marine Corps Relief Society, or affiliates of Air Force Assistance Fund Army	F	C	X	X	X	X	X	X		X	X	

NOTE: Includes members of the Fleet Reserve or Fleet Marine Corps Reserve when not on active duty.

Table 40-1. Allotments of Pay - General

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GENERAL PROVISIONS GOVERNING ALLOTMENTS OF PAY (Other than Child and Spousal Support Allotment Required by Law)

4001 - GENERAL

37 U.S.C. 701

4003 - AUTHORIZED ALLOTMENTS

400303.G 38 U.S.C. 3201-3243

4009 - RIGHT TO ALLOTMENT IN CASE OF DEATH

B-225873.2, March 28, 1991
B-225873, September 25, 1987
B-169453, April 20, 1970

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 41
"GARNISHMENTS AND OTHER INVOLUNTARY ALLOTMENTS"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Reviewed chapter for accuracy, formatting, and updated references and hyperlinks.	Update
410107.A 410206.D 410408.E	Changed U.S. Savings Bonds to Class D allotment.	Update

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CHAPTER 41

GARNISHMENTS AND OTHER INVOLUNTARY ALLOTMENTS

4101 GARNISHMENT OF PAY FOR ENFORCEMENT OF CHILD SUPPORT AND ALIMONY OBLIGATIONS

410101. General

A. The processing of garnishment orders for child support and/or alimony from the pay of individuals receiving remuneration for employment from the United States is governed by Title 42, United States Code, section 659 (***42 U.S.C. 659***) and Title 5, Code of Federal Regulations, Part 581 (***5 C.F.R. Part 581***). The purpose of this section is to provide information unique to the collection of child support and/or alimony from the pay of active duty members and members of the Reserve Components. The provisions of ***42 U.S.C. 659*** and ***5 C.F.R. Part 581*** take precedence when in conflict with this chapter.

B. Moneys due from or payable by the United States to active duty members and members of the Reserve Components not on active duty are subject to legal process to enforce a legal obligation to pay child support or alimony. Legal process issued by foreign courts may be honored under this authority if issued by a court of competent jurisdiction of a country with which the United States has an agreement which requires the United States to honor such process. Such an agreement has been reached with the Federal Republic of Germany. When the law of the state or foreign nation in which the issuing court is located conflicts with the federal law, the more restrictive law applies.

410102. Legal Process Defined. Legal process is any writ, order, summons, or other similar process in the nature of a garnishment action. Legal process may be issued by:

A. A court of competent jurisdiction within any state, territory, or possession of the United States;

B. A court of competent jurisdiction in any foreign country with which the United States has entered into an agreement that obligates the United States to honor such process; or

C. An authorized official according to an order of such a court of competent jurisdiction or pursuant to state or local law.

410103. Pay Subject to Garnishment. Except for amounts excluded under paragraph 410104, all moneys due uniformed personnel, regardless of duty status or component, which are considered to be based upon remuneration for employment, are subject to garnishment. The items of pay and bonuses subject to legal process include the following:

A. Basic pay (including Military Service academy cadet, academy officials, and midshipmen pay), but excluding reduction for educational benefits under the New G.I. Bill.

B. Special pay (including enlistment and reenlistment bonuses).

C. Incentive pay.

D. Accrued leave payments (basic pay portion only).

E. Readjustment pay.

F. Severance pay (including disability severance pay).

G. Lump-Sum Reserve bonus.

H. Inactive duty training pay.

I. Separation pay, Voluntary Separation Incentive (VSI), Special Separation Benefit (SSB), Reservists' Special Separation Pay (RSSP), and Reservists' Involuntary Separation Pay (RISP).

410104. Pay and Allowances Not Subject to Garnishment. The following items of pay and allowances are not subject to legal process:

A. Basic allowance for subsistence.

B. Basic allowance for housing.

C. Family separation allowance.

D. Station allowances.

E. Clothing allowances-enlisted.

F. Uniform allowances-officer.

G. Personal money allowance.

H. Discharge gratuity.

I. Position pay (Navy only).

J. Reserve Officer Training Corps subsistence allowance.

K. Death gratuity.

L. Allowance for recruiting expenses.

M. Travel and transportation allowances.

N. Armed Forces Health Professions Scholarship Program monthly stipend.

410105. Disposable Earnings. This is a member's gross pay subject to garnishment less deductions for the following items which are not subject to legal process:

A. Amounts withheld in payment of debts owed to the United States, except that an indebtedness based on a levy for income tax under ***26 U.S.C. 6331*** shall not be excluded in complying with legal process for the support of minor children if the legal process was entered prior to the date of the levy.

B. Regular Federal income tax withholding (FITW) and State income tax withholding (SITW):

1. When required or authorized by law.

2. When amounts withheld are not greater than would be the case if the individual claimed all dependents to which he/she were entitled.

A deduction for additional FITW is authorized when the individual presents evidence of a tax obligation which supports the additional withholding.

C. Federal Insurance Contribution Act (FICA) tax.

D. Armed Services Retirement Homes.

E. Servicemember's Group Life Insurance premiums.

F. Retired Serviceman's Family Protection Plan premiums.

G. Survivor Benefit Plan premiums.

H. Thrift Savings Plan contributions.

I. Other amounts required by law to be deducted (e.g., fines and forfeitures ordered by a court-martial or by a commanding officer).

410106. Maximum Amount of Pay Subject to Garnishment. Unless a lower maximum garnishment limitation is provided by applicable State or local law, the maximum part of disposable earnings for any pay period which is subject to legal process shall not exceed:

A. Fifty percent of disposable earnings if the member concerned asserts by affidavit or other acceptable evidence that he or she is providing over half of the support for a spouse or dependent child (other than a spouse or dependent child with respect to whose support the legal process is issued).

B. Sixty percent if the member concerned is not supporting a spouse or dependent child.

C. If it appears from the face of the legal process that the member is in arrears for a period which is 12 weeks prior to the beginning of that pay period, then the maximum percentage under subparagraph 410106.A, is 55 percent and under subparagraph 410106.B, is 65 percent.

410107. Allotments to Be Discontinued

A. The following allotments are subject to legal process. When possible, allow the member to determine which allotments are to be stopped. If the member refuses or is unable to advise which allotment should be stopped to permit compliance with the legal process, then the allotments will be involuntarily stopped in the following order:

1. Class C, Combined Federal Campaign (CFC) - Charity Drive.

2. Class D, US Savings Bond.

3. Class D, FININ-Financial organizations.

4. Class S, EDSAV, E, V-Post-Vietnam Era Veterans Educational Assistance Program contributions.

5. Class L, AER, RED CR-Repay loans to Service Relief Agencies and Red Cross.

6. Class D, SPT-V-Payment to dependents/relatives.

7. Class X, Emergency payment to dependents.

8. Class D, HOME-Repay home loans.

9. Class D, Insurance-commercial life, health, and dental insurance.

10. Class D, Navy-Mutual Aid Insurance.

11. Class D, National Service Life Insurance - United States Government Life Insurance.

B. The allotments of pay for Class T, RED-Repay indebtedness to the United States and repayment of delinquent federal taxes are not subject to legal process and should not be stopped.

410108. Agents Designated to Accept Legal Process

A. The Director, Garnishment Operations, or designated representatives, is responsible for receiving and processing all legal process concerning active duty members and members of the Reserve Components not on active duty. Any legal process for the purpose of enforcing an obligation to pay child support and/or alimony served on Department of Defense (DoD) entities, other than those served in accordance with subparagraph 410108.B, shall be forwarded to the following designated address for processing.

Director, Garnishment Operations
DFAS Cleveland
PO Box 998002
Cleveland, OH 44199-8002

B. In the case of active duty members stationed in the Federal Republic of Germany, all legal process issued by German courts are to be served in the manner prescribed by German law on the appropriate liaison agency listed for such members.

1. Army, Navy and Marine Corps
Headquarters, USAREUR and Seventh Army
ATTN: AEAJA-1A
6900 Heidelberg 1
Postfach, 10 43 23

2. Air Force
HQ USAFE/JAIS
Gegaude 527
Ramstein-Flugplatz
66877 Ramstein-Miesenbach

Legal process issued by German courts, and received by the liaison agencies listed above, shall be reviewed to determine whether it complies with applicable German law. In addition, the liaison agencies shall determine whether the member was served notice and certification of Service issued in accordance with the provisions of ***Article 32(1)(a)*** of the German Supplementary Agreement in the prior German court proceeding which resulted in an order creating the member's obligation to pay child support or alimony. Once the appropriate liaison agency listed above determines that legal process issued by a German court is legally sufficient and that there has been compliance with the notice provisions of ***Article 32(1)(a)***, the legal process shall be implemented or forwarded to the appropriate official designated in subparagraphs 410108.A for appropriate processing.

410109. Implementing Legal Process. Once legal process has been served on the United States, the designated agent indicated in subparagraph 410108.A, shall take or initiate the following actions:

A. Review the legal process to determine whether it is regular on its face, appears to conform to the laws of the jurisdiction from which it was issued, was issued to enforce a member's legal obligation to provide child support and/or alimony, and contains sufficient information to accurately identify the member.

B. Notify the member within 15 days after valid service of legal process. The written notification shall explain the potential effect of the legal process on the member's pay, including allotments, and advise the member that the member has the burden of raising any available defenses, such as lack of personal jurisdiction or failure to comply with the Servicemembers Civil Relief Act, in the appropriate court. A copy of the legal process shall be included with the written notice. The notice shall be sent to the member's address of record in the military pay system. Where the designated agent has the capability to make notification through electronic means, such as E-mail, the notice will be made using those electronic means.

C. Within 30 days of effective service, or such longer period as may be allowed by applicable State law:

1. Determine the amount of the member's disposable earnings.

2. Where required, file an answer to the legal process with the court in which the proceeding was brought and answer any interrogatories regarding the pay and allowances due the member. The designated agent may use its standard answer form for this purpose.

3. Pay the amount due pursuant to legal process. Governmental agencies, including DoD agencies, are not required to vary their pay or disbursing cycles to comply with legal process.

D. If the designated official is served with legal process concerning more than one legal obligation owed by the same member, then the legal obligations shall be satisfied from the available funds in the following order of priority:

1. Legal process to enforce current support shall have priority over legal process to enforce support arrearages.

2. Legal process to enforce current child support shall have priority over legal process to enforce current alimony.

3. Legal process to enforce a child support and/or alimony obligation shall have priority over involuntary allotments of pay to enforce commercial debts (see section 4104).

4. If the legal process is to enforce more than one child support obligation, and there are not enough funds available to fully satisfy all legal process served, then the available funds shall be allocated among the obligations in proportion to the amounts of

current child support due. All other obligations shall be satisfied on a first-come, first-served basis.

E. Where notice is received that the member has appealed either the legal process or the underlying alimony and/or child support order, payment of moneys subject to the legal process shall be suspended (continue to be withheld), but these amounts shall be retained by the Government until Defense Finance and Accounting Service (DFAS) is ordered by a court, or other authority, to resume payments or otherwise disburse the suspended amounts. Pending the outcome of the appeal, payments shall comply with the applicable laws of the jurisdiction where the appeal is filed.

410110. Indemnification

A. Neither the DoD, nor any officer or employee, shall be liable for any payment made from moneys due from, or payable by, the DoD to any individual pursuant to legal process regular on its face, if such payment is made in accordance with ***42 U.S.C. 659***, ***5 C.F.R. Part 581***, and this section.

B. Neither the United States, nor any disbursing officer or any governmental entity, shall be liable under this part to pay money damages for failure to comply with legal process.

4102 STATUTORY ALLOTMENTS FOR CHILD AND SPOUSAL SUPPORT

410201. General

A. The processing of statutory allotments for child support and/or alimony from the pay of active duty military members is governed by ***42 U.S.C. 665*** and ***32 C.F.R. Part 54***. These authorities take precedence when in conflict with this section.

B. Upon proper notification from an authorized person, DFAS will start a statutory child or child and spousal support allotment from the pay and allowances of a member on extended active duty when the member has failed to make periodic payments, under a support order, in an amount equal to the support payable for 2 months or longer.

410202. Definitions. The following definitions apply to this section.

A. Authorized Person. Any agent or attorney of any state having in effect a plan approved under ***42 U.S.C. 651 et seq.,*** who has the duty or authority to seek recovery of any amounts owed by a member as child or child and spousal support; and the court that has the authority to issue an order against a member for the support and maintenance of a child, or any agent of such court.

B. Child Support. Periodic payments for the support and maintenance of a child or children, subject to and in accordance with state or local law. This includes, but is not limited to, payments to provide for health care, education, recreation, and clothing, or to meet other specific needs of the child or children.

C. Designated Official. The designated official is the DFAS Site Director or designee authorized to receive and to process notices under this chapter. The DFAS designated official and address is:

Director, Garnishment Operations
DFAS Cleveland
PO Box 998002
Cleveland, OH 44199-8002

D. Notice. A notice is a court order, letter, or similar documentation issued by an authorized person providing notification that a member has failed to make periodic support payments under a support order.

E. Spousal Support. Periodic payments for the support and maintenance of a spouse or former spouse, in accordance with state or local law. It includes, but is not limited to, separate maintenance, alimony while litigation continues, and maintenance. Spousal support does not include any payment for transfer of property or its value by an individual to his or her spouse or former spouse in compliance with any community property settlement, equitable distribution of property, or other division of property between spouses or former spouses.

F. Support Order. Any order providing for child or child and spousal support issued by a court of competent jurisdiction within any state, territory, or possession of the United States, including Indian tribal courts, or in accordance with administrative procedures established under state law that affords substantial due process and is subject to judicial review.

410203. Disposable Earnings

A. Include the following items in computing the disposable earnings for members assigned within the continental United States:

1. Basic pay (including Military Service academy cadet and midshipmen pay).

2. Basic allowance for housing for members with dependents, and for members without dependents in the grade of E-7 or higher.

3. Basic allowance for subsistence for commissioned and warrant officers.

4. Career sea pay.

5. Diving pay.

6. Flying pay (all crew members).

7. Proficiency pay or special duty assignment pay.

8. Special pay for medical, dental, optometry, and veterinary officers.

9. Submarine pay.

B. Include the following additional items in computing the disposable earnings for members assigned outside the continental United States:

1. Family separation allowance (FSA-R only).

2. Hardship duty pay - location.

3. Special pay for duty subject to hostile fire and imminent danger (applies only to members permanently assigned in a designated area).

4. Special pay for overseas extensions.

5. Overseas housing allowance.

6. Cost-of-living allowance.

C. After including the items in subparagraphs 410203.A and B, subtract the following items to compute the final disposable earnings value:

1. Amounts the member owes the United States.

2. Deductions for the Armed Forces Retirement Home.

3. Fines and forfeitures.

4. Federal and state employment and income taxes to the extent that the amount deducted is consistent with the member's tax liability.

5. Deductions for Servicemembers' Group Life Insurance.

6. Advances of pay the member received before the date the designated official received notice of the support allotment. (In computing future advance pay requests, deduct the amount of the allotment required by law. See Chapter 32, Table 32-1.)

7. Amount of salary offset for travel charge card debt.

8. Other amounts required by law to be deducted.

410204. Notice to Designated Official

A. An authorized person shall send to the designated official a signed notice that includes:

1. A statement that delinquent support payments equal or exceed the amount of support payable for 2 months under a support order, and a request that an allotment be established.

2. A certified copy of the support order. If the support order, on its face, appears to conform to the laws of the jurisdiction from which it was issued, then the designated official shall not be required to ascertain whether the authority that issued the order had obtained personal jurisdiction over the member.

3. The amount of the monthly support payment. Such amount may include arrearages, if a support order specifies the payment of such arrearages. The notice shall indicate how much of the amount payable shall be applied toward liquidation of the arrearages.

4. A statement that delinquent support payments are more than 12 weeks in arrears, if appropriate.

5. The following information that identifies the member:

a. Full name.

b. Social security number.

c. Military Service of the member.

6. The full name and address of the allottee. The allottee shall be an authorized person, or designee, or the recipient named in the support order.

7. Any limitations on the duration of the support allotment.

8. A certification that the official sending the notice is an authorized person.

B. The notice shall be sent by mail or delivered in person to the designated official. The designated official shall note the date and time of receipt on the notice.

C. The notice is effective when it is received in the office of the designated official.

410205. Notice to Member and Member's Commanding Officer

A. Upon receipt of a notice of delinquent support payments, together with all required supplementary documents and information, the designated official shall review the notice in order to identify the member from whom moneys are due and payable.

B. If the notice does not sufficiently identify the member, or if the member identified in the notice is not currently entitled to receive military pay, then the notice shall be returned directly to the authorized person with an explanation of the reason for its return.

C. In cases where the designated official is able to identify the member, then as soon as possible, but not later than 15 calendar days after the date of receipt of the notice, the designated official shall send to the member, at his or her duty station, a copy of the notice and other legal documentation served on the designated official, along with a letter informing the member of the following.

1. That notice has been received from an authorized person.

2. That the maximum limitations provided in ***15 U.S.C. 1673***, "Restrictions on Garnishments" apply, and a request that the member submit supporting affidavits or other documentation necessary for determining the applicable percentage limitation.

3. That the member may submit supporting affidavits or other documentation as evidence that the information contained in the notice is in error.

4. That by submitting supporting affidavits or other necessary documentation, the member consents to the disclosure of such information to the party requesting the support allotment.

5. The amount or percentage that will be deducted if the member fails to submit the documentation necessary to enable the designated official to respond to the notice within the prescribed time limits.

6. That a consultation with a judge advocate or legal officer will be provided by the Military Department concerned, if possible, and that the member should immediately contact the nearest legal services office.

7. The date that the allotment is scheduled to begin.

D. The designated official shall provide the member's commanding officer, or designee, with a copy of the notice and other legal documentation served on the designated official. The designated official shall notify the member's commanding officer, or designee, of the need for consultation between the member and a judge advocate or legal officer.

E. The member's commanding officer, or designee, shall confirm in writing to the designated official within 30 days of notice that the member received a consultation concerning the member's support obligation and the consequences of failure to make payments, or when appropriate, of the inability to arrange such consultation and the status of continuing efforts to fulfill the consultation requirement.

F. If, within 30 days of the date of the notice, the member has furnished the designated official affidavits or other documentation showing the information in the notice to be

in error, then the designated official shall consider the member's response. The designated official shall return to the authorized person, without action, the notice for a statutory support allotment together with the member's affidavit and other documentation, if the member submits substantial proof of error, such as:

1. The support payments are not delinquent.

2. The underlying support order in the notice has been amended, superseded, or set aside.

410206. Payments

A. The designated official shall establish a statutory allotment in an amount necessary to comply with the support order and to liquidate arrearages if provided by a support order, by the first end-of-month payday after the designated official is notified that the member has consulted with a judge advocate or legal official, or that a consultation was not possible, but not later than the first end-of-month payday after 30 days have elapsed from the date of notice to the member. However, the military pay offices will not be required to vary their normal pay and disbursement cycles to comply with notice under this section.

B. The maximum amount to be allotted under this section, together with any other moneys withheld for support from the member, shall not exceed:

1. Fifty percent of the member’s disposable earnings for any month in which the member asserts by affidavit or other acceptable evidence that he or she is supporting a spouse, dependent child, or both, other than a party in the support order. When the member submits evidence, copies shall be sent to the authorized person, together with notification that the member’s support claim shall be honored. If the support claim is contested by the authorized person, then that person may refer the matter to the appropriate court or other authority for resolution.

2. Sixty percent of the member's disposable earnings for any month in which the member fails to assert by affidavit or other acceptable evidence that he or she is supporting a spouse, dependent child, or both.

3. Regardless of the limitations in subparagraph 410206.B.1 and 2, an additional 5 percent of the member's disposable earnings shall be withheld when the notice states that the total amount of the member's support payments is 12 or more weeks in arrears.

C. If several notices are sent with respect to the same member, then payments shall be satisfied on a first-come, first-served basis within the amount limitations in subparagraph 410206.B.

D. Payment of statutory allotments shall be enforced over other voluntary deductions and allotments when the member’s gross pay and allowances are not sufficient to permit all authorized deductions and collections. The member will be allowed to choose which

discretionary allotments to cancel. If the member refuses or is unable to advise which allotments to cancel, then voluntary allotments and deductions shall be cancelled in the following order:

1. Class C allotment for CFC.

2. Class D allotment for savings bonds.

3. Discretionary allotment payable to a financial organization for deposit to the member's account (includes allotments payable to a mutual fund or investment firm and allotments to pay for personal or car loans).

4. Allotment for Post-Vietnam Era Veterans Educational Assistance Program contributions.

5. Class L allotment to repay loans to Military Service relief agencies and the American Red Cross.

6. Discretionary allotments in the following order:

a. Payments to dependents/relatives.

b. Emergency payment to dependents (class X).

c. Repayment of home loans and payment of rent.

d. Commercial life, health, and dental insurance.

e. Navy Mutual Aid Insurance.

f. National Service Life Insurance or United States Government Life Insurance.

E. The authorized person or allottee shall notify the designated official promptly if the operative court order upon which the allotment is based is vacated, modified, or set aside. The designated official shall also be notified of any events affecting the allottee's eligibility to receive the allotment, such as the former spouse's remarriage, if a part of the payment is for spousal support, and notice of a change in eligibility for child support payments under circumstances of death, emancipation, adoption, or attainment of majority of a child whose support is provided through the allotment.

F. A statutory allotment established under section 4102 shall be adjusted or discontinued upon notice from the authorized person.

410207. Indemnification. Neither the DoD, nor any of its officers or employees, shall be liable for any payment made from moneys due from, or payable by, the DoD to any

individual pursuant to notice regular on its face, if such payment is made in accordance with ***42 U.S.C. 659***, ***32 C.F.R. Part 54***, and this section.

4103 LEVY ON PAY AND ALLOWANCES FOR ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS

410301. Authority**.** The Secretary of the Treasury, upon receiving the certification of the Secretary of Health and Human Services, shall assess and collect the amount certified as unpaid child support in the same manner as if the amount were a delinquent federal tax, the collection of which would be jeopardized by delay. (See Chapter 44, paragraphs ***440201 and 440204***.)

410302. Satisfaction of Levy. When the Secretary of the Treasury issues a notice of levy, satisfy the levy in the manner prescribed in Chapter 44, paragraph ***440204***. However, in the case of a first assessment against an active duty, retired (including members of the Fleet Reserve and Marine Corps Fleet Reserve), or Reserve member for unpaid child support, satisfaction of the levy shall be stayed for a period of 60 days immediately following notice and demand. If a portion of such member's pay is being withheld in garnishment or attachment pursuant to a judgment entered by a court of competent jurisdiction for the support of minor children, then the amount of pay withheld is exempt from the levy.

4104 INVOLUNTARY ALLOTMENT OF PAY FOR DEBT COLLECTION OTHER THAN CHILD OR SPOUSAL SUPPORT

410401. Members Subject to Involuntary Allotments. Moneys due from, or payable by, the United States to an active duty member are subject to involuntary allotment to satisfy a judgment for a debt for other than child or spousal support owed to a third party and issued by a court of competent jurisdiction within any state, territory, or possession of the United States.

410402. Definitions. The following definitions apply to section 4104.

A. Designated Agent. The agent responsible for receiving and processing the involuntary allotment application for active duty members.

B. Active Duty Member. A regular member or any member of a Reserve Component on active duty pursuant to a call or order for a period in excess of 180 days at the time an application for involuntary allotment is received by the Defense Finance and Accounting Services (DFAS), excluding members in a prisoner of war or missing in action status and retired members.

C. Exigency of Military Duty. A military assignment or mission-essential duty that, because of its urgency, importance, duration, location, or isolation, necessitates the absence of a member of the Military Services from appearance at a judicial proceeding or prevents the member from being able to respond to a notice of application for an involuntary allotment. Exigency of military duty is normally presumed during periods of war, national emergency, or when the member is deployed.

D. Final Judgment. A valid, enforceable order or decree, issued by a court from which no appeal may be taken, or from which no appeal has been taken within the time allowed, or from which an appeal has been taken and finally decided.

410403. References. The following source directives contain detail on entitlements, policies, and procedures for allotments for commercial debts:

A. Army: ***AR 37-104-4***

B. Air Force: ***AFI 36-2906***

C. Marine Corps: ***DFAS-CL 7220.31R***

410404. Involuntary Allotment Application

A. Designated Agent. The designated agent is responsible for receiving and processing the involuntary allotment application concerning active duty members. The member may contact the designated agent at the following address:

Garnishment Operations
DFAS Cleveland
P.O. Box 998002
Cleveland, OH 44199-8002
Telephone 1-888-332-7411

B. Creditor's Application. The creditor initiates the Involuntary Allotment process by mailing a completed application package, which includes the original and three copies of the "Involuntary Allotment Application," Department of Defense ***(DD) Form 2653***, and a certified copy of the final judgment to the designated agent named in subparagraph 410404.A. The imaging date of the documents is used as the date of service.

C. Review of Application

1. The designated agent shall first identify the pertinent member, and determine whether the member has any funds available for the involuntary allotment. If the designated agent is unable to identify the member, then the designated agent shall return the application package directly to the applicant with an explanation of the deficiency.

2. If the member does not have funds available, then the designated agent will stop any further legal processing, and notify the creditor in writing of the reason why no funds are available, and that the creditor must re-serve the involuntary allotment application at a later date. The reasons that no funds are available may include the following:

a. The member has separated from military service and is no longer receiving military pay.

b. Involuntary allotments are honored on a first-come, first-served basis. If the designated agent is already implementing a previously-served involuntary allotment against the member's pay, then no funds will be available until the previous involuntary allotment amount is satisfied.

c. If the member's pay is subject to a previously served garnishment or statutory allotment for spousal or child support, and the amount of the spousal or child support deduction exceeds the maximum amount of pay subject to involuntary allotment (see subparagraph 410408.D.2), then no funds will be available for the involuntary allotment until the child support deduction is reduced to an amount that is less than the maximum amount of pay subject to involuntary allotment.

3. If the member has funds available for the involuntary allotment, then the designated agent shall conduct a legal review of the application to ensure that it complies with the requirements of ***32 C.F.R. Parts 112*** and ***113***, to include compliance with the Servicemembers Civil Relief Act in the judicial proceeding resulting in the final judgment, and determining that the member's pay could be garnished under applicable state law.

4. When the designated agent receives an application package based upon a final judgment, which on its face, appears to conform to the laws of the jurisdiction from which it was issued, the designated agent shall not be required to ascertain whether the court that issued the judgment had obtained personal jurisdiction over the member.

5. If the designated agent rejects the creditor's application after the legal review, then the designated agent will provide the creditor with a written notice of any deficiencies.

410405. Notice to the Member and Member's Commanding Officer

A. Notice Package

1. The designated agent shall send a notification letter, along with a copy of the application package and a ***DD Form 2654***, "Involuntary Allotment Notice and Processing," to the pertinent member, and two copies to the member's commanding officer, in care of the member's unit address of record in the military pay system.

2. The notice letter to the member and the member's commanding officer shall state that the involuntary allotment will be established against the member's pay if a response is not received within 90 calendar days from the original date of mailing, unless the member has been granted an extension to respond (see subparagraph 410406.A.2).

3. The ***DD Form 2654*** itself provides step-by-step instructions for completing the form and returning it to the designated agent. Paragraph 410406 is a summary of the response process.

B. Final Notification Letter. If the designated agent has not received a response to the Notice Package within 60 days of the date the package was mailed, then the designated agent shall send a letter to the member and the member's commanding officer stating that if no response is received or request for extension granted within 90 calendar days from the original date the notice package was mailed, then the involuntary allotment will be established against the member's pay.

410406. Response by the Member and the Member's Commanding Officer to Notice of Involuntary Allotment

A. Commanding Officer's Initial Actions

1. Upon receipt of the notice and accompanying documentation, the commander shall determine whether the member is assigned to the commander's unit and available to respond to the involuntary allotment application.

2. If the member is temporarily unavailable to respond, then the member's commanding officer may grant a reasonable extension of time for the member's response. The commanding officer will notify the designated agent, by completing Section II of DD Form 2654 and returning a copy of the form to the designated agent, that the member has been granted an extension of time to respond, the date the response is due, and the reason(s) for the extension. The commanding officer should provide appropriate documentation supporting the determination. In the absence of any additional correspondence from the member's commanding officer, the involuntary allotment application may be automatically processed within 15 calendar days after the date a response was due, including any approved extension response date.

3. If the member is available for counseling, within 5 days of receipt of the application package and ***DD Form 2654***, then the commanding officer shall notify the member of the application, provide the member with a copy of the entire application package, and counsel the member using and completing Section III of DD From 2654. The commanding officer's counsel shall include notifying the member that he or she has 15 calendar days from receipt of the commanding officer's notice to complete Section IV of DD Form 2654 and return it to the commanding officer.

B. Member's Response

1. After the commanding officer's counsel, the member completes Section IV of DD Form 2654. In Section IV, the member may either acknowledge that the applicant's judgment is valid and consent to the establishment of an involuntary allotment, or contest the involuntary allotment by asserting any of the following defenses, which the member must support with appropriate evidence.

a. That the member's rights under the Servicemembers Civil Relief Act were not complied with during the judicial proceeding upon which the application is based.

b. That exigencies of military duty caused the member's absence from appearance in a judicial proceeding forming the basis for the judgment upon which the application is sought.

c. That information contained in the application is false or erroneous in material part.

d. That the judgment has been fully satisfied, superseded, or set aside.

e. That the judgment has been materially amended, or partially satisfied.

f. That there is a legal impediment to the establishment of the involuntary allotment. For example, the judgment debt has been discharged in bankruptcy, or the automatic stay of enforcement of debts applies because the member has filed for bankruptcy protection, or that the applicant is not the judgment creditor or a proper successor in interest to the creditor.

2. After completing Section IV, the member returns the DD Form 2654 to his or her commanding officer.

C. Commanding Officer's Completion and Return of DD Form 2654

1. The member's commanding officer completes Section V of DD Form 2654 and returns it to the designated agent, along with any supporting evidence provided by the member. In Section V, the commanding officer indicates one of the following:

a. The member refused to respond by the authorized suspense date, and the form is returned without Section IV being completed by the member.

b. The member has completed Section IV, and the form is returned for appropriate action.

2. If the member has asserted an "exigencies of military duty" defense in Section IV of the ***DD Form 2654***, then the commanding officer must determine whether the member has validly asserted this defense, and note his or her determination in Section V of the form.

3. If the commanding officer supports the member's "exigencies of military duty" defense, then the commanding officer must provide the title and address of an appeal authority in Section V in case the applicant wishes to appeal the commanding officer's determination. The appeal authority is the commander immediately superior to the commanding officer who made the determination. If the commanding officer does not designate an appeal authority, then the designated agent will return the ***DD Form 2654*** to the commanding officer

with instructions that this information must be provided in order to complete the form and support the member's "exigencies" defense.

410407. Review of Completed DD Form 2654 and Supporting Documentation

A. Member did not complete Section IV of DD Form 2654. If the member refused to complete Section IV of the ***DD Form 2654***, then the designated agent shall honor the application and implement deductions against the member's pay to satisfy the judgment against the member.

B. Member completes Section IV of DD Form 2654

1. If the member completes Section IV of ***DD Form 2654*** and has asserted the "exigencies" defense, and the member's commanding officer has confirmed the "exigencies" defense and provided an appeal authority in Section V of the form, then the designated agent will reject the involuntary allotment application, and provide the applicant with written notice advising the applicant of the following:

a. The reason for rejecting the application.

b. The name and address of the appeal authority.

c. The applicant has 60 days from the date of the designated agent's notice to appeal the commanding officer's "exigencies" determination to the appeal authority.

d. The appeal must be in writing and contain sufficient evidence to overcome the presumption that the commander's exigency determination was correct.

e. The appeal authority shall decide an appeal within 30 days of its receipt, and promptly notify the applicant of the decision. The 30 day decision period may be extended in times of deployment, war, national emergency or other similar situations.

f. If the appeal is successful, then the applicant must submit a written request along with a copy of the appeal authority's decision to the designated agent within 15 days of receipt of the decision.

g. Upon receiving notice of the successful appeal, the designated agent shall continue the review of the application package and ***DD Form 2654.***

2. If the member has completed Section IV of the DD Form, and has not asserted the "exigencies" defense, or has asserted it but the member's commanding officer did not confirm it, or if the applicant has successfully appealed an "exigencies" determination, then the designated agent shall determine whether the member has successfully asserted any other defenses against the involuntary allotment.

a. If the designated agent determines that the member has successfully asserted one or more defenses against the involuntary allotment application, then the designated agent shall reject the application, and notify the applicant in writing of the reason(s) for the rejection.

b. If the designated agent determines that the member has not successfully asserted any defenses against the involuntary allotment, then the designated agent shall implement deductions against the member's pay to satisfy the judgment against the member.

410408. Pay Subject to Involuntary Allotment

A. Types of Pay Subject to Involuntary Allotment. Only the following types of pay are subject to the involuntary allotment process.

1. Basic pay (excluding the reduction for education benefits under the "Montgomery GI Bill".

2. Special pay, to include:

a. Health care professionals (Including optometrists, dental officers, psychologists, and nonphysician health care providers, registered nurses, nurse anesthetists, nurse corps officers, and medical officers).

b. Veterinarians.

c. Diving duty.

d. Foreign duty.

e. Career sea pay.

f. Responsibility pay.

g. International military headquarters.

h. Proficiency pay and special duty assignment pay for enlisted members.

i. Reenlistment bonus.

k. Enlistment bonus.

k. Prior service enlistment bonus.

l. Hostile fire or imminent danger pay.

m. Nuclear-qualified officers extending period of active duty.

n. Nuclear-trained and qualified enlisted members.

o. Nuclear career accession bonus.

p. Nuclear career annual incentive bonus.

q. Enlisted members extending duty at designated overseas locations.

r. Foreign language proficiency pay.

s. Officers in critical acquisition positions extending period of active duty.

t. Multi Year Special Pay.

u. Aviation Retention Bonus.

v. Continuation Pay for Engineering & Scientific Career.

w. Selective Reenlistment Bonus.

3. Incentive pay, including:

a. Hazardous duty.

b. Aviation career.

c. Submarine duty.

4. Accrued leave payments (basic pay portion only).

5. Readjustment pay.

6. Severance pay, including disability severance pay.

B. Pay and Allowances Not Subject to Involuntary Allotment. Separation pay, VSI and SSB are not subject to the involuntary allotment. In addition, allowances paid under ***Titles 10*** and ***37*** of the United States Code, and other reimbursements for expenses incurred in connection with duty in the Military Service or allowances in lieu thereof, are not subject to the involuntary allotment.

C. Other Amounts Not Subject to Involuntary Allotment. After computing the pay subject to involuntary allotment, the following items must be deducted to compute the amount of disposable pay subject to involuntary allotment:

1. Federal and state income tax withholding (amount is limited to that which is necessary to fulfill the member's tax liability).

2. FICA tax.

3. Armed Forces Retirement Home.

4. Servicemember's Group Life Insurance.

5. Indebtedness to the United States (including tax levies).

6. Fines and forfeitures ordered by a court-martial or a commanding officer.

7. Amounts otherwise required by law to be deducted from a member's pay (except payments for garnishments for child support, alimony or mandatory allotments for child or spousal support).

D. Maximum Amount of Pay Subject to Involuntary Allotment

1. The involuntary allotment shall not exceed the lesser of 25 percent of a member's pay subject to involuntary allotment or the maximum percentage of pay subject to garnishment proceedings under the applicable state law.

2. If the member's pay is subject to a garnishment or statutory allotment for spousal or child support, in addition to the involuntary allotment application, then the combined amounts deducted from the member's pay shall not exceed the lesser of 25 percent of a member's pay subject to involuntary allotment or the maximum percentage of pay subject to garnishment proceedings under the applicable state law. If the maximum percentage allowed for involuntary allotments would be exceeded by both deductions, then garnishments and statutory allotments for spousal and child support take priority over the involuntary allotment.

E. Voluntary Allotments to be Discontinued. Payment of an involuntary allotment shall be enforced over other voluntary deductions and allotments when the member's net pay is not sufficient to permit all authorized deductions and collections. If necessary, voluntary allotments shall be cancelled in the following order:

1. Class C allotment for CFC.

2. Class D allotment for savings bonds.

3. Discretionary allotment payable to a financial organization for deposit to the member's account (includes allotments payable to a mutual fund or investment firm and allotments to pay for personal or car loans).

4. Allotment for Post-Vietnam Era Veterans Educational Assistance Program contributions.

5. Class L allotment to repay loans to Military Service relief agencies and the American Red Cross.

6. Discretionary allotments in the following order:

a. Payments to dependents/relatives.

b. Emergency payment to dependents (class X).

c. Repayment of home loans and payment of rent.

d. Commercial life, health, and dental insurance.

e. Navy Mutual Aid Insurance.

f. National Service Life Insurance or United States Government Life Insurance.

410409. Starting Involuntary Allotment Payments

A. The designated agent shall begin involuntary allotment payments within 30 days after the designated agent has approved the application package. The designated agent will not be required to vary the normal military pay and disbursement cycles to comply with the application package.

B. Payment of involuntary allotments shall be enforced over other voluntary deductions and allotments when the member's net pay is not sufficient to permit all authorized deductions and collections. The member will be allowed to choose which discretionary allotments to cancel. If the member refuses or is unable to advise which allotments to cancel, then allotments shall be cancelled in accordance with subparagraph 410408.E.

410410. Stopping Involuntary Allotment Payments

A. Involuntary allotment payments will continue until the amount specified in the judgment is collected, including interest as annotated by the applicant in Section I of ***DD Form 2653***, "Involuntary Allotment Application."

B. The designated agent shall stop involuntary allotment payments prior to satisfying the judgment amount if one of the following conditions applies:

1. The member separates from active duty at which time the applicant shall be informed that the allotment is discontinued because the member is no longer receiving military pay.

2. The applicant notifies the designated agent that the operative court order upon which the allotment is based has been vacated, modified, or set aside, or the designated agent is notified of an event affecting the applicant's eligibility to receive the allotment.

3. The applicant requests that the involuntary allotment be discontinued.

C. The applicant will refund directly to the member any amounts overpaid within 30 days of discovery or notice of overpayment.

410411. Final Interest

A. Within 30 days following collection of the amount of the judgment, including interest annotated in Section I of the ***DD Form 2653***, the applicant may submit one final statement showing any unpaid balance due to interest that accrued during the payment period.

B. The final statement must be accompanied by a statement of account showing how the remaining interest was calculated.

410412. Indemnification. Neither the DoD, nor any officer or employee thereof, shall be liable for failure to make payment or for any payment made from monies due from, or payable by, the Military Services to any individual pursuant to an application package that is regular on its face, if such payment is made in accordance with this section and ***32 C.F.R. Parts 112*** and ***113***.

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	410105	26 U.S.C. 6331
*	410108	NATO SOFA Supplementary Agreement
	410109	5 C.F.R. section 581.302 5 C.F.R. section 581.305(f)
	410110	42 U.S.C. 659

4102- STATUTORY ALLOTMENTS FOR CHILD AND SPOUSAL SUPPORT

	410201	42 U.S.C. 665 32 C.F.R. part 54
	410202	32 C.F.R. section 54.3
	410203	32 C.F.R. section 54.6(b)
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4103- LEVY ON PAY AND ALLOWANCES FOR ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS

	410301	26 U.S.C. 6305

4104- INVOLUNTARY ALLOTMENT OF PAY FOR DEBT COLLECTION OTHER THAN CHILD AND OR SPOUSAL SUPPORT

*	410401	5 U.S.C. 5520a(k)
*		32 C.F.R parts 112 and 113
*	410408	38 U.S.C. 3011
*	410408.C.7	42 U.S.C 659
*		42 U.S.C. 665
*	410408.A.4.B	10 U.S.C. 12301

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 42
"DISCRETIONARY ALLOTMENTS"

All changes denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Reviewed chapter for accuracy, formatting, and updated references and hyperlinks.	Update
4207	Revised for clarity.	Update

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CHAPTER 42

DISCRETIONARY ALLOTMENTS

4201 RESTRICTIONS ON DISCRETIONARY ALLOTMENTS

420101. General. Military Service members are authorized no more than six purely discretionary allotments. Discretionary allotments are considered class D allotments, and examples are indicated in sections 4202 through 4206 of this chapter. Service members are authorized no more than one discretionary allotment to the same allottee.

420102. Savings Provision. All existing approved registered allotments of military pay and allowances from active duty and retired members that were authorized previously by this part at the time registered may be continued as approved allotments. If any such allotments are discontinued, then they may not be reestablished except as a new allotment in accordance with the requirements of this part. Any change in the allotment initiated by the member is considered to be a discontinuance, except those that are beyond the control of the member. Changes beyond the control of the member are administrative changes that are dictated by events incidental to the allotment, i.e., name and address changes, or mortgage payment changes because of a variable rate mortgage or changing escrow requirements. Although the changes in this paragraph do not constitute a discontinuance, such administrative changes that adjust the amount of the allotment shall be accepted only when the member initiates a new allotment request. Discontinuance occurs with any mortgage refinancing action.

420103. Allotments to Nonindividuals. Allotments shall be sent by direct deposit/electronic fund transfer.

4202 ALLOTMENTS TO DEPENDENTS OR RELATIVES

420201. Authorized Allottee. Officers and enlisted members of the Military Services may authorize allotments of pay to their dependents, relatives, or divorced spouse. These allotments may be authorized by the member or administratively initiated under procedures established by the Military Service concerned. It may be made payable to an individual or to a financial organization for credit to the account of the allottee, or a joint account of the allotter and allottee. The member may request to stop a dependent allotment administratively started.

420202. Locally Paid Dependent Allotment (Class X) – Army and Air Force Only. This allotment is locally paid and is authorized only in emergency circumstances which prevent the member from supporting the member's dependent(s) by the usual means. It may be paid directly to the member's dependent or made payable to a financial organization for credit to an account. This allotment is intended to be flexible enough to cope with the various types of emergencies that may arise. The following are examples where an Army or Air Force member may authorize a class X allotment:

Example 1: An Army member stationed overseas (including Alaska and Hawaii) with dependents residing in the same overseas area but in a different foreign country may authorize a class X allotment (Type I) for an indefinite period.

Example 2: An Army member, stationed anywhere, who is required to depart the permanent station in a timeframe which precludes normal arrangements for support of dependents may authorize a class X allotment (Type II) for a definite period not to exceed 6 months. If the member has not returned to the permanent station by the date the allotment is due to expire, then the commander may extend the allotment for another 6 months.

Example 3: An Air Force member stationed overseas (including Alaska and Hawaii) with dependents residing in the same overseas area may authorize a class X allotment for an indefinite period during periods the member is away from the permanent station.

Example 4: An Air Force member stationed anywhere, may authorize a class X allotment for a one-time emergency payment.

Example 5: An Air Force member, stationed anywhere, who is in a temporary duty status for more than 30 days may authorize a class X allotment for a period not to exceed 6 months. If the member has not returned to the permanent station by the date the allotment is due to expire, then the accounting and finance officer or the appointed agent establishes a class D allotment to replace the class X allotment.

420203. Allotment or Deduction for Rent. An allotment or deduction of pay may be authorized by the appropriate Secretary of the Military Department (or designee) concerned for the payment of rent of premises occupied for dwelling purposes by the spouse, children, or other dependents of a member. Such allotment or deduction will be processed in accordance with the procedural instructions of the Military Service concerned.

4203 INSURANCE ALLOTMENTS

420301. Purpose. Allotments are authorized to be made by all Military Service members for paying insurance premiums.

420302. Eligible Allottees

A. United States Government Life Insurance/National Service Life Insurance. The allottee for this allotment is:

Department of Veterans Affairs (VA)
Insurance Center
P.O. Box 8079
Philadelphia, PA 19101

A member may have only one National Service Life Insurance allotment. If the member has more than one policy in effect under one class of insurance, or a combination of United States Government Life Insurance and National Service Life Insurance, then the premium payments are combined into one allotment.

B. Commercial Insurers. Commercial insurers are eligible allottees. All new allotments for paying premiums on commercial insurance must be approved under the following Military Service regulations:

1. Army: ***AR 37-104-4*** and ***AR 210-7***

2. Navy and Marine Corps: ***SECNAVINST 1740.2E Series***

3. Air Force: AF Supplement to ***DoDI 1344.7 AFI 36-2702***

All payments to an insurer are made to the home office of the agency issuing the policy or to a branch office named by the home office. A member is not authorized to establish an insurance allotment to a financial institution where the allotment is established for and/or controlled by the insurance company. A member may have more than one allotment for commercial insurance. If the member has more than one insurance policy with the same company, then premium payments must be combined into one allotment to that company.

C. Navy Mutual Aid Insurance (Navy and Marine Corps only). The Navy Mutual Aid is an authorized allottee for the payment of life insurance. If the member has both the regular premium and the extra hazardous duty premium, then the payments must be combined into one allotment.

420303. Effective Dates for Starting, Changing, and Stopping Insurance Allotments. Tables 42-1, 42-2, and 42-3 prescribe effective dates to start, change, or stop insurance allotments.

420304. Mandatory Stoppages

A. When Required. Table 42-3 gives conditions which require stopping insurance allotments.

B. Temporary Indebtedness or Forfeitures

1. Navy and Marine Corps Members. Do not stop a National Service Life Insurance allotment because of temporary indebtedness due to a request for collection of pay, or because of an authorized advance of pay, or temporary forfeiture of pay imposed by sentence of court-martial.

2. Air Force and Army Members. See Table 42-3, rule 9.

C. Cash Deposit for Insurance. Navy or Marine Corps members in a nonpay status may make cash deposits to protect a National Service Life Insurance allotment.

4204 ALLOTMENTS TO FINANCIAL ORGANIZATIONS AND INVESTMENT FIRMS

Officers and enlisted members may authorize allotments of pay to financial organizations for credit to the account of the member. Allotments may be deposited to a financial organization for credit to a savings, checking, or trust account of the allotter without restricting the use of the funds allotted, or a mutual fund company or investment firm.

4205 ALLOTMENTS FOR PAYMENT OF MORTGAGE OR RENT

Authorized Allottee. Officers and enlisted members may authorize allotments of pay for mortgage or rent payment to a financial institution, mortgage company, and realtor or to a landlord. See paragraph 420101, for restrictions that apply to this type of allotment.

4206 ALLOTMENT FOR THE SAVINGS DEPOSIT PROGRAM

Active duty officers and enlisted members may authorize an allotment into the Savings Deposit Program. Such allotment shall be processed in accordance with the procedural instructions of the Military Service concerned. However, the restrictions in ***Chapter 51*** are applicable when starting this type of allotment.

4207 OTHER ALLOTMENTS

The restrictions in ***Chapter 40, section 4008*** are applicable when starting an allotment for payment of car or personal loan or an allotment to the Air Force Enlisted Members Widow's Home.

DATES TO START INSURANCE ALLOTMENTS			
RULE	A	B	C
	If a member of	authorizes a/an	then start allotment effective the first day of the month
1	the Army and Air Force	insurance allotment	specified by the member, if authorization will reach the allotment office before the date specified in Military Service procedural regulations. May be effective with the month allotter enters on duty but only when an enlisted member, warrant officer, or graduate of a Service academy is commissioned, or when an enlisted member is appointed a warrant officer.
2	the Navy or Marine Corps	commercial insurance or a Navy Mutual Aid allotment	specified by the member, if authorization will reach the allotment office before the date specified in Military Service procedural regulations.

Table 42-1. Dates to Start Insurance Allotments

DATES TO CHANGE INSURANCE ALLOTMENTS					
RULE	A	B	C	D	E
	If a member of	has a	and the	then start allotment effective the first day of the month	and start new allotment effective the first day of the month
1	the Army or Air Force	commercial insurance	member or accounting and finance officer requests a change in the allotment	specified in the allotment document, if authorization will reach the allotment office before the date specified in Military Service regulations	following the month old allotment is stopped.
2	the Navy or Marine Corps	commercial insurance, or a Navy Mutual Aid allotment			

Table 42-2. Dates to Change Insurance Allotments

DATES TO STOP INSURANCE ALLOTMENTS

RULE	A If a member of the	B authorizes a	C and	D then stop allotment effective the first day of the
1	Army or Air Force	commercial insurance allotment	the member requests the allotment to be stopped	month specified by the member, if authorization will reach the allotment office before the date specified in Military Service procedural regulations.
2	Navy or Marine Corps	commercial insurance, or a Navy Mutual Aid allotment		
3	Army or Air Force	commercial insurance allotment	is absent without leave (AWOL) for 10 days or more	latest month in which enough pay accrues to satisfy deduction.
4	Navy or Marine Corps	commercial insurance or Navy Mutual Aid allotment	is AWOL for 15 days (or less, if allotment discontinuance is necessary to prevent overpayment)	month before the month in which absence began if authorization will reach allotment office before the date specified in Military Service procedural regulations; otherwise, the month absence began.
5	Army or Air Force	commercial insurance allotment		latest month in which enough pay accrues to satisfy deduction.
6	Navy or Marine Corps	commercial insurance, or Navy Mutual Aid allotment		month before the month in which court-martial sentence is approved.
7	Army or Air Force	commercial insurance allotment	has insufficient "take home" pay to satisfy Internal Revenue Service (IRS) notice of levy	month before the month in which IRS notice of levy is received. (Stop insurance allotments only if discontinuance of other discretionary allotments will not satisfy levy.)
8	Navy or Marine Corps	commercial insurance, or Navy Mutual Aid allotment		
9	Army or Air Force	commercial insurance allotment	has insufficient pay, because of reduction in grade, nonpay status, or stoppage of pay, to warrant continuance of allotment	latest month in which enough pay accrues to satisfy deduction. Avoid stopping allotment unnecessarily or earlier than required.
10	Navy or Marine Corps	commercial insurance, or a Navy Mutual Aid allotment	is separated, retires, or dies	(See procedural regulations of Military Service concerned.)

Table 42-3. Dates to Stop Insurance Allotments

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4201 - RESTRICTIONS ON DISCRETIONARY ALLOTMENTS

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4203 - INSURANCE ALLOTMENTS

420302	Public Law 104 - 201, section 651(a), September 23, 1996 DoDI 1344.07, dated March 30, 2006
420302.C	DoD(C) Memo, April 22, 1992 DFAS Memo, July 22, 1992

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 43
"NONDISCRETIONARY ALLOTMENTS"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

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PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
430104.B Bibliography	Updated fax number.	Update

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CHAPTER 43

NONDISCRETIONARY ALLOTMENTS

4301 ALLOTMENTS FOR THE PURCHASE OF SAVINGS BONDS. The U.S. Department of the Treasury (Treasury) discontinued the purchase of paper savings bonds through federal payroll deduction effective October 1, 2010. Military members may purchase electronic savings bonds by establishing a personal TreasuryDirect account with the Treasury and then initiating a nondiscretionary allotment made payable to the Treasury at their TreasuryDirect account. Members are authorized one nondiscretionary allotment for the purchase of bonds.

430101. Establishment of Allotment. Members electing to purchase electronic savings bonds will first create a TreasuryDirect account at ***www.TreasuryDirect.gov*.** This account can be used to purchase multiple bonds. Once created, members must either log into MyPay or contact their servicing finance office to establish an allotment to the TreasuryDirect account. The following information is required to initiate the allotment:

A. The routing transit number for TreasuryDirect is 051736158.

B. The TreasuryDirect account number provided by the Treasury.

C. The specific dollar amount (as opposed to a percentage of pay) to be deducted monthly.

The MyPay system also requires that the member designate an account type, either checking or savings, even though that designation is inapplicable to an allotment to a TreasuryDirect account.

430102. Change or Cancellation of Allotments. Members may change or cancel their allotments through MyPay, or through their servicing finance office.

430103. Administration of Allotments. Details covering the administration of savings bond allotments are in the procedural instructions of the Military Service concerned.

430104. Safekeeping of Bonds

A. Bonds previously purchased by active duty members that are kept in safekeeping will remain in safekeeping as long as the member remains on active duty. Members separating or retiring must request their bonds from safekeeping. Bonds not withdrawn from safekeeping within 120 days from the date of separation, discharge, or retirement shall be sent to the Bureau of Public Debt (BPD), Office of Investor Services, Current Income Services Division, HH/H Assistance Branch, Locator Section, P.O. Box 2968, Parkersburg, WV 26106-2968. The procedures for requesting bonds from safekeeping are also contained in Volume 5, paragraph 230201.

* B. To request bonds be released from safekeeping, members shall forward either a written request or a signed facsimile request to the applicable supporting DFAS site. This request must include the service member's name, complete SSN, the address where the

member would like the bonds to be mailed, a daytime telephone number, and the member's signature. Requests may be mailed, faxed, or scanned and emailed to the applicable DFAS site.

Address for Army and Air Force members
Center Collection Mailbox
3801 Center Collection
P.O. Box 269490
Indianapolis, IN 46226-9490
Fax: 317-212-4339
Email: ***dfas-incdsbonds@dfas.mil***

Address for Navy and Marine Corps members
DFAS-Cleveland Center
ATTN: CODE JDCAB
1240 East Ninth Street
Cleveland, OH 44199
Fax: 216-522-6358

Custodians of the bonds at the supporting DFAS site shall release Book Entry and/or hard copy bonds in their possession to a member upon receipt of the member's request. Custodians of the bonds shall forward the member's request to the BPD for release of those hardcopy bonds that the custodians no longer have in their possession. More information regarding safekeeping of bonds can be found in ***Volume 5, Chapter 23*.**

4302 CHARITABLE CONTRIBUTIONS

430201. General

A. Combined Federal Campaign (CFC). Annual solicitations for donations to various community charity drives have been coordinated into a single combined fund-raising campaign. The name of this campaign is the CFC for domestic areas or the DoD Overseas CFC for overseas areas. Basic information on the CFC is in the Manual on Fund-Raising Within the Federal Service for Voluntary Health and Welfare Agencies, and information for overseas areas is in appropriate Military Service regulations.

B. Service Relief Organizations. Members are authorized to make charitable contributions by allotment to the Army Emergency Relief, Navy and Marine Corps Relief Society, or affiliates of the Air Force Assistance Fund.

C. Allotment. Members meeting the requirements of this section may authorize a class C allotment for a charitable contribution to the CFC (domestic or overseas) or to any of the Military Service Relief Organizations (SRO) indicated in subparagraph 430201.B. All allotments authorized are paid centrally by the offices shown in ***section 4007***.

430202. Limitations. Allotments for CFC and SROs must be at least $1 per month, and each allotter is authorized only one CFC and one SRO allotment.

430203. Discontinuance (CFC Only). Once an allotment is stopped it may not be reinstated during the current allotment period. (This does not apply to Navy or Marine Corps members when the allotment is stopped because of change in pay group.) Stop the allotment:

A. At the end of the authorized withholding period.

B. Upon member's written request.

C. Upon separation (except when discharged and immediately reenlisted at the same station without a break in service), release from active duty, transfer to the Fleet Reserve or Fleet Marine Corps Reserve, retirement, or death.

430204. Transfer. Continue the allotment when a member participating in a CFC campaign is transferred, unless the member submits a written discontinuance request.

430205. Administration of Allotment. Details covering charitable contribution allotments are in the procedural instructions of the Military Department concerned.

4303 POST-VIETNAM ERA VETERANS EDUCATIONAL ASSISTANCE PROGRAM

430301. General. The Post-Vietnam Era Veteran's Educational Assistance Program provides education assistance on a contributory basis to those eligible members entering the Armed Forces on or after January 1, 1977 and before July 1, 1985, who might otherwise be unable to obtain a higher education.

430302. Contributions. Contributions by the member will be by allotment, payroll deduction, or lump-sum payment. The amount of the allotment or payroll deduction (Marine Corps only) will be not less than $25 or more than $100 and must be in $5 increments. Contributions by the participant are limited to a maximum of $2,700.

430303. Administration of Allotment or Payroll Deduction. Details covering the administration of this type of allotment or payroll deduction (Marine Corps only) and the method of remitting contributions to the Department of Veterans Affairs are contained in regulations issued by the Department of Defense, the Department of Veterans Affairs, and the Military Department concerned.

4304 NONDISCRETIONARY ALLOTMENT FOR PRIVATIZED HOUSING PAYMENT

430401. General. ***Public Law 104-106, section 2801***, Military Housing Privatization Initiative (MHPI), authorizes assignment of service members to privatized housing units. Under ***10 U.S.C. 2882(b)***, service members assigned to privatized housing units are entitled to Basic Allowance for Housing (BAH). Title ***10 U.S.C. 2882(c)*** prescribes that the member may be required to make lease payments for such housing in the form of an allotment. A member is authorized to initiate a nondiscretionary allotment for this payment.

430402. Restrictions

A. A member is authorized only one nondiscretionary allotment for the privatized housing payment.

B. A change to the member's BAH allowance due to promotion, demotion, administrative or legislative action may require a change to the allotment amount. The service member is responsible for ensuring the allotment amount is changed under these or other circumstances.

C. The service member is responsible for reconciling overpayments or underpayments with the property manager.

D. This nondiscretionary allotment is restricted to lease payments to entities participating in the MHPI. An allotment to private individuals, corporations, firms, partnerships, companies, state or local government, or housing authority of a state or local government, not associated with the MHPI, is not authorized.

4305 NONDISCRETIONARY ALLOTMENT (SALARY OFFSET) FOR DELINQUENT TRAVEL CHARGE CARD DEBT

430501. Authority. Under the provisions of the "Travel and Transportation Reform Act of 1998," heads of agencies may, upon written request of a federal contractor, collect by deduction from the amount of pay owed to an employee of the agency any undisputed amount of funds the employee owes to the travel charge card contractor that are delinquent. The Act defines the term 'employee' as an individual employed in or under an agency, including a member of any of the uniformed services. A member of one of the uniformed services is an employee of that uniformed service.

430502. Procedures. The due process procedures applicable to military members are the same as for civilian employees of the Department. Therefore, salary offset for a military member's undisputed delinquent travel charge card debt shall follow the procedures contained in ***Volume 8***, Chapter 8, paragraph 080602, "Salary Offset Requests From the Travel Charge Card Contractor." Pay and allotment procedures are as provided in this chapter. The amount deducted from a member's pay under this paragraph with respect to any pay period may not exceed 15 percent of disposable pay for the pay period, unless the member consents in writing to the deduction of a greater percentage of pay. Disposable pay shall be calculated in accordance with paragraph ***410203*** of this volume.

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4302 - CHARITABLE CONTRIBUTIONS

430201.A	EO 10927, March 18, 1961 DoD Directive 5035.1, September 22, 1964
430202-430204	DoD Instruction 5035.5, August 23, 1978, Chapter 4, para 4.13, Manual on Fund-Raising Within the Federal Service

4303 - POST-VIETNAM ERA VETERANS EDUCATIONAL ASSISTANCE PROGRAM

430301	38 U.S.C. 3221
430302	38 U.S.C. 3222

4304 - NONDISCRETIONARY ALLOTMENT FOR PRIVATIZED HOUSING PAYMENT

Public Law 104-106, section 2801, October 2, 1996
10 U.S.C. 2882(b)
10 U.S.C. 2882(c)

4305 - NONDISCRETIONARY ALLOTMENT (SALARY OFFSET) FOR DELINQUENT TRAVEL CHARGE CARD DEBT

430501	5 U.S.C. 5520a(k)(2) Public Law 105-264, section 2(d), October 19, 1998 Public Law 103-94, section 9, October 6, 1993 DoD Instruction 1344.09, December 8, 2008 DoD Instruction 1344.12, November 18, 1994
460502	5 U.S.C. 5514

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 44
"WITHHOLDING OF INCOME TAX"

All changes are denoted by blue font.

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*.

This updated chapter supersedes the previously published version dated July 2009.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
440103.A	Eliminated references to old dates.	Update
440103.C.5	Moved subparagraph and renumbered as 440103.D.	Update
440103.C.7	Updated language for clarity.	Update
440108	Eliminated references to Advance Payment of Earned Income Credit (APEIC) per Public Law 111-226.	Update
Table 44-1, Note 1	Added information related to additional contributions to Montgomery G.I. Bill benefits.	Add
Table 44-1, Rule 7	Updated to reflect taxability of separation pay, readjustment pay, and severance pay.	Update

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CHAPTER 44

WITHHOLDING OF INCOME TAX

4401 WITHHOLDING FROM CURRENT PAY

440101. Wages Subject to Withholding of Federal and State Income Tax. The taxable pay (Table 44-1) of all Service members, except those listed in paragraph 440102, is subject to withholding of federal and state income tax. The taxable value of certain non-cash fringe benefits, in excess of statutory limitations that are provided to some members, is subject to federal and applicable state income taxes (see Table 44-1, rules 21 and 22).

440102. Wages Not Subject to Withholding of Federal and State Income Tax. Military pay of the following Service members is not subject to withholding of federal and state income tax:

A. Combat Zone Tax Exclusion

1. Prior to March 20, 1996. All of the compensation of members (officer or enlisted) for any month during any part of which such members performed active duty in a combat zone, which qualified them for the combat zone tax exclusion under subparagraph 440103.C, even though only $500 of the compensation of a commissioned officer (0-1 and above) was excluded from taxation.

2. Effective March 21, 1996. All of the compensation of an enlisted member or warrant officer for any month during any part of which such members perform active duty in a combat zone or qualified hazardous duty area (QHDA) (defined in subparagraph 440103.B), qualify them for combat zone tax exclusion (CZTE) under subparagraph 440103.C. For commissioned officers, no more than an amount equal to the maximum CZTE in effect for any month during any part of which such officers perform active duty in a Combat Zone or QHDA, qualify them for combat zone or qualified hazardous duty area tax exclusion under subparagraph 440103.C.

3. Maximum CZTE. The amount of the maximum CZTE in effect for a qualifying month equals the sum of the highest rate of enlisted basic pay payable under ***Table 1-10***, Note 2 and the amount of hostile fire/imminent danger pay actually payable to the officer for the qualifying month. Also see Column B of rules 1 through 4 under Table 44-1 and ***Chapter 10***.

B. Missing Status. All active duty members for any month during any part of which the member is in a missing status as defined in the Definitions during the Vietnam conflict as a result of such conflict; except for periods for which it officially is determined that the member is absent from post of duty without authority. These provisions became effective on February 28, 1961, and were terminated on June 30, 1996.

C. Puerto Rico. For members who claim Puerto Rico as their state of legal residence, Federal income tax withholding is precluded when military pay is properly subject to Puerto Rico tax withholding (when the member performs permanent duty outside the United States). Puerto Rico tax withholding is not required for military pay earned but unpaid at the date of death of a military member.

440103. Combat Zone Income Tax Exclusion for Active Service in a Combat Zone or Qualified Hazardous Duty Area

A. Combat Zone Defined

1. Effective January 17, 1991, ***Executive Order 12744*** designated the following areas (including air space and adjacent waters) as combat zones: Persian Gulf; Red Sea; Gulf of Oman; Gulf of Aden; that portion of the Arabian Sea that lies north of 10 degrees N. Lat., and west of 68 degrees E. Long.; and the total land areas of Iraq, Kuwait, Saudi Arabia, Oman, Bahrain, Qatar, and the United Arab Emirates.

2. Effective March 24, 1999, ***Executive Order 13119*** designated the following areas (including the airspace above) as a combat zone: The Federal Republic of Yugoslavia (Serbia and Montenegro), Albania, the Adriatic Sea, and the Ionian Sea north of the 39th parallel. (Note: The combat zone designation for Montenegro and Kosovo (previously a province within Serbia) under Executive Order 13119 remains in force even though Montenegro and Kosovo became independent nations since Executive Order 13119 was signed in March 1999.)

3. Effective September 19, 2001, ***Executive Order 13239***, December 12, 2001, designates Afghanistan, including the air space above, as an area in which Armed Forces of the United States are and have engaged in combat.

B. Qualified Hazardous Duty Area Defined. Effective November 21, 1995, ***Public Law 104-117*** authorized tax benefits for members performing services in peacekeeping efforts in Bosnia-Herzegovina, Croatia, and Macedonia, hereinafter referred to as qualified hazardous duty areas, in the same way as if services were performed in a combat zone. This authorization terminates October 31, 2007. Hostile Fire Pay/Imminent Danger Pay for these areas is not payable on and after November 1, 2007. (***Figure 10-1***).

C. Qualification for Combat Zone Income Tax Exclusion for Active Service in a Combat Zone or Qualified Hazardous Duty Area. A member of the Armed Services is entitled to combat zone tax exclusion or qualified hazardous duty area exclusion for any month during any part in which he or she:

1. performs active service in a combat zone or qualified hazardous duty area designated in subparagraphs 440103.A. or 440103.B. Periods in the zone or area during which a member is absent from his or her duty assignment in the zone or area on account of sickness, wounds, internment by the enemy, or other lawful cause are periods of active service.

2. becomes a prisoner of war or missing in action while in active service in a combat zone or qualified hazardous duty area. (Note: Such personnel are deemed, for the purposes of this paragraph, to continue in active service in the combat zone or area for the period for which they are entitled to such status for military pay purposes.)

3. is granted official leave, or is authorized to depart from assigned duty in a zone or qualified hazardous duty area for other lawful cause on or after November 21, 1995, and is directed to perform temporary duty, and the departure or return is on any day of the month. Exception: In instances when the absence on leave, temporary additional duty (TAD), or temporary duty (TDY) extends over a period which includes a full calendar month, the tax exclusion may not be allowed for that calendar month.

4. is present, however briefly, in the combat zone or qualified hazardous duty area on official duty requiring presence in that zone or area. When the airspace over a combat zone or qualified hazardous duty area is included as part of the zone or area, a member who passes over or through the zone or area during the course of a trip between two points, both of which lie outside the zone or area, is entitled to an exclusion only if he or she is assigned to official temporary duty to the airspace of the zone or area, or qualifies for hostile fire or imminent danger pay as a result of the flight. If the airspace is not designated for imminent danger pay (but is part of the designated zone or area), then a member must be assigned to perform duty in the airspace rather than flying over the zone or area as in an incidental part of the trip to qualify for the exclusion. The fact that most members are in an official duty status when flying through a designated airspace should not be construed to mean they are assigned to the airspace to perform duty and therefore entitled to the exclusion. The following examples apply:

Example 1. Member A is assigned as a navigator in an air unit stationed outside the combat zone. On June 4, during the course of a flight between his home base and another base outside the combat zone, the aircraft on which he serves as a navigator flies over a combat zone (given that the airspace is part of the designated combat zone). Member A is not on official temporary duty in the airspace of the combat zone and does not qualify for hostile fire or imminent danger pay as a result of the flight. Accordingly, he is not deemed to have served in a combat zone since he passes through the zone without either being on official duty to the combat zone or qualifying for hostile fire or imminent danger pay.

Example 2. Same scenario as example 1, except that the airspace is not part of the designated zone and Member B is entitled to hostile fire or imminent danger pay as a result of the flight. Member B is deemed to have served in a combat zone and is entitled to the combat zone tax exclusion if his duties are determined to be in direct support of the military operation in the zone.

Example 3. Member C is a navigator in an air unit stationed outside a combat zone. On June 4, she is ordered to perform duty (execute a mission) in the airspace over the combat zone (which is part of the designated zone) and return to her home station outside the combat zone. Member C is not entitled to hostile fire or imminent danger pay as a result of the flight. She is, however, entitled to the combat zone tax exclusion for the month of June for performing official temporary duty in the airspace (combat zone) during the period.

5. performs military duties in areas outside the combat zone or qualified hazardous duty area in direct support of military operations in the combat zone or qualified hazardous duty area and qualifies for hostile fire or imminent danger pay under ***Chapter 10*** of this volume. (The hostile fire or imminent danger pay entitlement must be related to activities or circumstances in the combat zone or qualified hazardous duty area.) Unit commanders who believe that their personnel qualify for combat zone or qualified hazardous duty area treatment under this provision shall request certification from the applicable approval authority as designated by the Secretary of Defense.

a. When members are entitled to tax exclusion under this paragraph, entitlement continues for periods of absence, prisoner or missing status, and temporary duty as stated for service in the actual combat zone or qualified hazardous duty area in subparagraphs 440103.C.1, 2, 3, or 4.

b. Military service is considered to be in direct support if it has the effect of maintaining, upholding, or providing assistance for those involved in military operations in the combat zone or qualified hazardous duty area. The following examples are provided to assist in determining whether personnel qualify for combat zone or qualified hazardous duty area tax exclusion. In each case, personnel must be entitled to hostile fire pay or imminent danger pay:

(1) Since the act of transporting necessary supplies is a function included within the concept of providing direct support of military operations, services rendered on a supply vessel transporting supplies to a combat zone or qualified hazardous duty area are in direct support of military operations in the combat zone or qualified hazardous duty area.

(2) If an aircraft in a nearby country outside the combat zone or qualified hazardous duty area is used to transport supplies and personnel into the combat zone or qualified hazardous duty area, then the members of the ground crews who load the aircraft and the maintenance personnel who maintain the aircraft all qualify for combat zone or qualified hazardous duty area tax exclusion. In addition, members who maintain and control the airstrip (e.g., as a meteorologist or air traffic controllers) are performing services in direct support of military operations in the combat zone or qualified hazardous duty area qualify for the tax exclusion.

(3) Members of a unit or installation who support and assist other members of that unit or installation who serve in direct support of military operations in a combat zone or qualified hazardous duty area are considered to be serving in direct support of military operations in the combat zone or qualified hazardous duty area. Generally, all members who serve in support of operations at an installation where some members serve in direct support of military operations in a combat zone or qualified hazardous duty area are considered to be serving in direct support of military operations in that combat zone or qualified hazardous duty area (e.g., unit or installation personnel for an airstrip would qualify).

* 6. is hospitalized or re-hospitalized any place as a result of wounds, disease, or injury incurred while serving in a combat zone or qualified hazardous duty area or while serving in areas identified in subparagraph 440103.C.5. A member is considered as

hospitalized or re-hospitalized until such time as status as a hospital patient ceases by reason of discharge from the hospital. Combat zone or qualified hazardous duty area tax exclusion under this subparagraph shall not apply to any months beginning more than 2 years after the date specified by the President in an Executive Order as the date of the termination of combatant activities in the combat zone.

* D. Combat Zone Tax Relief for Personnel Serving in Direct Support of Theater Combat Operations. Figure 44-2 has the combat zone tax relief areas and effective dates listed.

E. Periods For Which Tax Exclusion Does Not Apply. Members who are in the combat zone or qualified hazardous duty area merely for their own convenience, e.g., while on leave from a duty station not in the zone or area, are not entitled to the exclusion.

F. Tax Abatement in Case of Death

1. A member who dies in a combat zone or qualified hazardous duty area, or as a result of wounds, disease, or injury incurred while serving in the combat zone or qualified hazardous duty area (Figure 44-2) is exempt from income tax for:

a. the taxable year in which death occurs.

b. any prior taxable year ending on or after the first day served in a combat zone or qualified hazardous duty area.

c. any such tax for prior years that remains unpaid at date of death.

2. For missing members, the date of death is not earlier than the date on which a determination of death is made. The preceding sentence does not cause abatement of taxes for any taxable year beginning:

a. after January 2, 1978, for service in the combat zone designated for purpose of the Vietnam conflict, or

b. more than 2 years after the date designated under ***26 U.S.C. 112*** as the date of termination of combatant activities in any combat zone other than that designated for purposes of the Vietnam conflict.

G. Termination Date Other than Cases of Hospitalization. In no case shall the tax exclusion authorized in subparagraph 440103.C.1 through C.6, for active duty members extend beyond the effective date specified in an executive order terminating the designation of the combat zone. In the case of qualified hazardous duty areas, the exclusion shall not extend beyond the effective date of the termination of imminent danger pay for the area.

440104. Tax Abatement for Death Caused by Terrorist or Military Action Overseas. A member whose death was caused by terrorist or military action overseas (excluding training exercises) qualifies for federal tax abatement under the provisions of ***26 U.S.C. 692***(c).

The law forgives the deceased member's tax liability for the year of death and for all prior tax year(s) for the period beginning with the tax year before the year the injuries or wounds were incurred. The deceased member's survivors, executor, or administrator should contact the Internal Revenue Service for necessary guidance in claiming the tax exemption.

440105. Rate of Withholding

A. General. The withholding of federal and state taxes shall be in accordance with Treasury Department Circular E and Treasury Department regulations governing state income tax withholding as implemented in Military Service directives.

B. Additional Federal and State Withholding Tax. Consistent with his or her tax planning needs, a member may authorize an additional amount to be withheld monthly even though entitled to combat zone tax exclusion. A member, who becomes entitled to combat zone exclusion while on temporary additional duty (TAD) or temporary duty (TDY), may authorize that regular withholding be continued. The member's pay account must be adjusted for the combat zone exclusion. See the applicable procedural instructions of the Military Service concerned for preparation of additional withholding tax requests and effective dates.

440106. State and Local Taxes

A. Tax Requirements. The state in which a member claims legal residence may tax compensation and other income regardless of the member's location. Compensation for Military Service, however, is not taxable by any state, territory, possession, political subdivision, or district that is not the member's legal residence.

B. Legal Residence. Each member must designate a legal residence and report any changes of legal residence. A member's legal residence does not change because of change of permanent station. Legal residence at the time of entry into the Armed Forces remains the same until changed by the member. Notification of legal residence or change of legal residence must be accomplished by the member using a DD Form 2058, "State of Legal Residence Certificate."

C. Native Americans. States are prohibited from taxing the military compensation of Native American service members who claim a federally recognized tribal reservation as their state of legal residence. Notification of a federally recognized tribal reservation as a state of legal residence must be accomplished by the Native American service member using DD Form 2058-2, "Native American State Income Tax Withholding Exemption Certificate."

D. Withholding. Compensation for military service that is subject to federal taxation also is subject to the mandatory withholding of income taxes on behalf of those states (including the District of Columbia) that have entered into an agreement for the purpose of such withholding with the Secretary of the Treasury. See Figure 44-1 for the states have entered into such an agreement and the effective date to start state tax withholding.

E. Disclosure of Withholding Information. The furnishing of annual wage and tax information of military members to states (including the District of Columbia) that have a withholding agreement with the Treasury Department must comply with the Privacy Act of 1974. Based upon regulatory provisions pertaining to disclosure to the states, the wages of a member who claims exemption from withholding should not be reported to a state without the member's consent. In lieu of reporting the wages of members who claim exemption from state tax withholding, name, social security number, and the member's claimed basis for exemption shall be provided to the state. This rule applies to all Military Services and pay or personnel systems.

F. Delinquent Taxes. There is no authority for the involuntary collection of delinquent state tax liabilities of members.

440107. Nonresident Aliens

A. Definition. For the purpose of federal income tax withholding, a nonresident alien is an individual who neither is a citizen of the United States nor a resident of the United States. An alien (non-citizen) is a resident of the United States if he or she is admitted lawfully to the United States for permanent residence, meets the substantial presence test, or makes an election to be treated as a resident during the first year of presence in the United States, except as may be provided by tax treaty between the United States and the alien's country of residence.

1. Lawfully Admitted for Permanent Residence. An alien is considered lawfully admitted for permanent residence when he or she first arrives in the United States after his or her immigration status is approved as a permanent residence. Status as lawfully admitted for permanent residence continues, regardless of the alien's location, until the alien is outside the United States after his or her immigration status as a permanent resident is revoked or is determined by a court or administrative body to have been abandoned. Nominal presence in the United States of 10 days or less after revocation or abandonment of permanent resident status will be disregarded if the alien is substantially connected to a foreign country during that time.

2. Substantial Presence Test. An alien meeting the substantial presence test is a resident from the first day of presence in the United States in a calendar year in which the test is met, except that nominal presence for less than 10 days while still substantially connected to a foreign country is disregarded, until the alien leaves the United States and establishes connections closer to a foreign country than to the United States. Nominal presence in the United States of 10 days or less after this point is disregarded. Also, days of presence in the United States during which the alien is unable to leave the United States due to a medical condition that arose while in the United States are disregarded in applying the substantial presence test. An alien meets the substantial presence test if:

a. he or she is present in the United States on at least 31 days of the calendar year; and

b. the sum of the days on which the individual was present in the United States during the current calendar year, 1/3 of the days on which the individual was present in the first preceding calendar year, and 1/6 of the days on which the individual was present in the second preceding calendar year, equals or exceeds 183. Individuals do not meet the substantial presence test for the current year if they are present on less than 183 days in the current year and have, in the current year, a tax home in a foreign country to which they have closer connections than to the United States, provided that they have not applied for an adjustment of immigration status or otherwise taken steps toward lawful permanent residence in the United States.

B. Tax Liability. A service member, who is a nonresident alien, is liable for United States income tax on pay attributable to service performed in the United States, even if such pay is not subjected to federal income tax withholding because of the provisions in subparagraph 440107.C. A nonresident alien member's pay attributable to service performed outside the United States is not subject to United States income tax. For purposes of this paragraph, service outside the United States means shore duty at a naval or other military installation outside the United States and the States of Alaska or Hawaii, or duty on board a seagoing vessel of the Navy (other than a vessel normally used only in coastal waters). Service in a possession of the United States is considered duty outside the United States. A nonresident alien member is not disqualified from eligibility for any of the income exclusions or withholding exemptions set forth in Chapters 44 and ***45*** of this volume because of a nonresident alien status.

C. Income Tax Withholding. The pay of a non resident alien for any period of service within the United States exceeding 60 calendar days is subject to federal income tax withholding. Such pay also may be subject to state income tax withholding, depending on the state residency status of the alien. Pay for periods of service within the United States of 60 calendar days or less, or for service outside the United States, is not subject to federal or state income tax withholding. The nonresident alien member nevertheless is subject to federal income taxation, and may be subject to state income taxation, on pay for all days of service within the United States and is responsible for reporting, and paying any tax due on, all such income. The fact that income tax is not withheld on pay attributable to a particular day does not prevent that day from being counted as a day of presence in the United States for purposes of subparagraph 440107.A.

* 440108. Advance Payment of Earned Income Credit Amounts. For taxable years beginning after December 31, 2010, the Advance Payment of Earned Income Credit has been repealed.

4402 COLLECTION OF DELINQUENT FEDERAL TAXES BY LEVY

440201. Authority. When a member does not pay any federal income tax due within 30 days after the Internal Revenue Service (IRS) has issued a notice and payment demand to the member, the IRS may collect the tax by levy on the member's salary or other income. Receipt by the cognizant Military Service (or Defense Finance and Accounting Service (DFAS) Site) of a levy notice is the legal authority to commence collection of the delinquent federal income taxes after taking into consideration the appropriate exemptions.

440202. Levy Processing Procedures

A. The IRS serves the tax levy by mail. IRS Form 668-W(c), "The Notice of Levy on Wages, Salary, and Other Income," includes instructions for the employer (Military Service) and the employee (member).

B. Upon receipt of the levy, the disbursing officer immediately:

1. completes part 3 and returns the levy to IRS if no funds are due the member (for example, higher precedence deductions (***Table 52-1***) or in a status described in paragraph 440203); or

2. forwards parts 2 through 5 to the member if funds are due or soon will become due.

C. The member certifies his or her filing status and number of personal exemptions and returns parts 3 and 4 to the disbursing officer within 3 days (or other period authorized by the IRS in coordination with the Military Service concerned and as established within Military Service regulations). If the member does not return parts 3 and 4, then the levy will be processed as if the member is "married filing a separate return with one personal exemption."

D. The levy will continue in effect until the amount due in the levy notice is collected or until the levy is released by the IRS.

E. Forward a misrouted levy notice or levy release to the member's cognizant DFAS Site.

440203. Effect on Members in a Combat Zone or Qualified Hazardous Duty Area

A. The disbursing officer immediately will complete part 3, with appropriate notations, and return the levy to the IRS if the member is:

1. serving (performing official duties) in a designated combat zone or qualified hazardous duty area for any period of time;

2. serving (performing official duties) outside a designated combat zone or qualified hazardous duty area, but in direct support of military operations in a combat zone or qualified hazardous duty area, and in receipt of hostile fire or imminent danger pay as a result of duties performed in direct support of designated combat zone or qualified hazardous duty area operations;

3. continuously hospitalized as a result of service in a designated combat zone or qualified hazardous duty area (limited to 5 years of hospitalization in the United States); or

4. in a missing status.

B. Levy deferment remains in effect for 180 days after a member no longer meets any of the above criteria. Entitlement begins anew (including a new 180-day clock) when a member re-qualifies for deferment (again meets one of the above criteria), with one exception. Re-hospitalization for a previously treated wound, illness, or injury does not re-qualify a member, nor does it stop/restart a 180-day clock.

440204. Attachment of Earnings and Payment to IRS

A. The member's "take home pay," minus exempt amounts claimed via the member's certified claim on part 3 of the levy, shall be attached and sent to the IRS until the levy is satisfied or released by the IRS. The member's usual pay deductions will continue while the levy is in effect.

B. When exemptions are equal to or exceed the member's "take home pay," the disbursing officer will so advise the IRS office that served the levy.

440205. Problem Cases. When the IRS determines that a member's delinquent income tax is a "problem case," that agency shall furnish with the levy notice:

A. a statement of amount of delinquent taxes, and

B. a statement that the member's "take home pay" is not enough to pay the levy and all available accrued pay should be attached. In such cases, use all items of pay and allowances including travel allowances and accrued leave settlement paid upon discharge, less exemptions (refer to Form 668-W(c)) and deductions and collections in Table ***52-1***, rules 1 through 12. Discontinue the member's voluntary (non-discretionary) allotments (except for allotments for support of minor children that are authorized in compliance with court orders when entered prior to date of levy) as necessary to pay the levy. If the amount of the levy does not require stopping all voluntary allotments, then the member may select any allotments to be stopped. If the member does not make that selection, then the disbursing officer stops allotments as necessary, with insurance allotments the last to be stopped.

4403 INSTALLMENT COLLECTION OF DELINQUENT TAXES

440301. Agreement for Liquidation of Federal Tax Indebtedness by Payroll Deductions. A member may arrange with the IRS to pay delinquent taxes by monthly deductions from pay. Agreements are made on IRS Form 2159, "Payroll Deduction Agreement." Once affected, a member may not cancel an agreement before the tax indebtedness is completely liquidated. The Military Services handle agreements as follows:

A. Army. Collect and pay to IRS as prescribed for payment of indebtedness to instrumentalities and agencies of the government.

B. Navy and Marine Corps. Process the agreement as a T allotment if the period of liquidation is 3 months or longer. If the period is less than 3 months, then the disbursing officer pays each month to IRS in the amount of the deduction.

C. Air Force. Process as class T allotment.

440302. Change of Member's Status During Liquidation Period. See Table 44-2.

STATES THAT ENTERED WITHHOLDING AGREEMENT WITH TREASURY			
State	**Effective Date To Start Withholding**	**State**	**Effective Date To Start Withholding**
Alabama	July 1, 1977	Mississippi	July 1, 1978
Arizona	September 1, 1993	Missouri	January 1, 1993
Arkansas	March 30, 1981	Montana	October 29, 1977
California	February 1, 1978	Nebraska	September 1, 1977
Colorado	August 1, 1977	New Jersey	July 1, 1977
Connecticut	January 1, 1992	New Mexico	July 1, 1977
Delaware	July 1, 1977	New York	July 1, 1977
District of Columbia	August 1, 1977	North Carolina	July 1, 1977
Georgia	January 1, 1979	North Dakota	July 29, 1987
Hawaii	December 1, 1977	Ohio	September 1, 1978
Idaho	July 1, 1977	Oklahoma	September 1, 1977
Illinois	July 1, 1977	Oregon	November 1, 1977
Indiana	August 1, 1977	Pennsylvania	July 1, 1977
Iowa	July 1, 1977	Puerto Rico	February 15, 1998
Kansas	July 1, 1977	Rhode Island	August 1, 1977
Kentucky	September 1, 1977	South Carolina	July 1, 1977
Louisiana	September 1, 1977	Utah	July 1, 1977
Maine	November 1, 1977	Vermont	January 1, 1990
Maryland	August 1, 1977	Virginia	July 1, 1977
Massachusetts	August 1, 1977	West Virginia	July 1, 1977
Michigan	July 1, 1977	Wisconsin	August 1, 1977
Minnesota	November 1, 1977		

Figure 44-1. States That Entered Withholding Agreement With Treasury

COMBAT ZONE TAX RELIEF AREAS FOR PERSONNEL IN DIRECT SUPPORT OF A COMBAT ZONE		
Location	**Effective Dates**	
	From	**Through**
Djibouti – Personnel serving in Djibouti due to their service in direct support of military operations in the Afghanistan combat zone	July 1, 2002	
Egypt –Personnel serving in Egypt due to their service in direct support of military operations in the Arabian Peninsula combat zone	March 19, 2003	April 20, 2003
Israel –Personnel serving in Israel due to their service in direct support of military operations in the Afghanistan combat zone	January 1, 2003	July 31, 2003
Jordan – Personnel serving in Jordan due to their service in direct support of military operations in the Afghanistan combat zone	September 19, 2001	
Jordan – Personnel in direct support of Operation Iraqi Freedom due to their service in direct support of military operations in the Arabian Peninsula combat zone	March 19, 2003	
Kyrgyzstan – Personnel serving in Kyrgyzstan due to their service in direct support of military operations in the Afghanistan combat zone	September 19, 2001	
Mediterranean, Eastern (East of 30 degrees east longitude (sea area only) Must be deployed to water area in support of Operation Iraqi Freedom)	March 19, 2003	April 11, 2003
Mediterranean, Eastern (East of 30 degrees east longitude (sea area only) Must be deployed to water area in support of Operation Iraqi Freedom)	April 11, 2003	July 31, 2003
Pakistan – Personnel serving in Pakistan due to their service in direct support of military operations in the Afghanistan combat zone	September 19, 2001	
Philippines – Personnel deployed in conjunction with Operation Enduring Freedom based on their service in direct support of military operations in the Afghanistan combat zone	January 9, 2002	

Figure 44-2. Combat Zone Tax Relief Areas

COMBAT ZONE TAX RELIEF AREAS FOR PERSONNEL IN DIRECT SUPPORT OF A COMBAT ZONE		
Location	**Effective Dates**	
	From	**Through**
Somalia – 1. Personnel serving in Somalia due to their service in direct support of military operations in the Afghanistan combat zone 2. Somalia airspace 3. Water area of the Somali Basin including the following coordinates: ° 1110N3-05115E2, 0600N6-04830E5, 0500N5-05030E8, 1130N5-05334E5 ° 0500N5-05030E8, 0100N1-04700E1, 0300S3-04300E7, 0100S1-04100E5, 0600N6-04830E5	January 1, 2004 January 1, 2007 January 1, 2007	
Syria – Personnel serving in Syria due to their service in direct support of military operations in the Afghanistan combat zone	January 1, 2004	
Tajikistan – Personnel serving in Tajikistan due to their service in direct support of military operations in the Afghanistan combat zone	September 19, 2001	
Turkey – Incirlik Air Base (Personnel deployed to Incirlik Air Base in support of Operation Enduring Freedom based on their direct support of operations in Afghanistan combat zone	September 21, 2001	December 31, 2005
Turkey – Personnel serving in Turkey due to their service in direct support of military operations in the Arabian Peninsula combat zone	January 1, 2003	December 31, 2005
Uzbekistan – Personnel serving in Uzbekistan due to their service in direct support of military operations in the Afghanistan combat zone	September 19, 2001	
Yemen – Personnel serving in Yemen due to their service in direct support of military operations in the Afghanistan combat zone	April 10, 2002	

Figure 44-2 Combat Zone Tax Relief Areas (Continued)

TAXABILITY OF ITEMS OF MILITARY PAY AND ALLOWANCES

RULE	A	B		
		then item is (notes 5, 9, and 10)		
	If item is	**taxable and subject to federal/state income tax withholding**	**taxable but not subject to federal/ state income tax withholding**	**not taxable**
1	basic pay (note 1)	for any month combat zone or qualified hazardous duty area exclusions do not apply (notes 2 and 13).		for pay earned by an enlisted member or warrant officer (W-1 through W-5) and beginning November 21, 1995, commissioned officers (O-1 and above) amounts up to the highest rate of pay payable to any enlisted member plus the amount of hostile fire/imminent danger pay that is actually payable to the officer for any month combat zone or qualified hazardous duty area tax exclusion applies (notes 2 and 7); or, for any member while in a missing status and authorized tax exclusion under the provisions of subparagraph 440102.A. For periods on or before November 20, 1995 for commissioned officers (O-1 and above), up to $500 per month of such pay is not taxable for any month combat zone tax exclusion applies.
2	incentive pay for hazardous duty (see Chapters 22 through 24)			
3	special pay (see Chapters 3 through 21)			
4	lump-sum payment of accrued leave (basic pay portion)			
5	a bonus entitlement (including installments)	if earned (reenlists, extends, signs agreement) in a month during which combat zone tax exclusion does not apply.		if earned (reenlists, extends, signs agreement) in a month during which combat zone or qualified hazardous duty area exclusion applies, regardless if the act of earning the bonus takes place before entering or after returning from the combat zone or qualified hazardous duty area. (note 13)
6	National Call to Service Bonus (NCSB) or Student Loan Repayment Program (SLRP)			for the NCSB for only the actual months that are served in a combat zone or qualified hazardous duty area during the initial 15 month of service following initial entry training; and for the SLRP for only the actual months served in a combat zone or qualified hazardous duty area out of the 12-month period. (note 13 and note 15)

***Table 44-1. Taxability of Items of Military Pay and Allowances**

TAXABILITY OF ITEMS OF MILITARY PAY AND ALLOWANCES				
	A	B		
		then item is (notes 5, 9, and 10)		
RULE	If item is	taxable and subject to federal/state income tax withholding	taxable but not subject to federal/ state income tax withholding	not taxable
7	separation pay, readjustment pay, or severance pay (except for disability)(note 6)	remains taxable income subject to reporting and withholding, even if paid during any month in which the combat zone exclusion applies.		
8	contract cancellation pay			
9	pay forfeited by court martial sentence or non-judicial punishment			and is loss of entitlement to pay in the amount of the forfeiture (however, remaining pay is subject to tax withholding (note 3)).
10	payment(s) in excess of actual travel and transportation costs incurred while carrying on business of U.S. Government (includes any temporary lodging entitlements)		and will not be reported on TD Form W-2 or 1099. The member will account for such payment(s) on individual income tax return.	
11	incentive payment paid to member for do-it-yourself move per ***JFTR, part D, Chapter 5***	at time of payment		
12	muster duty allowance	at time of payment under the provisions of subparagraph ***580106.C***.		
13	funeral duty allowance	at time of payment		

***Table 44-1. Taxability of Items of Military Pay and Allowances (Continued)**

TAXABILITY OF ITEMS OF MILITARY PAY AND ALLOWANCES				
	A	B		
		then item is (notes 5, 9, and 10)		
RULE	If item is	taxable and subject to federal/state income tax withholding	taxable but not subject to federal/ state income tax withholding	not taxable
14	personal money allowance	and will be reported on Form W-2.		
15	an allowance (BAS, BAH, FSA, clothing and uniform allowances, and overseas station allowances) (note 8)			at any time.
16	death gratuity		effective August 21, 1996 through September 10, 2001, to the extent the total payment for any death exceeds $3,000 and reported on TD Form 1099-Misc (see note 11)	effective September 11, 2001, total amount (see note 11).
17	otherwise taxable item of pay earned by member but unpaid at death		but will be reported on TD Form 1099-MISC when paid to beneficiary (note 4).	if death occurs in month member was entitled to combat zone or qualified hazardous duty area exclusion.
18	special separation benefit or voluntary separation incentive	at the flat withholding rate (currently 25 percent) for FITW and at appropriate SITW rate for SSB payments and initial VSI payments. Withhold taxes from VSI installment payments at the annual withholding rate contained in IRS Circular E (note 12).		

***Table 44-1. Taxability of Items of Military Pay and Allowances (Continued)**

TAXABILITY OF ITEMS OF MILITARY PAY AND ALLOWANCES

RULE	A	B		
		then item is (notes 5, 9, and 10)		
	If item is	**taxable and subject to federal/state income tax withholding**	**taxable but not subject to federal/ state income tax withholding**	**not taxable**
19	inactive duty training (IDT) pay	at time of the payment (CZTE does not apply to pay for IDTs).		
20	former captive payment (see ***Chapter 37***)		if payment is for former captive status resulting from a lawful action. Payment will be reported on IRS Form W-2 (note 4).	if payment is for former captive status resulting from the deprivation of personal rights.
21	employer provided home-to-work transportation	even if transportation is provided for security reasons (note 14).		
22	employer-provided parking	to the extent that the value exceeds the monthly exclusion limit (note 14).		to the extent that the value is equal to or less than the monthly exclusion limit.
23	Thrift Savings Plan	deferred until contributions are withdrawn.		if TSP contribution is made from pay earned in a combat zone or qualified hazardous duty area (for commissioned officers, limited to maximum monthly CZTE amount).
24	waived portion of court martial forfeiture of taxable pay or pay and allowances (***Chapter 48***)	see subparagraph 480306.C		

NOTES:

1. Excludes the reduction of basic pay for educational benefits under the "New Montgomery GI Bill" after December 31, 1985. Members wishing to increase their Montgomery G.I. Bill benefits may contribute up to $600, in accordance with ***38 U.S.C. 3011(e)***. This contribution is not a reduction in basic pay and therefore, does not reduce a member's taxable wages.
2. Add the payments (rules 1 through 6) made currently or at a later date for a commissioned officer (O-1 and above) to other pay for the month (up to the highest rate of pay payable to any enlisted member) to calculate the maximum amount to be applied for combat zone or qualified hazardous duty area tax exclusion. (See subparagraph ***350103.B***.)
3. This does not apply to fines imposed by court martial or non-judicial punishments. Withhold tax from the member's full pay credited before deducting the fine. Report the full amount of the pay credited, without deducting the fine, as taxable income.

***Table 44-1. Taxability of Items of Military Pay and Allowances (Continued)**

NOTES: (cont)

4. Report any otherwise taxable item of pay earned by member but unpaid at death in Box 3 of TD Form 1099-MISC. Enter Federal income tax withheld or backup withholding in Box 4 of the TD Form 1099-MISC. Exception is pay earned for any month combat zone or qualified hazardous duty area exclusion applies. Combat zones and qualified hazardous duty areas are so designated by Executive Order or statute, respectively.
5. The susceptibility of items of military pay and allowances to state income taxes depends upon the law of the member's state of legal residence. Items of pay and allowances, which are not subject to Federal Income Tax Withholding (FITW), however, will not be subject to State Income Tax Withholding (SITW). Items of pay and allowances subject to FITW will be subject to SITW if the member's state of legal residence has entered into a withholding agreement with the Secretary of the Treasury. The total or partial exclusion by states of military pay from income will be recognized in the computation of the amount of state income tax to be withheld.
6. See paragraph ***350404*** of this volume for exceptions to the normally taxable payment of disability severance pay.
7. Only pay and allowances actually earned during any month in which a combat zone or qualified hazardous duty area designation applies are excludable, even if paid in a later, non-qualifying month. Entitlements earned during any non-qualifying month, but paid in a month the exclusion applies, remain taxable. Accrued leave payments qualify only for that portion of days that were actually earned during a qualifying month.
8. Allowances considered nontaxable on September 9, 1986 remain nontaxable. Any allowance created after September 9, 1986 will be taxable for federal and state income tax purposes unless specified otherwise.
9. If a member receives an overpayment of a taxable pay item, then the overpayment should be reported in the year paid unless the combat zone or qualified hazardous duty area tax exclusion is applicable. If recovery of the overpayment is waived remitted, or canceled, then there is no additional tax reporting requirements. If the overpayment consists of a nontaxable pay item, then the overpayment should not be reported as taxable income if the resulting debt is waived, remitted, or canceled.
10. Taxable wages and withholding must reflect the debt in the year the payment was received. Collection action will reflect impact on taxable wages and withholding (if applicable) as collection is made, but only if made in the same year as the original payment.
11. Death gratuity is a qualified military benefit that is excluded from Federal taxation. This tax exclusion applies to any increases in the death gratuity amount that are made pursuant to a law enacted after September 9, 1986. See ***26 U.S.C. § 134(b)(3)(CC***). Thus, the increases that have been made to the death gratuity amount since September 9, 1986, through various enacted laws are not taxable to the recipients.
12. SSB and VSI payments remain taxable even if a member signs the agreement to separate while serving in a combat zone or qualified hazardous duty area.
13. Effective April 1, 1996 for combat zone and qualified hazardous duty area tax exclusion for commissioned officers (O-1 and above), amounts over the highest enlisted grade (Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, or Sergeant Major of the Marine Corps; (see ***Table 1-10***, note 2, for clarification) plus the amount of hostile fire/imminent danger pay that is actually payable to the officer for that month are taxable and subject to federal and state tax withholding.
14. Home-to-work provided transportation and employer provided parking.
    a. Per ***DoD 4500.36-R***, the USD(C) and USD (P&R) jointly will issue updated annual guidance concerning the valuation, on a monthly basis, of taxable government employer-provided home-to-work transportation fringe benefits provided to certain military members. Armed Forces Tax Council service representatives annually will distribute the updated guidance to the Military Services.
    b. Each DoD Component will determine the value, to be calculated on a monthly basis, of government employer-provided taxable parking fringe benefits provided to military members.
    c. Determination must be accomplished utilizing the provisions of the Internal Revenue Code (See ***IRS Publication 15-B***) and Treasury Regulations and accordingly documented.
    Each member's Service shall:
    (1) Identify members receiving government employer-provided home-to-work transportation and/or parking fringe benefits;

*Table 44-1. Taxability of Items of Military Pay and Allowances (Continued)

NOTES: (cont)

(2) Certify fringe benefit was authorized, calculate and certify the value of the taxable fringe benefits, and submit the appropriate taxable gross income amounts to the servicing DFAS central site, no less often than once a year. Exception: When members receive taxable fringe benefits from active duty assignments outside their DoD Component, the agency providing the taxable fringe benefit (such as parking) calculates the value of the benefit provided, and the member's Service verifies the correctness of the calculation;

(3) Keep members receiving such benefits advised of the tax liability annually accruing to them.

d. Each member's certified taxable fringe benefit amount must be sent to the servicing DFAS central site no less often than annually and not later than December 15, each year, for processing to:

(1) Include the taxable non-cash benefit amounts in members' gross income;

(2) Withhold and deduct appropriate federal and state income taxes (not FICA taxes);

(3) Generate a TD Form W-2 that reflects the adjusted gross income and withholding amounts. The military services' field finance offices are not authorized to process taxable fringe benefits as additional taxable wages, to withhold applicable taxes, or to generate a manual TD Form W-2.

15. The tax exempt computation for the NCSB and SLRP will be the number of months in the combat zone/qualified hazardous duty area divided by 15 months for the NCSB or 12 months for the SLRP. The resulting percentage will be multiplied against the bonus or loan amount. The result will be the tax exempt amount for the member.

*Table 44-1. Taxability of Items of Military Pay and Allowances (Continued)

COLLECTION OF DELINQUENT TAXES BY INSTALLMENT—CHANGE OF MEMBER'S STATUS				
	A	B	C	D
RULE	When a member who has arranged with IRS for installment collection of delinquent taxes	and	then	and
1	is discharged or released from active duty	immediately reenlists	deduct from member's pay as agreed with IRS without interruption	
2		does not immediately reenlist	deduct from final pay enough to liquidate the remaining indebtedness, or all available if the remaining indebtedness is more than is available	notify IRS of the member's separation.
3	enters a period of unauthorized absence for which pay and allowances are not payable	is a member of the Army or Air Force	deduct from member's pay and pay to IRS for the month the absence begins the amount agreed to or as much as is available if less than agreed to	suspend further deductions and payments for tax indebtedness until member is restored to a pay status. If deductions and payments are suspended at the time additional payment is due, then notify IRS. Remove suspension when member is restored to a pay status. Deduct and pay for the month of restoration as much as is available if less than the agreed to amount.
4		is a member of the Navy or Marine Corps and a T allotment has not been established		
5		is a member of the Navy or Marine Corps and a T allotment has been established	cancel the T allotment on the 15th day following the date absence began (or earlier if necessary to prevent allotment overpayment)	stop as prescribed by Navy and Marine Corps allotment procedures.
6	is retired from the Air Force	a T allotment has been established	allotment remains in effect	deductions required by allotment are made from retired pay.
7	is retired from the Army	an E allotment has been established		

Table 44-2. Collection of Delinquent Taxes by Installment - Change of Member's Status

COLLECTION OF DELINQUENT TAXES BY INSTALLMENT—CHANGE OF MEMBER'S STATUS				
	A	**B**	**C**	**D**
RULE	**When a member who has arranged with the IRS for installment collection of delinquent taxes**	**and**	**then**	**and**
8	is retired from the Army	an E allotment has not been established	deduct for the month of retirement or transfer, as agreed with the IRS	notify member and the IRS that new agreement must be made.
9	is a Navy or Marine Corps member and is transferred to the Fleet Reserve, Fleet Marine Corps Reserve or retired list and not immediately recalled to active service	a T allotment has not been established		
10		a T allotment has been established	the T allotment remains in effect	deductions required by T allotment are made from retired pay or retainer pay.
11	has qualified for collection deferment because of service in a combat zone or enters hospitalized/missing status as a result of service in a combat zone (note)		defer initiating collection effective the month entering such status	commence collection in accordance with paragraph 440203.

NOTE: Includes direct support of combat zone operations.

Table 44-2. Collection of Delinquent Taxes by Installment - Change of Member's Status (Continued)

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	IRS Publication 3
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	Treasury Regulation 1.112-1(e)
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Figure 44-2

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	Table 44-2	
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	Note 1	IRS Notice 951 (February 1991)

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 45
"FEDERAL INSURANCE CONTRIBUTIONS ACT (FICA)"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
450202.B	Removed reference to "Active Duty Compensation."	Update
Table 45-1	Updated to reflect current FICA percentages, maximum taxable rates, and maximum tax for calendar years 2010 and 2011.	Update

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450304 More Than One Employer
450305 Retroactive Entitlements and Deductions
450306 Indebtedness

*Table 45-1 FICA Percentages, Maximum Taxable Wages, and Maximum Tax

Table 45-2 Effect of Punishment, Absence, and Non-pay Status

CHAPTER 45

FEDERAL INSURANCE CONTRIBUTIONS ACT (FICA)

4501 GENERAL

The Federal Insurance Contributions Act (FICA) requires Federal Agencies to withhold FICA (Social Security and Medicare) taxes from the basic pay of military members covered by the Social Security Act and to pay matching FICA taxes to the Social Security Administration. See Table 45-1 for the FICA tax component for old age, survivors, and disability insurance (OASDI) tax, also called Social Security tax, and the FICA tax component for hospital insurance (HI) tax, also called Medicare tax. The OASDI tax rate applies only to those basic pay payments that do not exceed the annually variable OASDI wage base. There is no cap on wages subject to the withholding of Medicare tax.

4502 REQUIREMENTS

450201. Members Subject to FICA. Any member appointed to, enlisted in, or inducted into any Military Service is subject to FICA tax. This includes members serving in:

A. The Military Service academies (excluding foreign nationals).

B. An aviation cadet status.

C. A combat zone.

450202. Taxable Wages. The following wages are subject to FICA withholding:

A. Basic pay (excluding reduction for educational benefits under the Montgomery G.I. Bill).

* B. Inactive duty compensation.

C. Taxable amounts earned but unpaid at the date of death (subject to the maximum earnings tax) if paid to the beneficiary during the same calendar year in which the member's death occurs.

D. Basic pay or compensation earned when absence is the result of injury, sickness, or hospitalization.

E. Taxable amounts received prior to the Government's voidance of the member's enlistment contract.

F. Waived portions of forfeitures of basic pay payable to dependent(s) of a confined member, as prescribed in ***Chapter 48, paragraph 480306***.

4503 DEDUCTION OF FICA TAX

450301. Amount. See the ***"Contribution and Benefit Base"*** at Social Security Online or Table 45-1 for the withholding percentage rate and the total maximum tax.

450302. Maximum Tax. Discontinue deductions when the member's total active duty basic pay plus inactive duty compensation equals the annual maximum earnings subject to FICA withholding, and when the maximum tax has been deducted.

450303. Effect of Punishment, Absence, and Non-pay Status. See Table 45-2.

450304. More Than One Employer. Deduct FICA tax regardless of any amounts previously or currently being deducted by another employer. Each Military Service is considered a separate employer; however, cross-servicing of a member's pay account between the Military Services does not constitute a change of employer. A break in service of any length within the same Military Service does not constitute a change of employer. Consider all FICA tax withheld during the calendar year in determining the total amount withheld. If application of the above results in a withholding in excess of the maximum tax, then the member may claim the excess from the Military Service concerned, and adjustments will be made accordingly.

450305. Retroactive Entitlements and Deductions. Adjustments will be considered as affecting the pay for the year in which made and will be reflected in the quarter in which paid. Do not consider any adjustments made for under or overpayments of inactive duty compensation received prior to January 1, 1988. Adjust during the quarter in which the retroactive entitlement or deduction of basic pay is entered in the member's pay account. All retroactive payments are subject to FICA withholding at the rates in effect at the time of payment. If the member has been discharged, separated, or retired, then issue an Internal Revenue Service (IRS) Form W-2 (Wage and Tax Statement).

450306. Indebtedness. FICA taxes previously withheld may not be used to offset any indebtedness.

FICA PERCENTAGES, MAXIMUM TAXABLE WAGES, AND MAXIMUM TAX				
Year	Social Security (OASDI) Tax	Medicare Hospital Insurance (HI) Tax	Maximum FICA Wages	Maximum Tax
2000	6.20		76,200	4,724.40
		1.45	unlimited	
2001	6.20		80,400	4,984.80
		1.45	unlimited	
2002	6.20		84,900	5,263.80
		1.45	unlimited	
2003	6.20		87,000	5,394.00
		1.45	unlimited	
2004	6.20		87,900	5,449.80
		1.45	unlimited	
2005	6.20		90,000	5,580.00
		1.45	unlimited	
2006	6.20		94,200	5,840.40
		1.45	unlimited	
2007	6.20		97,500	6,045.00
		1.45	unlimited	
2008	6.20		102,000	6,324.00
		1.45	unlimited	
2009	6.20		106,800	6,621.60
		1.45	unlimited	
2010	6.20		106,800	6,621.60
		1.45	unlimited	
2011	4.20		106,800	4,485.60
		1.45	unlimited	

NOTE: If current year is not listed, see the ***"Contribution and Benefit Base"*** at Social Security Online.

***Table 45-1. FICA Percentages, Maximum Taxable Wages, and Maximum Tax**

EFFECT OF PUNISHMENT, ABSENCE, AND NON-PAY STATUS		
RULE	A When a member	B then
1	is fined by court-martial and the fine is deducted from pay	the amount of the fine is subject to FICA tax.
2	is required to forfeit pay as the result of court-martial or nonjudicial punishment	the forfeiture is a loss of entitlement to the basic pay involved and the amount so lost is not subject to FICA tax. (note)
3	has pay detained under court-martial or nonjudicial punishment	the amount detained is not subject to FICA tax until it is actually paid to the member.
4	is absent without leave	the amount of basic pay deducted for the period is not subject to FICA tax.
5	is confined by civil authorities under conditions that require loss of pay	

NOTE: The waived portion of a forfeiture is taxable income to the confined member and is subject to FICA under ***Chapter 48, subparagraph 480306.C*** and subparagraph 450202.G.

Table 45-2. Effect of Punishment, Absence, and Non-Pay Status

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	26 U.S.C. 3121(m)
450202	42 U.S.C. 409(d)

4503 – DEDUCTION OF FICA TAX

450301	26 U.S.C. 3101; 3102
450304	26 U.S.C. 3101
450305	26 U.S.C. 3102
	26 U.S.C. 6205
Table 45-1	42 U.S.C. 430
	"Contribution and Benefit Base", Social Security Online
*	IRS Notice 1036 (December 2010)
Table 45-2	
Rule 2	36 Comp Gen 79
Rule 3	26 U.S.C. 451
	Armed Forces Income Tax Council Opinion, April 1, 1963

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 46
"DEDUCTIONS FOR THE ARMED FORCES RETIREMENT HOMES"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table or figure that includes the revision

Hyperlinks are denoted by *underlined, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Updated hyperlinks and statutes and formatted in compliance with current administrative instructions.	Update
4602	Updated who the Secretary of Defense consults regarding monthly deduction rate.	Update
460302.C	Coast Guard members (when not operating as a Military Service in the Navy) are not subject to deductions.	Add
Bibliography	Added statute reference Section 4602, General.	Add

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CHAPTER 46

DEDUCTIONS FOR THE ARMED FORCES RETIREMENT HOMES

4601 ARMED FORCES RETIREMENT HOME (AFRH OR "RETIREMENT HOME")

The Armed Forces Retirement Home (AFRH) is an independent establishment in the executive branch. The purpose of the Retirement Home is to provide residences and related services for retired and former members of the Armed Forces who meet the eligibility requirements of the AFRH. The AFRH includes the Armed Forces Retirement Home – Washington (Soldiers' and Airmen's Home) and the Armed Forces Retirement Home – Gulfport (Naval Home).

4602 GENERAL

* Under Title 37, United States Code, section 1007(i) (***37 U.S.C. 1007(i)***), monthly deductions from pay, in an amount not to exceed $1.00, are set by the Secretary of Defense after consultation with the Chief Operating Officer for the AFRH. The deductions of pay are deposited in the AFRH Trust Fund. Do not prorate deductions of pay for partial months of service.

4603 APPLICABILITY

460301. Members Subject to Deductions

A. Regular enlisted members.

B. Warrant officers.

C. Limited duty officers (LDO) of the Armed Forces.

D. Coast Guard (when it is operating as a Military Service in the Navy).

* 460302. Members Not Subject to Deductions

A. Reserve Component members.

B. Commissioned officers other than LDOs.

C. Coast Guard (when it is not operating as a Military Service in the Navy).

D. Selective trainees inducted into federal service.

E. Members in a nonpay status for the entire calendar month.

4604 PRECEDENCE OVER OTHER DEDUCTIONS AND COLLECTIONS

Retirement Home deductions apply only against pay. According to Rule 2 of Table 52-1, ***Chapter 52***, "Precedence of Pay Deductions and Collections," these deductions take precedence over all other deductions and collections except forfeitures, the "Montgomery G.I. Bill," and Federal Insurance Contributions Act taxes.

BIBLIOGRAPHY

CHAPTER 46 - DEDUCTIONS FOR THE ARMED FORCES RETIREMENT HOMES

4601 - ARMED FORCES RETIREMENT HOME (AFRH OR "RETIREMENT HOME")

24 U.S.C., Chapter 10
37 U.S.C. 1007(i)
Public Law 107-107, sec 1402, December 28, 2001

4602 - GENERAL

Public Law 103-337, Section 371, October 5, 1994
* 24 U.S.C. 419

4603 - APPLICABILITY

37 U.S.C. 1007(i)

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 47
"SERVICEMEMBERS' GROUP LIFE INSURANCE (SGLI) PROGRAM"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Entire chapter	Renumbered sections based on the consolidation and repositioning of certain sections.	Update
470204	Added definition of "Direct Remitters."	Add
470206	Added to definition of Insurable Dependent for a "member's stillborn child."	Add
470207	Expanded definition of "Member."	Update
470301.B	Added subparagraph on part-time coverage.	Add
470302	Moved section 4704 to section 4703.	Update
470303	Moved section 4707 to section 4703.	Update
470601.A	SGLI premium rate is decreased to 6.5 cents per $1,000 of coverage effective July 1, 2008.	Update
470601.A	Updated Traumatic Injury Protection coverage premium provisions.	Update
470601.B	Added subparagraph on part-time premium rate and 1-day call-up.	Add
470602	Added paragraph on "Non-Pay Status."	Add
470603	Added paragraph on "Direct Remitters."	Add
470604	Added paragraph on "Failure to Make Remittance Within 60 Days."	Add
471003	Updated new Family SGLI rates effective July 1, 2010.	Update
471007	Clarified information regarding effective date of reinstatement of coverage.	Update
471008	Clarified last premium payment due when coverage is terminated.	Update
471101	Added "Definitions" paragraph applicable only to Section 4711.	Add
471105	Added paragraph on "Exclusion."	Add
471110	Added paragraph on "Termination of TSGLI."	Add
471111	Added paragraph on "Payment of Traumatic Protection Benefit."	Add

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 47
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Hyperlinks are denoted by *underlined, bold, italic, blue font*

This updated chapter supersedes the previously published version December 2010.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
4704	Updated requirements for notification.	Update
4709	Inserted Electronic Funds Transfer option for direct remittance of SGLI and FSGLI premiums.	Add
Bibliography	Added statutory reference.	Add

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CHAPTER 47

SERVICEMEMBERS' GROUP LIFE INSURANCE (SGLI) PROGRAM

4701 GENERAL

The Servicemember's Group Life Insurance Program is administered by the Department of Veterans Affairs (DVA). Eligible members, as defined in section 4702, who receive basic pay for 1 or more days per month or members of the Reserves who drill for points or meet the requirements in paragraph 470206 are responsible for the payment of SGLI and FSGLI premiums, unless eligible member waive coverage. Coverage and premiums are discussed in sections 4703 and 4706, respectively.

4702 DEFINITIONS

470201. Active Duty. Full time duty in the Armed Forces other than active duty for training and full time duty as a cadet or midshipman at a Military Service academy.

470202. Active Duty for Training. Full time duty in the Armed Forces for training purposes performed by members of a Reserve Component, full time National Guard duty and full time duty as a cadet or midshipman of the Reserve Officers Training Corps while attending field training or practice cruises.

470203. Coverage. SGLI is payable upon the death of the member. Family SGLI (FSGLI) benefits are payable upon the death of the spouse or dependent child (insurable dependent).

470204. Direct Remitters. Direct remitters are service members who are required to make a direct remittance/payment for premiums.

470205. Inactive Duty Training. Duty (other than full time duty) prescribed or authorized for members of a Reserve Component that is scheduled in advance by competent authority with a specific time and place designated. This does not include work or study performed in connection with correspondence courses or attendance at educational institutions in an inactive status.

470206. Insurable Dependent. The member's spouse (to include military spouse for family coverage), children as defined in the first sentence of Title 38 United States Code (U.S.C.) section 101(4)(A) ***(38 U.S.C. 101(4)(A))***, and, on or after October 10, 2008, the member's stillborn child, ***38 U.S.C. 1965(10)(C)***.

470207. Member. As defined in ***38 U.S.C. 1965***:

A. A person on active duty, active duty for training, or inactive duty training in the uniformed services in a commissioned, warrant, or enlisted rank, or grade, or as a cadet or midshipman of the United States Military Academy, United States Naval Academy,

United States Air Force Academy, or the United States Coast Guard Academy;

B. A person who volunteers for assignment to the Ready Reserve of a uniformed service and is assigned to a unit or position in which such person may be required to perform active duty, or active duty for training, and each year will be scheduled to perform at least twelve periods of inactive duty training that is creditable for retirement purposes;

C. A person who volunteers for assignment to a mobilization category in the Individual Ready Reserve, as defined in section ***10 U.S.C. 12304(i)(1)***; and

D. A member, cadet, or midshipman of the Reserve Officers Training Corps while attending field training or practice cruises.

470208. Traumatic Injury. Traumatic injury is damage to a living body that is caused by the application of external force, violence, or chemical, biological, or radiological weapons or accidental ingestion of a contaminated substance. It excludes damage to a living body caused by a mental disorder, or illness or disease, whether physical or otherwise in nature, except if the physical illness or disease is caused by chemical, biological, or radiological weapons or accidental ingestion of a contaminated substance.

4703 COVERAGE

470301. Full and Part Time Coverage

A. Full-Time Coverage. Effective September 1, 2005, this program automatically insures eligible members against death in the amount of $400,000 when the member is performing active duty or active duty for training for an ordered period of more than 30 days, or while on full-time duty as a cadet or midshipman at a Service Academy. All members of the Selected Reserve and other Ready Reserve/Guard members who are assigned or attached to a unit or position that may require performing active duty or active duty for training and that will be scheduled to perform at least 12 periods of inactive duty for training annually, also are covered full time (includes, but not limited to training and retired categories A, B, C, D, F, H, L, P, Q, T, and U). Members may elect coverage for an amount less than $400,000, in $50,000 increments, or may elect to waive coverage.

B. Part-Time Coverage. Part-time coverage is provided for the following members while performing active duty or active duty for training for an ordered period of less than 31 days:

1. Commissioned, warrant, or enlisted members of the Army, Navy, Air Force, Marine Corps and Coast Guard Reserves.

2. Members of the Individual Ready Reserve during 1-day call ups.

3. Members of the Army and Air National Guard while performing duty under ***32 U.S.C 316*** and ***32 U.S.C. 502 through 505***.

4. Members, cadets, or midshipmen of the Reserve Officers Training Corps while attending field training or practice cruises.

The eligible member is insured during the days of actual duty performance and becomes eligible for full-time coverage when the member performs active duty or active duty for training for an ordered period of more than 30 days.

C. Changes in Coverage. A member who is covered for an amount less than maximum SGLI coverage later may apply for increased coverage in writing in an amount of up to maximum SGLI coverage with proof of good health.

470302. Periods of Coverage. See Table 47-1.

470303. Forfeiture of Coverage. Any person guilty of mutiny, treason, spying, desertion, or who, because of conscientious objections, refuses to perform service in the Armed Forces of the United States, or refuses to wear the uniform of the Armed Forces, forfeits all rights to any coverage. This insurance is not payable for death inflicted as a lawful punishment for crime or for military or naval offense, except when inflicted by an enemy of the United States.

* 4704 MARRIED MEMBER'S DESIGNATION OF A BENEFICIARY OTHER THAN THE SPOUSE

Effective September 1, 2005, if a member designates a beneficiary for SGLI coverage other than his or her current lawful spouse or child(ren) or makes an election for reduced or no coverage, then the Secretary concerned shall notify the spouse, in writing, that the member has designated another person to receive payment of SGLI, or has made an election for reduced coverage or no coverage. The advisory must be made as quickly as possible or within 30 days from the date of such election. The notification will not include the name(s) of the actual designated beneficiary(ies). The requirement to provide notification is satisfied by a good faith effort to provide the required information to the spouse at the last address of the spouse in the records of the Secretary concerned.

4705 APPELLATE LEAVE

Continue coverage when SGLI coverage was never terminated prior to being placed on appellate leave (in a full duty status or never confined with loss of full pay and allowances). When placed on appellate leave following confinement with total forfeiture of pay and allowances (during which coverage had been properly stopped, see Table 47-1, rule 9), coverage is not reinstated. If appellate leave is followed by a restoration to duty with pay, then coverage is reinstated on the date the member returns to a full duty status and continues during period of excess leave. Coverage is reinstated at the amount in effect on the day prior to its stoppage.

4706 SGLI PREMIUMS

470601. Premium Rates. Effective July 1, 2008, the premium rates are as follows:

A. Full-Time Coverage. For members who meet the requirements for full-time coverage, the premium rate is 6.5 cents per month per $1,000 of coverage, $3.25 monthly for each $50,000, or $26.00 monthly for $400,000 of coverage. An additional $1 is charged each month for Traumatic Injury Protection under Servicemembers' Group Life Insurance (TSGLI). TSGLI coverage is automatic for those insured under basic SGLI and can be declined only by refusing basic SGLI coverage. When the member no longer meets the requirements for full-time SGLI coverage, the member's Service must notify the member of the pending termination of benefits. For rules concerning starting and stopping deductions, see Table 47-1. Monthly deductions are not prorated for partial months of service. Deduct the full monthly premium for any month in which a member is covered for at least 1 day. During months in which coverage amounts change, deduct the full month's premium for the higher coverage rate.

B. Part-Time Coverage. The premium rate for part-time coverage is $26.00 per year for $400,000 of coverage, plus the additional $1 charged for TSGLI for a total premium rate of $27.00. The annual premium is collected from the member's pay account during the first period of duty in which the member is in a pay status. Members of the Individual Ready Reserve will be charged $1.00 for $400,000 of coverage for 1-day call-ups.

470602. Non-Pay Status. During any month in which a member is assigned to the Ready Reserve of a uniformed service in a status referred to in section 4702, and is insured under a policy of insurance purchased by the Secretary concerned, the uniformed service concerned shall contribute, from the appropriation for active duty pay, the share of the cost attributable to insuring such member under this policy. Any amounts so contributed on behalf of the member shall be collected by DoD by deduction from the member's pay or otherwise which may include establishing a debt against the member's pay account, and shall be credited to the appropriation from which the contribution was made.

470603. Direct Remitters. Each Service must have clearly established programs to identify members who are required to make a direct remittance of premiums. Services must notify members at least 30 days in advance of the date the direct remittance is due. The notice will include the amount of the payment, the date it is due and the Service's address to which the payment should be sent. The member must make remittance within 30 days from the date of the notice.

470604. Failure to Make Remittance Within 60 Days. When the Secretary concerned (or designee) determines that a member has failed to make direct remittance within 60 days of the due date, the Secretary concerned (or designee) will send a "Notice of SGLI Termination" to the member's official address. The notice must clearly state that effective 60 days from the date of such notice the member's SGLI will be terminated. Termination of the insurance may be vacated if, before the expiration of 60 days from the date of the "Notice of SGLI Termination," the member remits all amounts past due for SGLI coverage and can justify the failure to make timely remittance to the Secretary concerned.

4707 REFUNDS

Refunds shall not be made of amounts deducted before the effective date of any election for reduced or waived coverage. When a request for reinstatement of coverage or for increased coverage is rejected by the Office of Servicemembers' Group Life Insurance (OSGLI), any increase in premiums withheld pending OSGLI rejection shall be credited to the member's pay account.

4708 EXTRA HAZARD COSTS

470801. Cost. In addition to the deduction from the member's pay, each Military Service contributes from its appropriations an amount (determined by the DVA) attributable to the extra hazard cost of SGLI. This premium reflects the cost of death claims in excess of the level of death claims that would result from normal peacetime service.

470802. Payment. The Military Services centrally pay the premium for extra hazard costs, along with the member premiums to the DVA.

*4709 SETTLEMENT OF SGLI CLAIMS

Death claims are filed with the OSGLI. The order of precedence for payment is the same as prescribed in subparagraph 471111.C. The OSGLI shall reduce the insurance proceeds by the amount of any member premiums not paid. Effective July 1, 2011, the SGLV ***Form 8283, "Claim for Death Benefits,"*** and ***Form 8283A, "Claim for Family Coverage Death Benefits,"*** were updated to reflect electronic funds transfer as a settlement payment option for the beneficiaries.

4710 FAMILY COVERAGE UNDER SGLI (FSGLI)

471001. Eligibility. FSGLI automatically covers spouses and dependent children (insurable dependents) of uniformed service members. In order for the spouse and children to be eligible for family coverage, the service member shall be enrolled in the full-time SGLI coverage. Enrollment for members of the Uniformed Services is based on dependent information in the Defense Enrollment Eligibility Reporting System (DEERS). For Marine Corps members, enrollment is based on dependent information on the Marine Corps Total Force System (MCTFS).

471002. Spousal Coverage. A spouse of an eligible member automatically is covered in the amount of $100,000. Coverage of a spouse, however, cannot exceed the member's SGLI coverage if such coverage is less than $100,000. For example, if the member's SGLI coverage is $50,000, then the coverage for the spouse cannot exceed $50,000.

471003. Cost. The premiums are based on the age and the amount of coverage of the spouse. The premium rates for the spouse are as follows:

Effective November 1, 2002

Age	Monthly Rate (Per $10,000)	Monthly Cost (Per $100,000)
Under 35	$0.90	$9.00
35 – 44	$1.30	$13.00
45 – 49	$2.00	$20.00
50 – 54	$3.20	$32.00
55 and Over	$5.50	$55.00

Effective July 1, 2003

Age	Monthly Rate (Per $10,000)	Monthly Cost (Per $100,000)
Under 35	$0.60	$6.00
35 – 39	$0.75	$7.50
40 – 44	$1.00	$10.00
45 – 49	$1.90	$19.00
50 – 54	$2.80	$28.00
55 – 59	$4.20	$42.00
60 and Over	$5.40	$54.00

Effective July 1, 2006

Age	Monthly Rate (Per $1,000)	Monthly Cost (Per $100,000)
Under 35	$0.055	$5.50
35 – 39	$0.07	$7.00
40 – 44	$0.09	$9.00
45 – 49	$0.14	$14.00
50 – 54	$0.27	$27.00
55 – 59	$0.40	$40.00
60 and Over	$0.52	$52.00

Effective July 1, 2010

Age	Monthly Rate (Per $1,000)	Monthly Cost (Per $100,000)
Under 35	$0.05	$5.00
35 – 39	$0.065	$6.50
40 – 44	$0.085	$8.50
45 – 49	$0.13	$13.00
50 – 54	$0.25	$25.00
55 – 59	$0.37	$37.00
60 and Over	$0.50	$50.00

471004. Children's Coverage. Each child is covered in the amount of $10,000 at no cost to the member. The member may not decline coverage or elect to insure any child for less than $10,000. In the case of a member married to another member, a child may not be insured by more than one member. The child shall be insured by the coverage of the member

whose eligibility for insurance occurred first, except in cases where the senior member does not have legal custody of the child. In such cases, the child shall be insured under the coverage of the member who has custody of the child.

471005. Member Married to Member. A member married to another member is eligible for coverage under this program. A member shall ensure that information contained in the DEERS/MCTFS is updated to reflect that the spouse is a member of the Uniformed Services so they can be enrolled automatically in FSGLI.

471006. Effective Date. Family coverage under SGLI is effective with regard to a member and dependents of that member on the latest of the following dates:

A. The date member enrolled in SGLI.

B. In the case of the spouse, the date of marriage.

C. In the case of the child, the date of birth. If the child is not a natural child of the member, then the date in which the child acquires status as dependent of the member.

D. November 1, 2001.

471007. Reinstatement or Increase in Coverage. The member must complete the ***VA Form SGLV 8286A*** ("Request for Family Coverage") to increase or reinstate FSGLI if coverage was previously reduced or declined. Proof of good health is required. If the good health requirement is met, then the effective date of reinstatement or increase of coverage is the date the application is received by the member's branch of service.

471008. Termination of Coverage

A. Family coverage under SGLI will stop 120 days after the date of an election made in writing by the member to terminate the coverage (a premium is due for the month in which the election is received; no further premiums are due), or

B. On the earliest date of 120 days after the:

1. Date of the member's death.

2. Member separates from the Service.

3. Termination of the dependent status as an insurable dependent of the member.

C. Date of termination of the insurance on the member's life.

471009. Refunds. See section 4707.

471010. Beneficiary. The member is the primary beneficiary for family coverage. For settlement of a claim, refer to paragraph 471113.

4711 TRAUMATIC INJURY PROTECTION PROGRAM (TSGLI)

471101. Definitions. The following definitions are applicable only to this section.

A. Traumatic Event. A traumatic event is the application of external force, violence, chemical, biological, or radiological weapons, or accidental ingestion of a contaminated substance causing damage to a living being occurring:

1. On or after December 1, 2005; or

2. On or after October 7, 2001, through November 30, 2005, if the scheduled loss is a direct result of a traumatic injury incurred in Operation Enduring Freedom or Operation Iraq Freedom. A traumatic event ***does not*** include cases involving adverse reactions to vaccinations, surgical trauma, or adverse outcomes of medical procedures.

B. Traumatic Injury Protection. Traumatic injury protection provides for the payment of a specified benefit amount to a member insured by SGLI who sustains a traumatic injury directly resulting in a scheduled loss.

471102. Eligibility. The TSGLI under the auspices of the SGLI program provides payments to severely injured members who suffer a scheduled loss as a direct result of serious trauma incurred under conditions in subparagraph 471101.A, such as a loss of an arm or leg (see ***38 Code of Federal Regulations (CFR) 9.20(e)(7)***). If the member suffers more than one such qualifying loss as a result of traumatic injury from the same traumatic event, then payment shall be made for the single loss providing the highest payment. This monetary assistance helps the member and his/her family through an often long and arduous treatment and rehabilitation period. In order for a member to be eligible for TSGLI benefits, the member must meet the following requirements:

A. Must be a member of the uniformed services and insured by SGLI under ***38 U.S.C. 1967(a)(1)(A)(i), (B), or (C)(i)*** on the date of the traumatic event. For this purpose, the member will be considered a member of the uniformed services until midnight on the date of termination of the member's duty status in the uniformed services that established eligibility for SGLI, notwithstanding an extension of SGLI coverage under ***38 U.S.C. 1968 (a)***.

B. Must suffer a scheduled loss (e.g., an arm, a leg) as a direct result of a traumatic injury and no other cause.

C. Must survive a period of not less than 7 full days from the date of the traumatic injury. The 7-day period begins on the date and Zulu (Greenwich Meridian) time of the traumatic injury and ends 168 full hours later.

D. Must suffer a scheduled loss (e.g., an arm, a leg) within 2 years of the traumatic injury.

471103. Limitations. A benefit will not be paid if a scheduled loss is due to a traumatic injury caused by:

A. The member's attempted suicide, while sane or insane.

B. An intentionally self-inflicted injury or an attempt to inflict such injury.

C. Medical or surgical treatment of an illness or disease.

D. Willful use of an illegal or controlled substance, unless administered or consumed on the advice of a medical doctor.

471104. Other Limitations. A benefit will not be paid for a scheduled loss resulting from:

A. A physical or mental illness or disease, whether or not caused by a traumatic injury, other than a pyogenic infection or physical illness or disease caused by biological, chemical, or radiological weapons or accidental ingestion of a contaminated substance.

B. A mental disorder whether or not caused by a traumatic injury.

471105. Exclusion. For the purposes of this section, if the member is insured under SGLI only as an insurable dependent of another service member, then the insurable dependent shall not be considered a member insured under TSGLI.

471106. Effective Date. Effective December 1, 2005, all members covered by SGLI program will be automatically covered under TSGLI. Members must decline SGLI coverage in order to cancel TSGLI.

471107. Retroactive Provision. The retroactive provision was designed to provide financial assistance to members who incurred traumatic injuries in the theater of operations of Operation Enduring Freedom (OEF) or Operation Iraq Freedom (OIF) on or after October 7, 2001, but before December 1, 2005. For such purpose, a member must have been deployed outside of the United States on orders in support of OEF/OIF or serving in a geographic location that qualifies the member for the Combat Zone Tax Exclusion. This applies to all affected members regardless of enrollment status in the SGLI program. See paragraph 471108 for coverage amount.

471108. Amount of Coverage. Effective December 1, 2005, members who suffer a loss from a traumatic injury are eligible to receive monetary compensation of not less than $25,000 and not more than $100,000.

471109. TSGLI Premium. Deduct a monthly premium of $1.00 in addition to SGLI premium from the member's pay beginning December 1, 2005, or from the month the member's SGLI coverage begins. There is no cost for TSGLI coverage for a member while performing funeral honors and muster duties.

471110. Termination of TSGLI

A. TSGLI coverage terminates at midnight of the last day of the month that the member is no longer covered under SGLI or at midnight of the date of the member's separation from service, whichever occurs first.

B. TSGLI coverage is not in effect during the 120-day post-separation period or during the 2-year SGLI disability extension.

C. TSGLI cannot be converted to Veterans' Group Life Insurance or commercial coverage.

471111. Payment of Traumatic Injury Protection Benefit. The payment of traumatic injury protection benefit shall be paid to the member who suffered the scheduled loss except under the following circumstances:

A. If the member is legally incapacitated, then the member's legal guardian or agent or attorney acting under a valid Power of Attorney will be paid the benefit on behalf of the member.

B. If no guardian, agent, or attorney is authorized to act as the member's legal representative, then a military trustee who has been appointed under the authority of ***37 U.S.C. 602***, shall be paid the benefit on behalf of the member. The military trustee will report the receipt of the traumatic injury benefit payment and any disbursements from that payment to the Department of Defense per subparagraph 471203.D.

C. If a member who is eligible for payment of TSGLI benefits dies before payment is made, then pursuant to ***38 U.S.C. 1970(a)***, then the beneficiary or beneficiaries will be paid the benefit in the following order of precedence:

1. Beneficiary designated by the member in writing, if the designation is received by the Military Department concerned before the member's death.

2. Surviving spouse.

3. Children and their descendants, by representation. The term "children" includes the following:

a. Legitimate Children

b. Legally Adopted Children

c. Illegitimate Children. An illegitimate child of a female member is an eligible beneficiary. An illegitimate child of a male member is an eligible beneficiary only if:

(1) The member acknowledged the child in a writing signed by the member; or

(2) The member has been judicially ordered to contribute to the child's support; or

(3) The member has been, before his death, judicially decreed to be the father of such child; or

(4) Proof of paternity is established by a certified copy of the public record of birth or church record of baptism showing that the insured was the informant and was named as father of the child; or

(5) Proof of paternity is established from service department or other public records, such as school or welfare agencies, which show that with his knowledge the insured was named as father of the child.

Note: A stepchild is not an eligible beneficiary unless adopted by the deceased member.

4. Father and mother in equal parts or, if either is dead, then the survivor.

5. Legal representative of the deceased member's estate.

6. Person entitled under the law of the domicile of the deceased member.

471112. Taxability. Pursuant to ***38 U.S.C. 5301***, all benefits paid under any law administered by the VA are exempt from taxation. SGLI is a benefit administered by the VA; therefore, all benefits paid are not taxable. If an overpayment occurs and the overpayment is not returned, then the benefit may be taxable.

471113. Settlement of Claims. The member must complete Part A of the Application for TSGLI Benefits Form, sign and submit the form to his/her Service representative for review and certification. Once the claim is approved, the Service representative will forward the claim to OSGLI for payment.

471114. Appeal of Eligibility Determination. To appeal the denial of a claim for TSGLI benefits, an appeal of eligibility determination must be submitted in writing by the member or member's legal representative, or by the beneficiary or the beneficiary's legal

representative, within 1 year of the date of the denial of eligibility. The appeal must be submitted to the office of the uniformed service identified in the decision regarding the member's eligibility for the benefit.

4712 DESIGNATION OF FIDUCIARY OR TRUSTEE UNDER TSGLI

471201. Authority. Pursuant to ***38 U.S.C. 1980A(k)***, the Secretary concerned, in consultation with the Secretary of Veterans Affairs, shall develop a process for the designation of a fiduciary or trustee of a member of the uniformed services who is insured against traumatic injury under section 4711. The trustee shall receive payment for a qualifying loss under section 4711 in the event that the member becomes medically incapacitated or experiences an extended loss of consciousness.

471202. Appointment of Fiduciary or Trustee. If a member is legally incapacitated and has no legal guardian, agent, or attorney acting on his or her behalf, then a fiduciary or trustee may be appointed to act on the member's behalf. The authority to appoint military trustees has been delegated to the Director, DFAS Cleveland.

A. The fiduciary or trustee appointed by the Director, DFAS Cleveland, has the authority to receive, expend, and account for monies received from the military and, specifically under this section, TSGLI benefits. The trustee must use the monies received for the benefit of the incompetent member.

B. All applications to appoint a trustee and related documentation should be submitted to:

Defense Finance and Accounting Service
Retired Pay Department
P.O. Box 998021, Room 2331,
Cleveland, OH 44199-8021

C. The Director, DFAS Cleveland may designate one of the following persons as trustee for an incompetent military member if the trustee is 21 years of age or over:

1. Lawful spouse (not subject to age requirement).

2. Children:

   a. Legitimate Child.

   b. Adopted Child.

3. Father and mother.

4. Head of an institution, if member is a patient.

5. Any other person or persons if in the best interest of the member.

471203. Authority of Fiduciary or Trustee. The fiduciary or trustee:

A. Can access and choose how to disburse the member's TSGLI benefit payment. The designated trustee must furnish a suitable bond when the amount received may exceed $1,000. The required bond must have as the surety a company approved by the United States Government and be in an amount stipulated by the Director, DFAS Cleveland. If a bond is required, then only the premium fee charged by the bonding company may be paid from funds received on behalf of the member. Other expenses incurred when securing the bond shall not be paid with member funds.

B. Shall submit a Department of Defense Form 2827, "Application for Trusteeship," as verification of appointment as trustee of the member.

C. Has the ability to gain access to the Alliance Account after providing written confirmation of his or her appointment of fiduciary or trustee by DFAS.

D. Must provide an annual accounting of any disbursements, including the TSGLI payments, to the Director, DFAS Cleveland. The report must show all funds received, all expenditures made on behalf of the member and a statement of the condition of the trustee's account at the time the report is submitted. Upon request the trustee may be required to provide receipts, cancelled checks, voucher accounts, savings account pass book and other supporting financial documents of the trustee account.

4713 REIMBURSEMENT ALLOWANCE FOR SGLI PREMIUM DEDUCTION

471301. General. The Secretary concerned shall pay an allowance to a member of the Armed Forces based on the SGLI premium of the SGLI coverage held by a member while serving in the theater of operations for OEF or Operation New Dawn (OND) at anytime during the month. In order to qualify for this allowance, a member must be deployed outside of the United States and serving in the theater of operations for OEF or OND and have SGLI coverage.

471302. Premiums. Effective February 1, 2006, the reimbursement is the monthly premium for the first $150,000 of SGLI coverage plus the cost for TSGLI of $1.00, which is automatically extended to any member covered under the SGLI program. Effective November 1, 2006, the allowance is equal to the SGLI premium for the SGLI coverage the member elected, not to exceed $400,000 plus TSGLI of $1.00. The member must complete an SGLV Form 8286 (SGLI Election and Certificate) to increase or decrease SGLI coverage. See the following example to determine the amount of the allowance.

Example: A member deployed to the theater of operations for OEF/OND chooses to retain coverage of $400,000. That member's January premium would be $27.00 ($3.25 for $50,000 of coverage times 8, plus $1.00 for TSGLI). Effective February 1, 2006, the member would receive an allowance equal to $10.75 ($9.75 for $150,000 in coverage, plus $1.00 for TSGLI). Effective November 1, 2006, if member chooses to retain coverage of $400,000, then

the allowance reimbursement would equal the premium of $29.00 ($3.50 for $50,000 times 8 plus $1.00). NOTE: Effective July 1, 2008, the SGLI premium was decreased to $3.25 per $50,000 of coverage.

471303. Tax Implication. The premium amount for the first $50,000 of coverage is excludable from taxable income. Therefore, and based on the example in paragraph 471302, the member's taxable amount is $7.50 ($10.75 less $3.25). The $7.50 amount may also be excludable from taxable income if the amount is earned while serving in a Combat Zone Tax Exclusion area. For officers, however, the exclusion of the allowance from taxable income is subject to application of the monthly maximum combat zone tax exclusion. Also, see paragraph ***440102***.

EFFECTIVE DATES OF SGLI COVERAGE AND DEDUCTIONS (FULL TIME AND PART-TIME)			
	A	B	C
RULE	When a member required to perform duty described in section 4703, or paragraphs *580106, 580107, or 580702*	then the effective date of	and SGLI deduction (note 1)
1	enters such duty	coverage is the first day of entry on such duty (note 2). Maximum basic coverage is automatically in effect until the member elects reduced coverage or waives coverage (note 3)	starts the month of the date of entry.
2	resumes the obligation or reenters on such duty in the same Uniformed Service the day following termination of such period of obligation (note 4)	insurance coverage (excluding elections of reduced or no coverage) is continuous (note 5)	continues at the appropriate rate.
3	elects a reduced amount of coverage after entry on such duty	coverage is the first day of the month following receipt by the Uniformed Service of the member's election, entered on VA Form SGLV 8286 or, if applicable, DA Form 41 (note 6)	starts in the reduced amount the first day of the month following receipt of the member's election. For deduction refunds, see section 4707.
4	applies for increase or reinstatement of coverage after entry on such duty	coverage is the date of receipt by the Uniformed Service of the application with evidence of good health (note 7)	starts the month of the date the application is received by the Military Service.
5	elects not to be covered (declines or cancels) after entry on such duty	termination is the first day of the month following receipt by the Uniformed Service of the member's election, entered on VA Form SGLV 8286 (note 6)	stops at the end of the month in which the member's election is received by the Military Service. For deduction refunds, see section 4707.
6	is covered full time and is separated and does not reenter active duty or immediately resumes part-time coverage	termination is 120 days after separation (note 8)	stops at the end of the month of separation.
7	is covered on a part-time basis and qualified period of duty ends	termination is the day active duty or active duty for training ends, or the hour inactive duty ends (notes 3, 9 and 10)	see paragraph 580706.
8	is a member of a Reserve Component not covered on a full-time basis and is called to extended active duty, ADSW, or mobilization	coverage is the first day of active duty (maximum basic coverage is automatic unless a member applies for reduced or no coverage).	

Table 47-1. Effective Dates of SGLI Coverage and Deductions (Full Time and Part Time)

EFFECTIVE DATES OF SGLI COVERAGE AND DEDUCTIONS (FULL TIME AND PART TIME)			
	A	**B**	**C**
RULE	**When a member required to perform duty described in section 4703, or paragraphs *580106, 580107, or 580702***	**then the effective date of**	**and SGLI deduction (note 1)**
9	is covered full time and is AWOL, confined by civil authorities under a sentence adjudged by a civilian court, or confined by military authorities under a court-martial sentence involving total forfeiture of pay and allowances	termination is at the end of the 31st continuous day of such status (note 11)	stops at the end of the month in which the 31st day of such status is reached.
10	forfeits rights to SGLI under the provisions of section 4703 and paragraph 580708	termination is the end of the day before the date of conviction, refusal to perform service, or refusal to wear the uniform (note 12)	stops at the end of the month in which coverage is terminated.

NOTES:

1. Members in an excess leave status normally remain eligible for coverage. (See section 4705 for the appellate leave exception.). Establish monthly premiums in such cases as deductions against member pay accounts or collect as cash according to procedures of the Military Service concerned.
2. First-time enlistees in the Selected Reserves are eligible for coverage on the date of enlistment when assigned to a Ready Reserve unit that meets the requirements of ***38 U.S.C. 1965(5)(B)***, regardless if they are or are not required to participate in periods of inactive duty training and have not yet been called to their initial active duty period. This does not apply to delayed entry active duty enlistees.
3. Elections made by Reserve Component members continue in effect during continuous obligation to perform duty in the same Uniformed Service. Reserve Component members are not required to reelect or reapply for their desired level of coverage each time they perform duty. For the exception, see rule 8.
4. A new period of coverage begins and new elections must be submitted when a member resumes an obligation to perform duty or reenters on duty in the same Uniformed Service more than 1 day following termination of previous obligation; or when a member assumes an obligation to perform duty and enters on duty in a different Uniformed Service at any time. A member entering active duty after a break in service is automatically covered by the maximum basic coverage, until the member elects otherwise, even though the member may have converted former SGLI coverage to an individual policy following last discharge or release from active duty. A former member, insured under the Veterans Group Life Insurance (VGLI) Program, who declines SGLI coverage solely to maintain VGLI coverage, upon termination of VGLI, shall be automatically insured under maximum basic coverage if the member otherwise is qualified.
5. Any previous election not to be insured or to be insured for less than $400,000 is canceled. Maximum basic coverage is automatically in effect unless member again elects not to be insured or to be insured in a reduced amount.
6. For members covered on a part-time basis, an election for reduced or no coverage is effective at the end of the last day of the duty period being performed. If the election is made outside a duty period, then the reduced or waived coverage is effective when the election is received by the Military Service.

Table 47-1. Effective Dates of SGLI Coverage and Deductions (Full Time and Part Time) (Continued)

7. Increase or reinstatement of coverage is contingent upon written application by the member on DVA Form SGLV 8285, Request for Insurance, and approval by the OSGLI.
8. In the case of members totally disabled on the date of separation from such duty, the insurance shall cease 1 year after the date of separation or on the date the insured ceases to be totally disabled, whichever is earlier, but in no event prior to the expiration of 120 days after separation.
9. Part-time coverage is in effect only on the days of active duty, active duty for training, and while remaining overnight immediately before the commencement of inactive duty training and while remaining overnight immediately before the commencement of inactive duty training, or while remaining overnight between successive period of inactive duty training, at or in the vicinity of the site of the inactive duty training, if the site is outside reasonable commuting distance from the member's residence and, including periods of travel to and from such duty.
10. Coverage continues for 120 days after the period of duty if the member, during that duty period, incurs or aggravates a disability and the disability renders the member uninsurable at standard premium rates according to good health standards approved by the VA and as determined by the OSGLI.
11. Members carried in an AWOL or confined status, except for an offense listed in section 4703, remained eligible for coverage. Insurance terminated under the provisions of rule 9, together with any elections made, will be automatically reinstated as of the date the member is restored to duty with pay. Start premium deductions at the appropriate rate on the month of the date the member is restored to duty with pay.
12. Members restored to duty under conditions which, in effect, result in a remission of sentence may apply for reinstatement of coverage under rule 4.

Table 47-1. Effective Dates of SGLI Coverage and Deductions (Full Time and Part Time) (Continued)

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Table 47-1 Note 5	VA Handbook, Chapter 4, paragraph 4.01

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 48
"COURT-MARTIAL SENTENCES"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
480203	Eliminated the reference to Court-Martial sentences on and after May 1, 1975.	Update
480205	Eliminated the reference to Court-Martial sentences after March 31, 1996.	Update
480306	Eliminated the NOTE referencing Court Martials for offenses committed before March 31, 1996 and after April 1, 1996.	Update
480306.A	Eliminated the reference to Court-Martial sentences after March 31, 1996.	Update
480502	Clarified the effective date for forfeitures paragraph based on current law.	Update
Section 4806	Deleted "Loss of Pay and Allowances When Confined Under Sentence to Dishonorable Discharge, Army and Air Force". The law was repealed.	Delete
Sections 4807 to 4813	Renumbered to 4806 to 4812.	Update
Table 48-1 Bibliography	Updated the Appellate Review Requirements.	Update
Bibliography	Updated with current references.	Update

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CHAPTER 48

COURT-MARTIAL SENTENCES

4801 EFFECT OF SENTENCES ON PAY AND ALLOWANCES

480101. Forfeitures

A. A sentence to partial forfeiture of pay deprives a member of the amount of pay stated in the sentence. The sentence applies for the number of months or days expressly stated.

B. Forfeitures apply to pay (and allowances if total forfeitures of pay and allowances are specifically adjudged) becoming due on and after the date the sentence is approved by the convening authority, unless the convening authority suspends or remits the forfeiture.

480102. Fines. A fine is in the nature of a judgment. It makes a member pecuniarily liable to the United States for the amounts specified in the sentence. Fines are not self-executing. They are debts to the government until:

A. Paid in cash by the member;

B. Collected by deduction from the member's current pay; or

C. Collected by deduction on settlement of a member's pay account at discharge.

480103. Forfeiture of Allowances. Allowances are forfeited only when a sentence by a general court-martial includes forfeiture of all pay and allowances.

480104. Application of Forfeitures. This means that forfeitures are withheld (as distinguished from collected) on and after the date a sentence is approved by the convening authority. It applies when a court-martial sentence, as approved by the convening authority, includes forfeiture and confinement, not suspended, or deferred, and the sentence is such that further appellate review is required before the sentence can be ordered executed.

480105. Execution of Forfeitures. This means actual collection of forfeitures when a sentence is ordered executed. The order of execution authorizes the collection of any monies withheld during the period specified in the convening authority's initial order to apply the forfeitures, and any monies remaining to be collected from current pay during the remainder of the period of the approved sentence. If any amount ordered forfeited is not actually withheld or collected during the period specified by the approved sentence, such amount may be collected involuntarily as an erroneous payment as provided in ***Table 50-1***, rule 3, at a rate not to exceed the maximum authorized by ***Table 50-6***, rule 2. The collection rate, however, will not be less than that fixed by the approved sentence.

4802 REQUIREMENT FOR REDUCTION IN GRADE UNDER CERTAIN COURT-MARTIAL SENTENCES

Unless otherwise provided in regulations of the Military Service concerned, a court-martial sentence, as approved by the convening authority which includes dishonorable or bad conduct discharge, confinement, or hard labor without confinement, by operation of law requires reduction of an enlisted member to pay grade E-1 effective on the date of that approval. If the sentence of a member who is thus reduced in pay grade is set aside or disapproved, or, as finally approved, does not include any of the above punishment, all rights and privileges denied the member because of the reduction are restored. The member is entitled to the pay and allowances to which member would have been entitled, for the period the reduction was in effect, had the grade reduction not been applied. The Military Services apply reduction in this instance as follows:

480201. Army. An accused member may be retained in the grade held at the time of the sentence or in any intermediate grade if the convening or higher authority, taking initial action on the case, suspends all elements of the sentence which would otherwise require reduction to pay grade E-1 by operation of law and provides for retaining the member's present or intermediate grade as set forth in ***Army Regulation (AR) 600-8-19***. When the action set forth in ***AR 600-8-19*** is not taken, the member is reduced to pay grade E-1 effective on the date the sentence is approved by the convening authority.

480202. Navy and Marine Corps. Exercising sole discretion, the convening authority or supervisory authority may retain the accused member in the pay grade held at the time of sentence or an intermediate pay grade and suspend the automatic reduction to pay grade E-1 which would otherwise be affected. The automatic reduction may be suspended without regard to whether any part of the approved sentence was suspended. Additionally, the convening authority may direct that the accused serve in pay grade E-1 while in confinement but be returned to the pay grade held at the time of sentence or an intermediate pay grade upon release from confinement. If, however, the adjudged sentence included a reduction in pay grade, the reduction should be suspended for the same period as the automatic reduction is suspended. Failure of the convening authority to address automatic reduction will result in the automatic reduction to pay grade E-1 on the date of the convening authority's action.

* 480203. Air Force. Reductions in grade must be expressly stated in the court-martial sentence. If the sentence includes an approved reduction, as well as punitive discharge, confinement at hard labor, or hard labor without confinement, the member will be reduced under ***Article 58a, Uniform Code of Military Justice (UCMJ)***, at the time of action by the convening authority. The reduction, if approved, will not be delayed until completion of appellate review under ***Article 71(c), UCMJ***.

480204. Effective Date of Automatic Reduction in Grade. If an enlisted member is reduced by operation of law to pay grade E-1, the effective date of the reduction is the date on which the sentence is approved by the convening authority.

* 480205. Reduction in Grade as a Result of Court-Martial Sentence. A reduction in grade that is imposed as part of a court-martial sentence takes effect on the date the sentence is approved by the convening authority, or on the 14th day after the sentence is adjudged, whichever is earlier.

4803 FORFEITURES

480301. Pay Subject to Forfeiture. Forfeitures, other than total forfeitures apply to:

A. Basic pay, based on the member's years of service, and

B. Career sea pay or hardship duty pay, provided such pay continues to accrue after the effective date of the sentence.

C. An allotment made voluntarily.

480302. Pay Not Subject to Forfeiture. Forfeitures, other than total forfeitures, do not apply to special (other than sea or hardship duty pay) or incentive pay.

480303. Taxes. A forfeiture is a loss of entitlement to the pay involved. Consequently, forfeitures are not taxed. Compute the amount of pay to be forfeited before withholding for federal and state income and Federal Insurance Contribution Act (FICA) taxes. Compute taxes from the remaining pay not forfeited.

480304. Reduction in Grade. If a member's sentence includes or requires a reduction in grade, apply forfeitures to the pay of the grade to which reduced.

480305. Concurrent Forfeitures. When two or more sentences require forfeitures for a concurrent period, the amount stated in each sentence is forfeited only for the specified period. If each forfeiture results from a court-martial under which the maximum forfeiture which could be imposed is two-thirds of the pay subject to forfeiture, collect only two-thirds of the pay subject to forfeiture for the concurrent period. Following the concurrent period, pay is forfeited under the remaining sentence at the rate specified in the sentence for the time remaining in that sentence.

480306. Forfeiture of Pay or Allowances During Certain Court-Martial Confinements

* A. General Court Martial. A member automatically forfeits all pay and allowances while in confinement or in a parole status when the member is sentenced to:

1. Death; or

2. Confinement for more than 6 months; or

3. Confinement of any length and either a dishonorable discharge, a bad conduct discharge, or a dismissal.

B. Special Court Martial. The forfeiture provisions in subparagraph 480306.A also apply for sentences adjudged by special court martial. However, automatic forfeitures are limited to two-thirds of all pay.

C. Waiver of Forfeitures in Favor of Dependents. The convening authority or a person acting under ***10 U.S.C. 860*** may waive any or all of the forfeitures of pay and allowances that were imposed by operation of law ("automatically"). The portion waived is payable to the accused member's dependent(s) as directed by the convening authority or person taking action.

1. Intent of Waiver and Taxability of Waived Forfeiture Amount. Direct payments to dependents, of the waived portion of a forfeiture are intended to provide transitional compensation and direct financial assistance for a period not to exceed 6 months. Because the waived portion of the forfeiture remains wages generated by the member's military status, it is taxable income to the accused member, even though paid to the member's dependents. Therefore, after appropriate federal, state, and FICA taxes are withheld from the taxable portion of the waived forfeiture amount, and the remaining (net) waived amount is paid to the member's dependent(s), as directed. See ***Table 44-1***, rule 8.

2. Other Deductions and Collections. The UCMJ contains no provisions for the deduction of any of the items appearing in ***Table 52-1*** from the waived forfeiture of pay and allowances. Therefore, only applicable taxes listed in subparagraph 480306.C.1, may be deducted from the waived portion of pay and allowances that would otherwise be forfeited, with the remaining amount paid to the member's dependent(s), as directed by the convening authority. See ***Table 44-1***, rule 20, and ***Table 45-2***, rule 2.

3. Effective Date of Payments. The effective date of any payment is the date directed by the convening authority or, if not specifically stated, the date of the convening authority action on the waiver.

D. Effect of Disapproval, Set Aside, or Reduction of Punishment. If the sentence of a member who forfeits pay and allowances is set aside or disapproved or, as finally approved, does not provide for a punishment listed in subparagraph 480305.A, then pay the member the pay and allowances that the member would been paid except for the forfeiture, for the period during which the forfeiture was in effect. The payment to the member should be reduced by the amount of any payments made to the member's dependents under subparagraph 480305.C.

NOTE: The net refundable automatic forfeiture amount to be paid to eligible members (see subparagraphs 480306.A and 480502.B) is current year taxable income subject to appropriate withholding of federal, state, and FICA taxes.

4804 EXECUTION OF COURT-MARTIAL SENTENCES APPELLATE REVIEW REQUIREMENTS

See Table 48-1.

4805 EFFECTIVE DATES OF FINES AND FORFEITURES

480501. Fines. Begin collection of fines on the date the convening authority orders execution of the sentence.

* 480502. Forfeitures

A. Forfeitures of pay or pay and allowances start on the date the convening authority approves that part of the sentence establishing the forfeiture, or on the 14th day after the date the sentence was adjudged, whichever is earlier.

B. Upon application by the accused, the convening authority may defer the start of the forfeiture until the date the convening authority approves the sentence. The convening authority may revoke the deferment at any time.

C. A convening authority may defer the execution of a forfeiture until a prior forfeiture is executed.

*4806 COLLECTION

480601. Forfeitures. Since court-martial forfeitures constitute a loss of entitlement to the pay or pay and allowances concerned, they constitute a reduction of pay that takes precedence over all debts (see ***Table 52-1***, rule 1).

480602. Fines. Fines constitute indebtedness to the United States. Collect fines as follows:

A. Current Pay. Fines may be collected involuntarily from the current pay of all members. They are collected after all other prior indebtedness for the period involved has been collected. If prior deductions reduce the member's pay by two-thirds of gross pay for any month, no pay accrues against which fines may be applied. In such case, defer collection of fines until pay accrues against which they may be applied.

B. Final Pay. Fines may be collected involuntarily from the final pay of all members. They are collected after all other indebtedness. Collections will not reduce pay received by enlisted members of the Army or Air Force to less than one-third of gross pay. Separation travel allowances and donations on discharge will not be used to liquidate an indebtedness for enlisted members. Otherwise, all final pay and amounts due the member at separation may be collected involuntarily. See ***Table 50-6***, rule 2.

480603. Rate of Collection. Charge forfeitures of pay, as approved and ordered executed, against a member's pay at the rate required by the sentence until the sentence is fully satisfied. Forfeitures of pay are considered as collected from day to day as pay accrues. Prorate the monthly rate of forfeiture on a daily basis for a portion of a month. The amount of forfeiture or fine is governed by the language of the sentence. For example, a sentence to forfeit $20 per month for 6 months means a forfeiture of $120 to be collected at $20 per month. Pay cannot be forfeited by implication. For example, a sentence reading "to be confined for 2 months and to forfeit $60 of his or her pay for a like period," does not mean a forfeiture of $60 per month for 2 months, or a total of $120, but means a forfeiture of only $60.

480604. Non-Pay Status. During periods when a member is in a non-pay status, pay does not accrue against which forfeitures or fines can apply. Do not count such periods in computing the time during which pay is forfeited for a specific period.

480605. Restoration to Duty. A member restored to duty following a non-pay status is again entitled to pay against which forfeitures or fines may apply.

480606. Service Beyond Estimated Term of Service (ETS) for Medical Care. The pay and allowances of an enlisted member retained beyond ETS for medical care or hospitalization are subject to forfeitures and fines.

480607. Non-collection Due to Administrative Error. Collect court-martial forfeitures not collected due to administrative error when the error is discovered. Collection may be made for the court martial forfeiture or for erroneous payments made during the period covered by the sentence. Indebtedness of this type cannot be remitted under statutes authorizing remission of indebtedness.

480608. Pay Due or Accrued. Pay of a member subject to forfeiture by sentence of court martial is pay which is earned on and after the effective date of the forfeiture. See section 4805.

480609. Forfeiture Based on Reserve Status in Certain Circumstances. All punishments (as the result of any offense committed on or after March 12, 1987) remaining unserved (A) at the time a member of a Reserve Component is released from active duty or (B) at the end of a period of active duty training or the end of any normal period of inactive duty training may be carried over to subsequent periods of inactive duty training or active duty. A forfeiture of pay may be collected from active duty and inactive duty training pay during subsequent periods of duty. See section 4812.

*4807 REMISSION, SUSPENSION, AND CANCELLATION OF FORFEITURES

480701. Death or Separation

A. The death or discharge of a member under a suspended sentence operates as a complete remission of any unexecuted or unremitted part of a sentence.

B. Discharge, release from active duty (except under paragraph 480609), or death of a member under an unsuspended sentence to forfeiture cancels any uncollected portion of the forfeiture which would extend beyond the date of discharge, release, or death.

480702. End of Term of Service, Unauthorized Absence, or Desertion. The end of term of service of a member in military confinement, the unauthorized absence, or desertion of a member, stops collections of uncollected forfeitures since no pay accrues against which forfeitures can operate. If an unauthorized absentee or deserter is restored to pay status, resume otherwise proper collections.

480703. Extension of Enlistment. When an enlisted member begins to serve on a voluntary extension of enlistment, cancel any uncollected forfeitures the collection period of which would extend beyond the normal expiration of term of service. Involuntary extensions of enlistment do not interrupt collection of forfeitures.

480704. Restoration to Duty. A member under sentence to dishonorable or bad conduct discharge, total forfeiture, and confinement, released from confinement and restored to duty, is entitled to pay and allowances from the date restored to duty, and the forfeiture becomes inoperative thereafter. This applies even though no other action may have been taken to suspend, remit, or mitigate the sentence to total forfeiture. A restoration to duty to serve out an incomplete enlistment, from which an enlisted member has received a sentence of dishonorable or bad conduct discharge, revives partially unsatisfied forfeitures.

480705. Effective Date. Except when a later date is specified, an order remitting, mitigating, or suspending the unexecuted portion of a sentence is effective from and includes the date of the order. Such an order relieves the member of the unexecuted portion of the forfeiture or fine on and after the effective date.

480706. Results of Remission or Suspension. When an unexecuted portion of a sentence to forfeiture or fine is remitted or suspended, the member is no longer subject to the unexecuted forfeiture or fine. If forfeitures have been applied (as distinguished from collected), the member is relieved of such forfeitures.

480707. Vacation of Suspension. When a suspension of a forfeiture or fine is vacated, the uncollected forfeiture or fine is revived and proper for collection.

*4808 SENTENCES DISAPPROVED OR SET ASIDE

480801. When New Trial or Rehearing Is Not Ordered. When a court martial sentence is set aside or disapproved and a new trial or rehearing is not ordered, all rights, privileges, and property affected by the executed part of the sentence are restored to the member. Such restoration includes any executed forfeiture and any pay and allowances lost as a result of an executed reduction in grade.

480802. New Trial or Rehearing Ordered

A. When an executed court martial sentence which includes a forfeiture is set aside or disapproved, and a new trial or rehearing is ordered that results in an approved sentence to forfeiture, credit the member with the amount of any forfeiture affected under the first sentence. When an unexecuted court-martial sentence which includes a forfeiture is set aside or disapproved and a rehearing is ordered, the member is entitled to full pay and allowances (subject to other proper deductions) for the period from the convening authority's action on the original sentence until the convening authority's action on the subsequent sentence. Entitlement to pay and allowances thereafter depends on the terms of the new sentence.

B. When a previously executed dishonorable or bad conduct discharge is not imposed by a new trial, the member is entitled to the pay and allowances which the member would have received had the dishonorable or bad conduct discharge not been executed. When a previously executed dismissal of an officer is not imposed by a new trial, an administrative discharge is substituted. The President may reappoint the officer to the grade and rank the officer would have attained if the officer had not been dismissed. The total time between the dismissal and reappointment is considered as actual service for all purposes, including pay and allowances.

*4809 REIMBURSEMENT OF PAY WITHHELD UNDER ILLEGAL SENTENCES

A member is entitled to reimbursement for pay withheld under an illegal sentence of a court martial.

*4810 PAY AND ALLOWANCES WHILE ON PAROLE

A member released on parole from a disciplinary barracks is considered to be in an authorized leave status and is entitled to pay and allowances to the extent the member has unused accrued leave to the member's credit, less any fines and forfeitures still remaining in effect. Once the member's accrued leave has been used, the member is considered to be in an excess leave or leave without pay status and is not entitled to pay and allowances during this period unless, upon appellate review, the conviction is completely overturned or set aside. If the member is subject to a new trial or rehearing, however, apply the provisions of paragraph 480802.

*4811 DISPOSITION OF COURT MARTIAL FORFEITURES AND FINES

Transfer court-martial forfeitures and fines of Armed Forces (regular and Reserve) enlisted members, warrant officers, and limited duty officers to the Armed Forces Retirement Home Trust Fund. Transfer only those amounts that are in excess of any government indebtedness. For purposes of this paragraph only, the term "government indebtedness" refers to an amount due from the member for reimbursement to the government. For example, the repayment of an advance of pay is a reimbursement but, an amount due to the Internal Revenue Service, while considered a debt to the government, is not a "reimbursement" or "government indebtedness," for purposes of this paragraph.

481101. Separation From Service Not Involved. When enlisted members, warrant officers or limited duty officers have been sentenced by court martial to forfeit all or part of their pay, no part of the forfeiture is creditable to Armed Forces Retirement Home Trust Fund until amounts equal to all outstanding indebtedness to the government have been withheld. Transfer only those amounts forfeited that are in excess of any government indebtedness or amounts owed any individuals. In addition, for the purposes of this paragraph, the term "amounts owed any individuals" refers to amounts owed from a member's pay by direction of a commanding officer pursuant to ***Article 139*** of the UCMJ.

481102. Members Who Are Being Separated From Service. A court martial forfeiture of a limited duty officer, warrant officer, or enlisted member is not credited to the Armed Forces Retirement Home Trust Fund when the member has unsatisfied indebtedness at date of separation, except as shown in paragraph 481103. Such forfeitures remain in the military personnel appropriation. If the unsatisfied debt at separation is less than the forfeiture, credit the difference between the aggregate unsatisfied debt and the forfeiture to the Armed Forces Retirement Home Trust Fund. (For example: If the uncollected indebtedness is $500 and forfeiture is $600, credit to the Armed Forces Retirement Home Trust Fund the difference of $100 between the unsatisfied indebtedness and the forfeiture.) Transfer amounts collected afterward to counterbalance the indebtedness not to exceed the aggregate forfeiture, less amounts previously credited to the Armed Forces Retirement Home Trust Fund.

481103. Indebtedness After Forfeiture Becomes Effective. If debts occur to enlisted members, warrant officers or limited duty officers after a court martial has been executed and before credit of the forfeiture has been made to the Armed Forces Retirement Home Trust Fund, such debts will not affect the disposition of the forfeiture. Credit the forfeiture to the Armed Forces Retirement Home Trust Fund as if the indebtedness did not exist.

481104. Remission of Indebtedness. If a court-martial forfeiture of enlisted members, warrant officers or limited duty officers is not credited to the Armed Forces Retirement Home Trust Fund due to outstanding debts, and the unliquidated portion of the debts are thereafter remitted or cancelled, do not credit the forfeiture that equals the amount of indebtedness remitted or cancelled to the Armed Forces Retirement Home Trust Fund. That amount remains in the military personnel appropriation.

481105. Commissioned Officers. Credit court-martial forfeitures and fines of commissioned officers (except limited duty officers and warrant officers) to the appropriation to which the member's pay is properly chargeable.

*4812 FORFEITURE SENTENCES CARRIED OVER TO SUBSEQUENT RESERVE COMPONENT DUTY

481201. General. In the case of a forfeiture sentence carried forward according to paragraph 480609, convert the stated amount of forfeiture to a percentage using the monthly rate of basic pay in ***Table 1-7 through 1-10*** for the member's grade and length of service on the date the forfeiture sentence is approved. Apply that percentage to the pay for every period of duty the member actually performs during the stated period of the forfeiture sentence.

481202. Collection. The forfeiture sentence is satisfied by collection from however few periods of duty the member performs during the stated period of forfeiture. With regard to collection, apply the following:

A. If a member performs periods of duty without forfeiture collection, the amount not collected on the basis of paragraph 481103 becomes an amount due the United States.

B. Otherwise, collect the forfeiture at the percentage rate computed according to paragraph 481201 from all periods of duty during the stated period of forfeiture.

481203. Time Restriction. Note that the forfeiture sentence is satisfied by collection from duty performed during the stated period of forfeiture only. If a member performs no duty during the stated period of the forfeiture sentence, no further collection action is necessary.

Example

A. A member, E-4 over 2, receives a sentence which includes a forfeiture (either nonjudicial punishment or court-martial sentence) of $200 a month for 2 months ($400).

B. The member's monthly rate of pay is $912.60.

C. Convert the original forfeiture to a percentage, (200/912.60) = 21.92%.

D. For each period of duty performed during the stated period of the sentence, collect 21.92% of the member's pay from active duty and inactive duty training pay.

EXECUTION OF COURT-MARTIAL SENTENCES, APPELLATE REVIEW REQUIREMENTS			
RULE	A	B	C
	When a court-martial sentence	**the sentence to dismissal, dishonorable or bad conduct discharge may (note 1)**	**who**
*1	involves dismissal of a commissioned officer, a cadet, or midshipman	not be executed until reviewed by the Secretary of the Military Department concerned or by an Under Secretary or Assistant Secretary designated by the cognizant Secretary	will approve the sentence or any part or commuted form of the sentence, as the Secretary or designee sees fit. The Secretary or designee may suspend execution of any part of a sentence which the Secretary or designee approves.
*2	includes a dismissal, dishonorable or bad conduct discharge and the appellate review is not waived or an appeal is not withdrawn	not be executed until reviewed by the Court of Criminal Appeals	will provide a final judgment of the legality of the proceedings.
*3	includes a dismissal, dishonorable or bad conduct discharge and the appellate review is waived or appeal is withdrawn	not be executed until reviewed by the Judge Advocate.	.

*Note:

1. Any part of a court-martial sentence other than death, dismissal, dishonorable discharge or bad conduct discharge may be ordered executed by the convening authority or under regulations of the Secretary concerned, a commissioned officer commanding for the time being, a successor in command, or any person exercising general court-martial jurisdiction in place of the convening authority.

***Table 48-1. Execution of Court-Martial Sentences, Appellate Review Requirements**

BIBLIOGRAPHY

COURT-MARTIAL SENTENCES

4801 - EFFECT OF SENTENCES ON PAY AND ALLOWANCES

*		MCM 2008, Part II, Chapter X
		1 Comp Gen 291 (1921)
		41 Comp Gen 296 (1961)

4802 - REQUIREMENT FOR REDUCTION IN GRADE UNDER CERTAIN COURT - MARTIAL SENTENCES

		10 U.S.C. 858a
	480205	10 U.S.C. 857

4803 - FORFEITURES

		MCM 2008. Part II, Chapter X
		36 Comp Gen 79
		36 Comp Gen 755
	480301.B	MCM 2008, Chapter 10, Rule 1003(b)(2)
	480306	10 U.S.C. 858(b)

4804 - EXECUTION OF COURT-MARTIAL SENTENCES - APPELLATE REVIEW REQUIREMENTS

		10 U.S.C. 871

4805 - EFFECTIVE DATES OF FINES AND FORFEITURES

		10 U.S.C. 857
*	480501	MCM 2008, Part II, Rule 1003
	480502.C	42 Comp. Gen. 279

4806 - COLLECTION

		36 Comp Gen 79
		38 Comp Gen 788
		36 Comp Gen 755
		41 Comp Gen 269
	480602.A	37 U.S.C. 1007(c)
	480602.B	37 U.S.C. 1007(d)
*	480609	MCM 2008, Part II, Rule 204

4807 - REMISSION, SUSPENSION, AND CANCELLATION OF FORFEITURES

	10 U.S.C. 4837, 6161, and 9837
480803	10 U.S.C. 509, 37 U.S.C. 906
480804	37 Comp Gen 591
	MS Comp Gen B-119220, April 19, 1954
480807	10 U.S.C. 872

4808 - SENTENCES DISAPPROVED OR SET ASIDE

10 U.S.C. 875

4810 - PAY AND ALLOWANCES WHILE ON PAROLE

59 Comp Gen 12

4811 - DISPOSITION OF COURT-MARTIAL FORFEITURES AND FINES

24 U.S.C. 419 (a) (4)
10 U.S.C. 2772

4812 - FORFEITURE SENTENCES CARRIED OVER TO SUBSEQUENT RESERVE COMPONENT DUTY

* MCM 2008, Part II, Rule 204

Table 48-1

*	Rule 1	10 U.S.C. 871(b)
*	Rule 2	10 U.S.C. 871(c)(1)
*	Rule 3	10 U.S.C. 871(c)(2)
*	Note 1	10 U.S.C. 871(c)(2)

SUMMARY OF MAJOR CHANGES TO
DOD 7000.14-R, VOLUME 7A, CHAPTER 49
"NON-JUDICIAL PUNISHMENT"

All changes are denoted in blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, blue italic font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Bibliography	This chapter was reviewed for accuracy. Administrative changes were made to correct references.	Update

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CHAPTER 49

NON-JUDICIAL PUNISHMENT

4901 AUTHORITY

Under authority of ***Article 15, Uniform Code of Military Justice*** (UCMJ) (***10 United States Code (U.S.C.) 815***), authorized commanders may impose non-judicial punishment for minor offenses without resorting to courts-martial.

4902 AUTHORIZED PUNISHMENTS AFFECTING PAY

Non-judicial punishments which affect pay are forfeiture of pay, reduction in grade, or combinations of these. Except as provided in this chapter, provisions of ***Chapter 48*** relating to forfeiture of pay and reduction in grade by courts-martial also apply when such penalties are imposed as non-judicial punishment.

4903 LIMITATIONS

490301. Maximum Forfeiture of Pay. The maximum forfeiture of pay which may be imposed under ***Article 15, UCMJ***, is outlined in the ***Manual for Courts-Martial, United States (2008 Edition), part V*** and ***Appendix 2, section 815***.

490302. Concurrent Courts-Martial and Non-judicial Forfeitures. When non-judicial forfeitures run concurrently with partial courts-martial forfeitures which are subject to the two thirds limitation, the maximum total amount collectible is two-thirds of the pay subject to forfeiture.

490303. Reduction in Grade. When punishment includes both reduction in grade, whether or not suspended, and forfeiture of pay, the forfeiture is based on the grade to which reduced.

4904 SUSPENSION, REMISSION, AND MITIGATION

See Table 49-1.

4905 EXECUTION OF PUNISHMENT DURING APPEAL PROCEDURES

A member who incurs non-judicial punishment considered unjust or out of proportion to the offense may, through proper channels, appeal to the next higher authority. The member may be required to undergo the adjudged punishment pending determination of the appeal. (Air Force: See ***Air Force Instruction 51-202***.)

4906 EFFECTIVE DATES

Forfeitures and reduction in grade, if unsuspended, are effective on the date the commander imposes the punishment. (For Navy and Marine Corps members, however, non-judicial forfeitures do not run concurrently. If such forfeiture is imposed while a prior forfeiture is still in effect, it will not commence until the prior forfeiture is completed.) Pay accrued by a member before the imposition of the punishment is not subject to forfeiture. When a forfeiture of pay is suspended, the suspension takes effect on the date of the action. When a member is restored to a higher grade by suspension of a reduction, the member is entitled to pay of the higher grade only from the date of suspension. If, however, a reduction or forfeiture is set aside and all rights, privileges, and property affected by it are restored, the member is entitled to pay as though the reduction had never been imposed. When the suspension of a punishment is vacated, the effective date for pay purposes is the date of the vacation.

4907 DISPOSITION OF FORFEITURES COLLECTED BY NON-JUDICIAL PUNISHMENT

Disposition of forfeitures as a result of non-judicial punishment is treated the same as those as a result of courts-martial action. Refer to ***Chapter 48***, section 4812 for disposition policies/procedures.

SUSPENSION, REMISSION, SETTING ASIDE, AND MITIGATION OF NON-JUDICIAL PUNISHMENT				
	A	**B**	**C**	**D**
RULE	**When non-judicial punishment is**	**and the punishment has**	**then the officer imposing the punishment, or the successor in command, may suspend the punish-ment probationally**	**or**
1	reduction in grade	not been executed (note 2)	at any time	remit or set the reduction aside, or mitigate it to forfeiture (note 1).
2	forfeiture of pay			remit or set the forfeiture aside (in whole or in part) or mitigate it to lesser forfeiture.
3	reduction in grade	been executed	only within 4 months after imposition	set the punishment aside in whole or in part or mitigate it to forfeiture (note 1 and 3).
4	forfeiture			set the punishment aside in whole or in part (note 3).

NOTES:

1. If mitigated, the amount of forfeiture or detention may not be greater than the amount that could have been imposed initially by the officer who imposed the reduction in grade.
2. An uncollected forfeiture of pay is considered to be unexecuted during the period for which it was imposed. Upon the expiration of the forfeiture period all unsuspended forfeitures, whether or not collected, are fully executed, but see section 4906.
3. Usually, this is done within 4 months after the punishment has been executed.

Table 49-1. Suspension, Remission, Setting Aside, and Mitigation of Non-Judicial Punishment

BIBLIOGRAPHY

CHAPTER 49 - NON-JUDICIAL PUNISHMENT

4901 - AUTHORITY
10 U.S.C. 815

4902 - AUTHORIZED PUNISHMENTS AFFECTING PAY
10 U.S.C. 815

4903 - LIMITATIONS
10 U.S.C. 815

4904 - SUSPENSION, REMISSION, AND MITIGATION
10 U.S.C. 815

4905 - EXECUTION OF PUNISHMENT DURING APPEAL PROCEDURES
10 U.S.C. 815

4906 - EFFECTIVE DATES
10 U.S.C. 815
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4907 - DISPOSITION OF FORFEITURES COLLECTED BY NON-JUDICIAL PUNISHMENT
10 U.S.C. 2772

Table 49-1
10 U.S.C. 815

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 50
"STOPPAGES AND COLLECTIONS OTHER THAN COURTS-MARTIAL FORFEITURES"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Unless otherwise noted, chapters referenced in this chapter are contained in this volume.

Hyperlinks are denoted by *underlined, bold, italic, blue font*

This updated chapter supersedes the previously published version dated January 2010.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
5005 Bibliography	Added mailing address for submission of waivers of claim arising from erroneous payments, and clarified language related to waiver submission.	Update

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*Bibliography

CHAPTER 50

STOPPAGES AND COLLECTIONS OTHER THAN COURTS-MARTIAL FORFEITURES

5001 VOLUNTARY AND INVOLUNTARY COLLECTIONS

500101. Collection With Member's Consent. Members indebted to the United States will be encouraged to discharge their indebtedness through lump-sum cash payment when possible. When the amount of the debt relative to the member's ability to repay indicates that lump-sum settlement would create financial hardship for the member, installment payments will be accepted. Members will be encouraged to voluntarily accept liability for their indebtedness and to agree to a repayment schedule which adequately protects the interests of both the United States and the member.

500102. Collection Without Member's Consent

A. Current Pay

1. Current pay is available for repayment of an indebtedness without the member's consent only if such recovery is authorized expressly by statute.

2. Where Tables 50-1 through 50-5 authorize collection to be made "involuntarily," there is a statute authorizing such collection. When the indebtedness is a type for which there is no statute authorizing collection from pay, the tables authorize collection "with member's consent."

B. Final Pay. When a member receives final pay on separation, indebtedness to the United States may be collected under the general rule of offset without specific statutory authority, subject to the limitations in paragraph 500104.A.2 and Table 50-6. Under this rule, debts which may be collected from current pay only with the member's consent may be collected from final pay and allowances without the member's consent. Amounts owed to a Service relief society (i.e., Army Emergency Relief, the Navy Relief Society, the Air Force Aid Society, or the Coast Guard Mutual Assistance) also may be collected from final pay without the member's consent (***Title 37, United States Code (U.S.C.), section 1007(c) and (h)***).

500103. Limitation on Collections

A. Current Pay. Some of the laws authorizing collection of indebtedness from a member's pay impose restrictions on the amount that may be collected, on the items that may be collected, or on the items of pay from which collection may be made. These limitations are shown in Tables 50-1 through 50-6. When a member voluntarily authorizes collection, a rate of collection agreeable to the member and the disbursing officer is determined within guidelines shown in the referenced tables; however, collection in greater amounts may be authorized or requested by the member.

B. Final Pay. Table 50-6 shows which items of final pay and allowances are available for offset of debts. The items shown as not available are specifically exempted by statute.

C. Gross Pay. Compute gross pay by adding together basic pay, all special and incentive pays, and all reenlistment bonuses. Gross pay does not include allowances or reductions in pay, such as forfeitures and the Montgomery GI Bill.

D. Disposable Pay. Disposable pay, when used to calculate maximum allowable deduction, is computed by deducting the following from gross pay of active-duty members: Federal Insurance Contributions Act (FICA); Armed Forces Retirement Home; Federal Income Tax Withholdings (FITW); Servicemembers' Group Life Insurance (SGLI) (including Family SGLI (FSGLI) and Traumatic SGLI (TSGLI)); and State Income Tax Withholdings (SITW). For reservists, the deductions to calculate disposable pay are: FICA; FITW; SITW; and SGLI (including FSGLI and TSGLI).

500104. Installment Deduction for Indebtedness to the United States. Statutory authority to collect indebtedness to the United States by deductions from the member's pay exists under ***37 U.S.C. 1007(c)*** and ***5 U.S.C. 5514***. Other statutes authorize collection of specific classes of debts. Debts administratively determined to be owed the United States or any of its instrumentalities, other than the Department of Defense (DoD), shall be collected under ***5 U.S.C. 5514***. Court judgments against a member in favor of the United States may not be collected under ***Public Law 97-276***, October 2, 1982.

A. Collections Under ***37, U.S.C., section 1007(c)***. This statute authorizes the deduction from a member's pay of amounts that the Secretary of the Military Department concerned administratively determines to be owed the United States or any of its instrumentalities. Pursuant to this section, two-thirds of the member's disposable pay is the maximum amount that may be deducted from his/her monthly pay. Where a member of one Military Service owes a debt to another Military Service and the creditor Service makes an administrative determination of indebtedness, the creditor Service may forward that determination, along with a certification of compliance with the appropriate procedures set forth in this section, to the cognizant finance/disbursing activity servicing the member for collection action.

1. Categories of Debt

a. Due Process Debt. Administrative debts greater than $50 and any non-administrative debt regardless of amount requiring formal notification in the form of a due process letter from the servicing finance/disbursing office will be processed pursuant to subparagraph 500104.A.3.

(1) Fault of the Member. An overpayment of pay or allowances determined to be caused by fault of the member will be recovered in monthly installments not to exceed two-thirds of the member's disposable monthly pay. The field office

will initiate formal due process notification to the member after receipt of a management notice from the pay system and initiate debt collection based on an appropriate liquidation schedule. A greater percentage may be deducted with the member's consent.

(2) No Fault by the Member. An overpayment of pay or allowances determined to be through no fault of the member will be recovered in monthly installments. For overpayments described in this subparagraph that are made on or after October 29, 2009, the Secretary concerned is required to provide a reasonable opportunity for the member to request a delay in the imposition of the repayment requirement to recover the overpayment. Before beginning collection efforts, the Secretary concerned shall consider the reasons provided by the member for the requested delay, including the financial ability of the member to repay the indebtedness, and the hardship that immediate collection would impose on the member and the member's dependents.

(a) If overpayment was made to member on or before October 28, 2009, then the overpayment will be recovered in monthly installments not to exceed 20 percent of the member's disposable pay for each month.

(b) If overpayment was made to member on or after October 29, 2009, then the overpayment will be recovered in monthly installments not to exceed 15 percent of the member's disposable pay for each month.

NOTE: The field office will initiate formal due process notification to the member after receipt of a management notice from the pay system, and initiate debt collection based on an appropriate liquidation schedule. A greater percentage may be deducted with the member's consent.

b. Combat Zone/Combat Operation Debts. If a member of the Uniformed Services, through no fault of the member, incurs a wound, injury, or illness while in the line of duty in a combat operation or combat zone designated by the President or the Secretary of Defense, then any overpayment of pay or allowances made to the member while the member recovers from the wound, injury, or illness may not be deducted from the member's pay until:

(1) The member is notified of the overpayment; and

(2) The later of the following occurs:

(a) The end of the 180-day period beginning on the date of the completion of the tour of duty of the member in the combat operation or combat zone.

(b) The end of the 90-day period beginning on the date of the reassignment of the member from a military treatment facility or other medical unit outside of the theater of operations.

However, after receiving notification of the overpayment, a member may request initiation of collection action at an earlier date. The field finance/disbursing office will determine the appropriate rate of collection pursuant to subparagraph 500104.A.1.a.(2). See subparagraph 500104.A.3 for due process procedures.

2. Collecting Debt from Final Separation Pay

a. An amount due from an enlisted member of the Army or Air Force may be deducted from their final separation pay. The appropriate rate of collection in subparagraph 500104.A.1.a applies to collection from the member's final separation payment.

b. There is no limitation on the amount that may be deducted from an officer of any service or an enlisted member of the Navy or Marine Corps from their final separation pay.

3. Due Process Procedures. Before initiating any collection action other than routine adjustments as defined in subparagraph 500104.B.3, the member shall be given at least 30 days written notice of the indebtedness. These procedures do not apply when the member has previously consented to collection of the debt. The notice shall stipulate:

a. The nature and amount of the debt due the United States, and the intent to commence collection through deductions from pay.

b. That the member has the opportunity to inspect and copy government records related to the debt.

c. That the member has an opportunity for review of all the decisions related to the debt.

d. That the member has an opportunity to enter into a written agreement with the Secretary of the Military Service concerned under terms agreeable to both parties to establish a schedule for repayment of the debt.

e. That any portion of the debt remaining uncollected at the time of the member's separation shall be collected from the member's final pay and allowances.

f. That the member has the right to seek waiver or remission/cancellation of the debt, if appropriate.

NOTE: The procedures specified in subparagraph 500104.B.3 need not be completed prior to commencement of collection action if the time remaining before the member's estimated date of separation is not sufficient to complete collection and the Government would be substantially prejudiced in its ability to collect the debt.

B. Collections Under 5 U.S.C. 5514

1. Heads of Federal Agencies. A Federal agency, other than the DoD, may determine that a military member is indebted to the United States and that collection action against the member's monthly pay under the authority of ***5 U.S.C. 5514*** is warranted. In such cases, the agency should forward the collection request to the following office:

Defense Finance and Accounting Service (DFAS)-Cleveland
DFAS-CL/JDCBB
1240 E. 9th Street
Cleveland, OH 44199-8002

2. Collections. Collections may be made in monthly installments or at established pay intervals not to exceed 15 percent of disposable pay for any pay period, unless a greater percentage is authorized by written consent of the member. Unsatisfied debts at discharge or retirement shall be deducted from subsequent payments of any nature due the member. The collection of a debt owed to departments and agencies, other than DoD, its instrumentalities, or other Uniformed Services resulting from a court judgment, is included under this authority. The creditor agency is responsible for providing due process to member debtors and for certifying to the Secretary of Defense that due process rights have been provided when requesting collection action.

3. Routine Administrative Adjustment. Routine administrative adjustments consist of administrative adjustments that correct overpayments resulting from clerical or administrative errors, delays in processing pay documents, or an automated pay system error, which is discovered and collected within no more than 2 monthly pay periods after the date of overpayment, or adjustments of $50 or less (regardless of when discovered or collected).

a. The requirement for due process does not apply to routine administrative adjustments of pay. However, the member shall be provided with notice of adjustment when it is made, or as soon thereafter as practicable. The notice should provide a point of contact at the creditor agency for any questions or disputes the member may have.

b. "No Pay Due" Notice. To prevent hardship to the member, a "no pay due" management notice will be generated to the servicing field office when a debt creates a "no pay due" situation for that member.

500105. Interest, Penalties, and Administrative Costs

A. With respect to collections other than routine adjustments, the Secretary of the Military Department concerned shall charge a minimum annual rate of interest on an outstanding debt to the United States that is equal to the average investment rate for the Treasury tax and loan accounts for the 12-month period ending on September 30 of each year, rounded to the nearest whole percentage point.

B. Interest shall accrue from the date on which notice of debt and the interest requirements are first mailed or hand delivered to the debtor or such date as specified in the notice.

C. Interest may not be charged if the amount due on the claim is paid within 30 days after the date from which interest accrues in subparagraph 500105.B.

D. The Secretary concerned shall assess charges to cover administrative costs of processing and handling a delinquent debt.

E. A penalty charge not to exceed 6 percent a year shall be assessed for failure to pay a part of a debt more than 90 days past due. The charge will be calculated on the 91st day of delinquency, but shall accrue from the date the debt became delinquent.

F. Interest does not accrue on charges assessed under subparagraphs 500105.D and 500105.E. However, if the member defaults on a repayment agreement, then uncollected interest, administrative costs, and penalty charges shall be added to the principal to be repaid.

G. The Secretary concerned may prescribe regulations identifying circumstances appropriate to waiving collection of interest and charges under subparagraphs 500105.A, 500105.D, and 500105.E.

500106. Collection From Retired Pay. Conditions for collection of active-duty debts from retired pay are in ***Volume 7B, Chapter 28***.

500107. Indebtedness Incurred in National Guard or Reserve. When a member reenters active military service, collect for unsatisfied indebtedness incurred in a National Guard or Reserve status.

500108. Early Payment. Payday payments made in advance in accordance with paragraph ***320107*** are not considered "indebtedness" if the member dies before the date through which the pay was computed and paid.

500109. Pay Not Affected by Civil Process. An officer or enlisted member may not be deprived of pay by civil process, except as follows:

A. Garnishment for child support or alimony (see ***Chapter 41***).

B. Levy for delinquent Federal income taxes (see section ***4102***).

C. Levy for child support (see ***Chapter 41***).

D. Statutorily required child or child-and-spousal support allotments (see ***Chapter 41***).

5002 CENTRALIZED PROCESSING OF INVOLUNTARY WITHHOLDING OF MEMBER PAY FOR THE SERVICES' EXCHANGE COMMANDS

500201. General Provisions

A. Authority. Under ***37 U.S.C. 1007(c)*** and regulations prescribed by the Secretary of the Military Department concerned, an amount that a member of the Uniformed Services is administratively determined to owe the United States or any of its instrumentalities may be deducted from the member's pay in monthly installments. After the deduction of pay forfeited by the sentence of a court-martial, if any, or otherwise authorized by law to be withheld, the deductions authorized by this section may not reduce the pay actually received for any month to less than one-third of the pay.

B. Purpose. This section provides the policy and procedures for collecting in-service debts for the Army and Air Force Exchange Service (AAFES), the Navy Exchange Command (NEXCOM), and the Marine Corps Exchange Command (referred to collectively as "The Exchange Commands"). It applies when active-duty, Reserve, and retired military members are delinquent in repayment of a dishonored check or in their credit plan. Through an automated DD Form 139 (Pay Adjustment Authorization) process, DFAS deducts payment from these members.

C. Policy. When a member is indebted to a service exchange, under the authority of ***37 U.S.C. 1007(c)***, the creditor agency (AAFES, NEXCOM, and Marine Corps Exchange) may forward to DFAS such determination. DFAS shall honor the request based on certification from the creditor that it complied with appropriate debt collection procedures noted in subparagraph 500104.B. Under debt collection procedures, if the debt has not been paid within 60 days after the date that the first notice is sent to the member, then the crediting agency may submit the debt for collection action to DFAS. The initiation of the pay deduction by DFAS will be in accordance with the rules of precedence of pay deductions and collections noted in ***Table 52-1***.

500202. Applicability and Scope

A. These procedures apply to the pay of Army, Navy, Air Force, and Marine Corps members serviced by the Defense Joint Military Pay System or the Marine Corps Total Force System.

B. DFAS shall collect the amounts requested on monthly submissions, as long as the total monthly amount collected, including the amounts collected under ***5 U.S.C. 5514***, does not exceed two-thirds of the member's disposable pay. Monthly collection amounts are reduced when the pay due a member is insufficient to cover authorized deductions or collections. Debt collection is subject to the priority of deductions and collections presented in ***Table 52-1***.

500203. General Procedures

A. Exchange Commands must certify that the member was provided due process in accordance with subparagraph 500104.A.3 and Table 50-5. Exchange Commands shall maintain "due process" documentation (demand letters) on individual delinquent debt accounts.

B. Collection of any portion of the debt remaining uncollected at the time of a member's separation shall be subject to subparagraph 500104.A.2.

C. Exchange Commands may collect delinquent debts at a maximum deduction rate of two-thirds of the disposable pay.

D. When a member enrolls in a credit plan, the Exchange Command shall advise the member of the maximum deduction for delinquent accounts. DFAS or field finance/disbursing offices are responsible for ensuring that collections do not exceed two-thirds of the member's disposable monthly pay.

E. DFAS or the field finance/disbursing office shall override the debt amount by inputting a transaction to change the deduction. This applies in cases where the repayment amount exceeds the maximum deduction limitation.

F. DFAS or the field finance/disbursing office shall answer inquiries from the member on how exchange debt transactions are reflected on the Leave and Earning Statement.

500204. Certification

A. Exchange Commands will handle telephone inquiries from a member concerning his or her debts and deduction amounts.

B. Exchange Commands may not deduct from a member's pay account money for a dishonored check written by a dependent without consent of the member.

C. Exchange Commands use a listing of basic pay rates plus income data received from the member to determine the amount that is equal to or less than two-thirds of the member's pay.

D. If a member separates from active duty or if retired pay is suspended, then any uncollected amount is returned to the Exchange Commands for collection.

E. Exchange Commands are responsible for overpaid debts. When a member has overpaid a debt, the Exchange Commands shall issue a refund immediately to the member for the overpayment.

F. Exchange Commands will honor an agreement in which a member

voluntarily agrees to repay the debt. If the member voluntarily repays the debt (off-line), then the Exchange Command cancels the offset request and notifies DFAS immediately.

G. For audit purposes, Exchange Commands will maintain and ensure the availability of all documentation pertaining to these debts.

500205. System Overview

A. Once a collection action is deemed necessary, the determining Exchange Command will transmit a monthly update transaction requesting a pay deduction. The input should be applied to the pay account in the appropriate sequence (see ***Table 52-1***).

B. DFAS provides new basic pay rates or other pay data to the Exchange Command as it becomes available.

C. During a processing month, Exchange Commands submit the electronic pay-adjustment transaction, with name, Social Security Number, total debt, and the deduction amount for the month. Exchange Commands electronically submit the information in time to adjust in the payment processing update.

D. The Exchange Command input identifies the balance due and the monthly collection amounts. If the debt is collected off-line after submitting the input, then the exchange is responsible for the refund.

E. If the deduction amount input by the Exchange Command is greater than two-thirds, then DFAS or field finance/disbursing offices either change the deduction amount or return the debt to the Exchange Command to process. After the deduction is processed, DFAS notifies the Exchange Command of any adjustments.

F. The Exchange Command manages the entire debt amount internally. Exchange Commands are responsible for notifying the member of the debt balance and encouraging the member to voluntarily submit payments. DFAS provides management notices (listing) to the servicing finance/disbursing office, if applicable, which identifies the member's pay account to which the deduction is charged.

G. Rejects are downloaded to the Exchange Commands after each update. Exchange Commands are required to work rejects on a daily basis.

H. At the end of each processing month, DFAS sites wire-transfer the amounts deducted via electronic funds transfer to a central processing location for each Exchange Command identifying the affected members.

5003 REMISSION/CANCELLATION OF INDEBTEDNESS

500301. Authority. If the Secretary of the Military Department considers it to

be in the best interest of the United States, then the Secretary may remit or cancel any part of the indebtedness of a military member, to the United States, or any instrumentality of the United States that was incurred while the member was serving on active duty as a member of the applicable Military Department. This authority may be exercised with respect to any debt incurred on or after October 7, 2001.

500302. Restriction for Reserve Component Personnel. Remission/cancellation of indebtedness is not applicable for Reserve Component personnel performing inactive duty training or active duty for training, except as stated in subparagraph 500302.A and B.

A. Army. An enlisted member of the Army National Guard who is charged with liability for government property that is lost, damaged, or destroyed on or after October 1, 1980, may have such liability remitted or cancelled under regulations prescribed by the Secretary of the Military Service concerned.

B. Air Force. Any member of the Air National Guard (officer or enlisted member) who is charged with liability for government property that is lost, damaged, or destroyed on or after October 1, 1980, may have such liability remitted or cancelled under regulations prescribed by the Secretary of the Military Service concerned.

500303. Indebtedness Which May Be Remitted

A. Debts to United States. Generally, any indebtedness may be considered for remission/cancellation (including those listed in Tables 50-1, 50-2, 50-3, and 50-4). Debts for erroneous payments may be processed for remission/cancellation if relief action has been denied under the appeal provisions referenced in section 5004 of this chapter; however, debts arising from erroneous payment of basic pay due to noncollection of courts-martial forfeitures may not be remitted or cancelled.

B. Debts Within Jurisdiction of Military Service Concerned. The debt must be one over which the Military Department concerned has jurisdiction. For example, a Secretary of one Military Department may not remit a member's indebtedness because of liability for damage to property of another Military Service.

500304. How to Apply. Process applicants for remission/cancellation of indebtedness as prescribed in procedural regulations of the Military Service concerned.

5004 APPEALS

500401. Right of Appeal. When it is established that a member is indebted to the United States because of an erroneous payment made by any Military Service within DoD, the member has the right to appeal. A member may appeal the validity of the debt, the amount, or the liability for that debt. A member may also request review of the rate of collection on the basis of undue hardship, or upon proof that the rate of collection is inequitable.

500402. Processing Appeals. Process appeals as prescribed in procedural regulations of the Military Service concerned.

500403. Claim for Refund. A member may file a written claim for any amounts considered erroneously collected from the pay account. The claim is sent to the disbursing officer or, if separated, to the cognizant DFAS site. If the claim is denied, in whole or in part, then an appeal should be submitted to Defense Office of Hearings and Appeals under the procedures set forth at ***Title 32, Code of Federal Regulations (C.F.R.), Part 282, Appendix E***.

*5005 WAIVER OF CLAIMS FOR ERRONEOUS PAYMENTS OF PAY AND ALLOWANCES

When a member applies for waiver of a claim by the United States arising out of erroneous payments under 10 U.S.C. 2774, forward such applications through the member's servicing finance office to DFAS-IN, Department 3300 (Waiver/Remission), 8899 East 56th Street, Indianapolis, IN 46249-3300. Requests to suspend collection pending action on a waiver request will be processed under ***Volume 5, Chapter 28, subparagraph 281304*** of this Regulation.

5006 VALIDATION OF PAYMENTS BASED ON PURPORTED MARRIAGES

500601. Authority for Validation. Payment of allowances based on a purported marriage and made under ***Title 37***, United States Code, or prior laws, before the marriage is annulled or terminated, are valid if:

A. A court of competent jurisdiction adjudges or decrees that the military member entered the marriage in good faith.

B. In the absence of such judgment or decree, a finding of good faith is made by the Secretary of the Military Service concerned or a person designated by the Secretary of the Military Department concerned to investigate the matter.

500602. Responsibility for Validation. Findings of good faith under subparagraph 500601.B are submitted to the DFAS offices listed in the Joint Federal Travel Regulation (JFTR), subparagraph ***U10104.G.3***, Member's Marriage Status Determination. Purported marriages requiring such findings as listed in the JFTR, paragraph, ***U10104.G***.

500603. Payments Not Validated. Payments based on invalid marriages are considered erroneous payments or overpayments unless validated.

5007 BOARD OF CORRECTION OF MILITARY RECORDS OFFSET

Earnings received from civilian employment, self-employment, or any income protection plan for such employment during any period for which active-duty pay and allowances are payable shall be deducted from the settlement. To the extent authorized by law and regulation,

amounts found due shall be reduced by the amount of any existing indebtedness to the Government arising from military service.

5008 BANKRUPTCIES

500801. General Information

A. A member may file a petition of bankruptcy under ***11 U.S.C., Chapters 7*** or ***13*** of the Bankruptcy Code. The law waives the United States Government's sovereign immunity for purposes of compliance with payroll deduction orders issued by the bankruptcy courts. Accordingly, DFAS will honor the bankruptcy orders.

B. When the amount of indebtedness owed to the United States is incurred prior to the filing date of the petition, the debt is termed pre-petition indebtedness. Such debt may be collected by offset from the member's pay account only through the day prior to the date the bankruptcy petition is filed.

C. Continuing deductions from the member's pay after the filing of a petition in a bankruptcy is improper and violates the automatic stay provisions of the bankruptcy statute. All voluntary deductions to liquidate the listed indebtedness must be discontinued promptly upon notice or actual knowledge of the filing of the bankruptcy petition. Amounts withheld after the date the bankruptcy petition is filed must be refunded to the member.

D. Upon notice or actual knowledge of the filing of a bankruptcy petition, when the member has listed the U.S. Government as a creditor, the military pay office will file a proof of claim with the Federal court concerned.

E. If the bankruptcy petition is approved and the list of debts discharged, then the listed indebtedness to the United States is discharged. The bankruptcy proceedings have no bearing on the liquidation of any new item of indebtedness discovered after the filing of a petition in bankruptcy and not included in the petition.

F. If the court subsequently dismisses a bankruptcy case, then collection is permitted by offset if otherwise authorized.

500802. ***Chapter 7,*** Bankruptcy

A. Upon notice or actual knowledge of the filing of a bankruptcy petition, when the debtor has listed the U.S. Government as a creditor, the DFAS-Cleveland Site, Garnishment Operations, will request that the appropriate pay office file a claim with the Federal court concerned, or

B. If the bankruptcy petition is approved for discharge of debts, then the debts listed as indebtedness to the United States may be discharged. The bankruptcy proceedings usually will have no bearing on the liquidation of any new item of indebtedness incurred after the

filing of a petition in bankruptcy and not included in the original bankruptcy petition.

500803. ***Chapter 13***, Wage Earner's Plan Under the Bankruptcy Act

A. A member may file a petition with the court to enter into a "Chapter 13 Plan" under the Bankruptcy Code. Under ***Chapter 13***, a member must submit a proposed repayment plan to the bankruptcy court that provides, among other things, that all or a specified amount of future income as is necessary to pay priority claims under the plan will be sent to the control of the bankruptcy trustee.

B. When the plan is confirmed by the court, its provisions are binding upon the member and all creditors of the member, regardless of whether they are affected by the plan or have been included in the plan.

C. Once the bankruptcy court confirms a plan, it usually orders the employer to pay a specific amount of a member's income to the trustee named in the order.

D. The pay of a member is subject to payment to the trustee appointed by the court, pursuant to ***Chapter 13*** of the Bankruptcy Act. The payment by DFAS of part of the member's pay in response to a court order issued under a ***Chapter 13*** Wage Earner's Plan case does not violate ***31 U.S.C. 3713*** (Priority of Government Claims). Compliance with such a court order gives the Government a valid acquittance against the member since the court order is binding on the member.

E. If the United States is both the employer and creditor when the member files a ***Chapter 13*** Wage Earner's Plan, then the Government's priority under ***31 U.S.C. 3713*** (Priority of Government Claims) may be asserted in the absence of a judicial determination to the contrary. This is done through a filing of the proof of claim by the appropriate pay office.

500804. Procedures

A. Bankruptcy withholding orders should be submitted or faxed to:

DFAS-Cleveland
Garnishment Operations
P.O. Box 998002
Cleveland, OH 44199-8002

Commercial Fax: (877) 622-5390
(216) 522-6960
DSN Fax: 580-6960

B. The following information should be included with the bankruptcy order:

1. Full name.

2. Full Social Security number.

C. The bankruptcy notice is effective when it is signed by the court and the provisions of the automatic stay are effective with that date.

D. When the notice does not sufficiently identify the member, it will be returned directly to the person who submitted the order, with an explanation of the deficiency.

E. Upon receipt of an effective bankruptcy order, together with all the required information, the Garnishment Operations (office of the designated official) will review the case to determine if there are any involuntary allotments or garnishments that need to be terminated as a result of the automatic stay (child support, alimony, and child-support arrears are not terminated unless the bankruptcy order specifically states so). The Garnishment Operations will then establish the withholding against the member's pay to comply with the bankruptcy order within 30 days. Withholdings will continue until the amount specified in the order is collected or the order is cancelled or suspended.

1. Within 30 calendar days after the date of receipt of the order, the designated official will send notice to the member stating this fact.

2. The letter will inform the member of the date that the withholding is scheduled to begin and the amount or percentage that will be deducted.

3. When the member identified in the order is found not to be entitled to money due from, or payable by, DFAS, the designated official will return the order to the person who submitted it and advise him or her that no money is due from, or payable by, DFAS to the named individual. When it appears that amounts are exhausted temporarily or are otherwise unavailable, the authorized person shall be told why and for how long any money is unavailable, if known.

F. Proof of claims will be submitted by the appropriate pay office when the Government has a debt that can be properly collected under proof of claim.

INDEBTEDNESS DUE TO ERRONEOUS PAYMENTS, GAO DISALLOWANCES, AND NOTICES OF EXCEPTION						
	A	**B**	**C**	**D**	**E**	**F**
RULE	**If an**	**of**	**is indebted to the United States for**	**and**	**then collect from current pay**	**at monthly rate not to exceed that shown in this table or in rule cited**
1	officer or enlisted member	any Military Service	payment disallowed by Government Accountability Office (GAO) in accounts of a disbursing or certifying officer		involuntarily (note 1)	disposable pay (see subparagraph 500103.D).
2			debt cited in GAO notice of exception or informal inquiries (note 2)			Table 50-6, rule 2.
3			erroneous payment (including allotments the member knew or reasonably should have known were erroneous) made to or on behalf of the member of any Uniformed Service (note 3)	the Secretary of the Military Department concerned or the Secretary's designee has determined the indebtedness is valid		
4	officer or enlisted member recovering from a wound, injury or illness incurred through no fault of the member in the line of duty in a combat operation or zone		an overpayment of pay or allowances through no fault of the member incurred on or before October 28, 2009	the Secretary of the Military Department concerned or the Secretary's designee has determined the indebtedness is valid	after a 90 day delay or member's consent (see subparagraph 500104.A.1.b	Table 50-6, rule 5.

Table 50-1. Indebtedness Due to Erroneous Payments, GAO Disallowances, and Notices of Exception

INDEBTEDNESS DUE TO ERRONEOUS PAYMENTS, GAO DISALLOWANCES, AND NOTICES OF EXCEPTION						
	A	B	C	D	E	F
RULE	**If an**	**of**	**is indebted to the United States for**	**and**	**then collect from current pay**	**at monthly rate not to exceed that shown in this table or in rule cited**
5	officer or enlisted member recovering from a wound, injury or illness incurred through no fault of the member in the line of duty in a combat operation or zone	any Military Service	an overpayment of pay or allowances through no fault of the member incurred on or after October 29, 2009	the Secretary of the Military Department concerned or the Secretary's designee has determined the indebtedness is valid	after a 180 day delay or member's consent (see subparagraph 500104.A.1.b	Table 50-6, rule 6.
6	an officer	a Military Department	erroneous payment of allotment caused by failure to report, as required, the death of the allotter or any other fact making the allotment not payable	appropriate investigation is made, and the overpaid amount is not recovered from the allottee	with officer's consent; or with approval of the Secretary concerned	amount applicable.

NOTES:

1. This does not change rules on collections of indebtedness of accountable, certifying, or disbursing officers.
2. If notice of exception covers erroneous payment by a Uniformed Service, then rule 3 will be applied.
3. When a member's pay is not promptly reduced to allow for court-marital forfeiture, the resulting indebtedness is considered an erroneous payment within this rule.

Table 50-1. Indebtedness Due to Erroneous Payments, GAO Disallowances, and Notices of Exception

(Continued)

INDEBTEDNESS DUE TO LOSS OF PUBLIC FUNDS						
	A	B	C	D	E	F
RULE	If an	of	is indebted to the United States for	and	then withhold from current pay	at monthly rate not to exceed that shown in this table or in rule cited
1	account-able officer (note 1)	the Armed Forces	arrears in accounts because of failure to account for funds entrusted to the member	debt is admitted by officer (note 4)	involuntarily	disposable pay (see subparagraph 500103.D).
2				debt is shown by the judgment of a court		
3				debt is shown by special order issued by the Secretary of the Military Department concerned		rate directed by special order of Secretary of the Military Department concerned (all pay excluding allowances, or lesser amount).
4	account-able enlisted member (note 2)	any Military Service				disposable pay (see subparagraph 500103.D).
5	officer or enlisted member		public funds obtained or converted to own use through fraud, larceny, embezzlement, or other unlawful means	the mis-appropriation of funds is admitted by the member	involuntarily, or as prescribed by regulations of the Military Department concerned	Table 50-6, rule 2 (note 3).

NOTES:

1. Applies to officers who hold in trust sums or balances of public money for which they are required to account, such as disbursing officers and deputies or agents to disbursing officers.
2. Applies to enlisted members who are entrusted with public funds. It includes military postal clerks and members who, though not bonded, are entrusted with public funds for small purchases.
3. If exact amount of debt is not known at the time the loss is discovered, then establish the debt at the amount then known and adjust when investigation is completed.
4. A mere acknowledgment or report of a shortage in accordance with Military Service regulations is not an admission for the purpose of this rule. The phrase "debt is admitted" means either a written statement made by the accountable officer admitting indebtedness, acknowledged or witnessed before a person authorized to administer oaths or, another person designated by higher authority, or if the accountable officer refuses to sign a statement, then a certification by a commissioned officer that the accountable officer clearly and unequivocally admitted the indebtedness is sufficient to authorize the withholding from officer's current pay.

Table 50-2. Indebtedness Due to Loss of Public Funds

INDEBTEDNESS DUE TO LOSS OR DAMAGE TO PUBLIC PROPERTY OR SUPPLIES							
	A	B	C	D	E	F	G
RULE	If	of	is indebted to the United States for	and	and	then collect from current pay	at monthly rate not to exceed that shown in this table or in rule cited
1	an account-able officer	the Army or Air Force	loss or damage to military supplies, upon final settlement of accounts of officer charged with issue of the supplies	the officer fails to show satisfactorily that the loss or damage of property was not due to any fault on the officer's part	the officer is found pecuniarily liable by a report of survey or by a board of officers, and findings are approved by the Secretary concerned	involuntarily	disposable pay (see subparagraph 500103.D).
2		the Navy or Marine Corps	loss or damage to public property entrusted to the officer, such as stores, supplies and receipts from sale of public property	the Commander, Naval Supply Systems Command or the Commandant of the Marine Corps (Installation and Logistics) renders determination	the Director, DFAS-Cleveland Site issues instructions to the member's commanding officer on action to take to liquidate debt		disposable pay (see subparagraph 500103.D) or lesser amount approved by the Assistant Secretary of the Navy (Financial Management and Comptroller) or the Commandant of the Marine Corps.
3	an officer or enlisted member	the Army or Air Force	damage or cost of repairs to arms or equipment	the member had the care of, or was using the property when damaged	negligence or abuse in care or use of property is established by a board of officers or on a report of survey, and findings are approved by Secretary concerned		disposable pay (see subparagraph 500103.D).
4	a non-accountable officer or enlisted member	any Uni-formed Service	loss of or damage to government property	liability is established under regulations of the Military Service concerned	case is not within the scope of rule 3		Table 50-6, rule 2.
5	an officer or enlisted member	Armed Forces	damage to or failure to satisfactorily clean assigned housing or damage to or loss of equipment or furnishings of such housing	the damage, loss or requirement for cleaning was caused by the abuse or negligence of the member, the member's dependent(s) or a guest of either the member or the member's dependent(s)	the negligence or abuse is established by administrative determination under regulations of the Military Service concerned.		

Table 50-3. Indebtedness Due to Loss or Damage to Public Property or Supplies

MISCELLANEOUS INDEBTEDNESS TO UNITED STATES				
RULE	**A**	**B**	**C**	**D**
	If	**of any Military Service is indebted to the United States**	**then collect from current pay**	**at monthly rate not to exceed that shown in this table or in rule cited**
1	an enlisted member	enlistment or reenlistment bonus for period unserved	involuntarily	Table 50-6, rule 2.
2	an officer or enlisted member	unpaid hospital bills for medical services furnished a dependent	involuntarily or pursuant to Military Service regulations	
3		excess cost of shipment of household goods		
4	a medical officer	compensation or stipend payments received from state, county, municipal, or privately owned hospitals for medical service		amount received.
5	an officer or enlisted member	jury duty fees (as distinguished from expenses) from any court, except while on authorized leave, and receiving active duty pay and allowances	involuntarily	
6		amount due the DoD, its instrumentalities, or other Uniformed Services by reason of court judgment		Table 50-6, rule 2.
7		a debt determined valid from a federal agency outside DoD or other Uniformed Service including debts resulting from court judgments		Table 50-6, rule 3.
8		a travel advance in excess of entitlements (note)	involuntarily or pursuant to Military Service regulations	Table 50-6, rule 2.

NOTE:
If the member has not filed a claim on a timely basis as defined by Military Service regulations, then the entire amount of the advance is considered to be in excess of entitlements.

Table 50-4. Miscellaneous Indebtedness to United States

INDEBTEDNESS TO INDIVIDUALS AND GOVERNMENT INSTRUMENTALITIES AND AGENTS							
	A	B	C	D	E	F	G
RULE	If	of	is indebted to	for	and	then collect from current pay	at monthly rate not to exceed that shown in this table or in rule cited
1	an officer or enlisted member	any Military Service	any person	willfully damaging or wrongfully taking property of that person	the commander has convened a board to investigate complaint, and board has assessed damages, and commander has approved an amount of assessment	involuntarily	amount approved by commander not to exceed disposable pay (see subparagraph 500103.D).
2			member's spouse, former spouse or child	Court-ordered child support or alimony			(see ***Chapter 41, section 4102)***.
3		the Army or Air Force	a commissary	an uncollectible check which member or member's authorized agent has issued or endorsed to the commissary (notes 1 and 3)			disposable pay (see subparagraph 500103.D).
4		the Navy or Marine Corps				involuntarily or pursuant to Military Service regulations	Table 50-6, rule 2.
5		the Armed Forces	other appropriated fund activity or office	an uncollectible check endorsed or issued by member or member's agent (note 1)			
6		any Military Service	a nonappropriated fund activity	any indebtedness by member or member's agent	the custodian of the nonappropriated fund instrumentality has tried all means for direct collection from member, and a request has been sent to member's commander for assistance in obtaining direct payment		
7			the Internal Revenue Service	delinquent income taxes or court-ordered child support (note 2)	IRS Notice of Levy is served		(see ***Chapter 41, section 4103*** and Chapter 41, section 4102).

Table 50-5. Indebtedness to Individuals and Government Instrumentalities and Agents

INDEBTEDNESS TO INDIVIDUALS AND GOVERNMENT INSTRUMENTALITIES AND AGENTS							
	A	B	C	D	E	F	G
RULE	If	of	is indebted to	for	and	then collect from current pay	at monthly rate not to exceed that shown in this table or in rule cited
8	an officer or enlisted member	any Military Service	a military banking facility overseas	an uncollectible check endorsed or issued by the member or a defaulted loan made to the member	military banking facility overseas has complied with required procedures	involuntarily	Table 50-6, rule 2.

NOTES:

1. Generally, an agent is one who has been given a power of attorney by the member.
2. Upon certification from Department of Health and Human Services to the Department of the Treasury, an Internal Revenue Service Notice of Levy may be issued for delinquent child support. (See Chapter 41, section 4103 of this volume)
3. Effective February 1, 1999, collection of dishonored checks written by the member or the person who presented the check based upon their status and relationship to the member as well as costs associated with that check may be collected involuntarily.

Table 50-5. Indebtedness to Individuals and Government Instrumentalities and Agents (Continued)

RATES OF COLLECTION					
	A	B	C	D	E
RULE	If	is indebted for	then the Military Service may authorize or approve liquidation by monthly installments that	and if debt remains at time of separation, collect from final pay	and if total debt is not liquidated from final pay, establish collection from
1	officer or enlisted member of any Military Service	court-ordered child support or alimony and garnishment or attachment of pay is directed by court order	do not exceed limitations set forth in chapter section 4102	as directed by court order	retired pay, retainer pay, or pay in new enlistment and limited by Chapter 41, paragraph 410106.
2		an administratively determined indebtedness to the United States or its instrumentalities	do not exceed maximum limitation specified in subparagraph 500104.A unless member consents to collection of greater amount. Commander may authorize collection of a lesser amount when justified or as provided for in the regulations of the Military Service concerned (note 1)	unpaid pay and allowances, separation payments under Chapter 35, (except donation); Reservists' Involuntary Separation Payment; amounts deducted for United States savings bonds including undelivered bonds; separation travel allowance for officers; reimbursement for transportation of household goods, dislocation and trailer allowance (for enlisted members, do not collect from separation travel allowance, or donation on discharge). If member is retiring, then see paragraph 500106 (notes 1, 2, 5 and 6)	retired pay (see paragraph 500105) or pay in new enlistment.
3		an administratively determined indebtedness to the United States excluding the DoD and its instrumentalities or other Uniformed Services	do not exceed 15 percent of disposable pay for that month (see subparagraph 500104.B)		

Table 50-6. Rates of Collection

RATES OF COLLECTION					
	A	B	C	D	E
RULE	If	is indebted for	then the Military Service may authorize or approve liquidation by monthly installments that	and if debt remains at time of separation, then collect from final pay	and if total debt is not liquidated from final pay, then establish collection from
4	an officer or enlisted member of any Military Service	any indebtedness incurred on or after December 4, 1987, to a Service relief society, (Army Emergency Relief, Air Force Aid Society, Navy Relief Society, or Coast Guard Mutual Assistance)	do not exceed 15 percent of disposable pay for that month (see subparagraph 500104.B)	involuntarily or pursuant to Military Service regulations (note 3)	retired pay (see paragraph 500105) or pay in new enlistment.
5		an overpayment of pay or allowances through no fault of the member (for overpayments made on or after October 17, 2006 through October 28, 2009)	do not exceed 20 percent of disposable pay for that month	involuntarily or pursuant to Military Service regulations (note 3)	retired pay (see paragraph 500106) or pay in a subsequent period of military service.
6		an overpayment of pay or allowances through no fault of the member (for overpayments made on or after October 29, 2009)	do not exceed 15 percent of disposable pay for that month.		

NOTES:

1. For Army and Air Force enlisted members do not exceed the maximum limitation specified in subparagraph 500104.A. This limitation does not apply to enlisted members whose accounts are being settled on discharge for fraud, desertion, or because of mental incompetence.
2. For enlisted members, travel allowances remaining due after the completion of separation travel may be collected.
3. Do not exceed maximum limitation specified in subparagraph 500104.A.1.a.
4. In unusual circumstances, the initiation of collection action of travel advances pursuant to a consent agreement may be delayed if the delay is approved by the Director, Defense Finance and Accounting Service (or designee). However, the repayment period shall, in all cases, be scheduled to repay the advance before the member's expected date of separation.
5. For members transferring to the Retired Reserve and receiving Reservists' Special Separation Pay (RSSP), the entire amount of the RSSP payment(s) is available for offset.
6. If indebtedness is a result of an unfulfilled bonus agreement, and separation is under the Special Separation Benefit (SSB) or Voluntary Separation Incentive (VSI) program, then see subparagraph ***350702.F*** for SSB or ***350802.D*** for VSI.

Table 50-6. Rates of Collection (Continued)

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500102.B	Public Law 100-180, section 633, December 4, 1987
500103.C	5 U.S.C. 5514
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500403	4 GAO 5.1

5005 – WAIVER OF CLAIMS FOR ERRONEOUS PAYMENTS OF PAY AND ALLOWANCES

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500601	37 U.S.C. 423

5008 – BANKRUPTCIES	11 U.S.C. 101 – 1330 (Bankruptcy Reform Act of 2005)
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Rule 4	37 U.S.C. 1007
Rule 5	37 U.S.C. 1007
Rule 6	31 U.S.C. 3727
	37 U.S.C. 701(d)
Rule 14	IRS Ltr, February 18, 1993
Notes 11, 12	IRS Ltr, February 18, 993

Table 50-2

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Rule 4	5 U.S.C. 5512
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Rule 5	37 U.S.C. 1007(c)
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SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 51
"SAVINGS PROGRAMS"

All changes are denoted by blue font.

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced in this chapter are contained in this volume.

Hyperlinks are denoted by *underlined, blue, bold, italic font.*

This updated chapter supersedes the previously published version dated December 2010.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
5102	Removed references to Vietnam Conflict.	Update
511003.B. 511004	Updated to reflect current maximum contribution rates	Update
Figure 51-1	Added Health Professions Officer Accession Bonus, Health Professions Officer Retention Bonus, Health Professions Officer Incentive Pay, and Health Professions Officer Board Certification Incentive Pay.	Add
All	Reviewed chapter for accuracy, formatting, and updated references and hyperlinks.	Update

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*Bibliography

CHAPTER 51

SAVINGS PROGRAMS

5101 SAVINGS DEPOSIT PROGRAM (SDP)

510101. Definitions

A. Geographic Areas

1. Persian Gulf Area. Arabian Gulf area as designated in ***Figure 10-1***.

2. Operation Joint Endeavor Area. The area of operations is the total land area of Bosnia-Herzegovina, Croatia, Serbia, Montenegro, Slovenia, Macedonia, Hungary and the air space thereover, or the waters of the Adriatic Sea north of 40N; plus forces operational control/tactical control to Supreme Allied Commander, Europe for the purpose of executing Operation Joint Endeavor (e.g., SOCIFOR, DECISIVE EDGE, and DETERMINED EFFORT).

3. Operation Joint Guard and Operating Joint Forge Area. The area of eligibility consists of the total land area of Bosnia-Herzegovina, Croatia, Serbia, Montenegro, Slovenia, Macedonia, Hungary, and the airspace thereover, or the waters of the Adriatic Sea north of 40 degrees N.

4. Operation Enduring Freedom. The area of eligibility consists of the total land area of Afghanistan, Pakistan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan, the waters consisting of the Red Sea, Gulf of Aden, Gulf of Oman, and Arabian Sea (portion north of 10 degrees north latitude and west of 68 degrees east longitude), or in the air space there over. Effective February 1, 2003 the area of eligibility was expanded to any area that has been designated a combat zone or an area designated in direct support of a combat zone. See paragraph 510206.

B. Permanent Duty Assignment. For the purposes of this chapter only, effective July 1, 1991, any active duty assignment that contemplates duty in the designated area as a permanent change of station (PCS) or for more than 30 days on temporary additional duty (TAD), temporary duty (TDY), or with a deployed ship or unit.

C. Unallotted Current Pay and Allowances. The amount of money a member is entitled to receive on the payday immediately before the date of deposit, less authorized deductions and allotments (e.g., for dependents or insurance). Pay and allowances include special continuation pay, reenlistment bonus, travel allowance on discharge, and pay and allowances for unused accrued leave. Advance pay and travel allowance on PCS and temporary duty may not be deposited.

E. Persian Gulf Conflict. The period beginning on January 16, 1991 and ending on the date prescribed by presidential proclamation or by law.

*5102 AUTHORITY AND ELIGIBILITY

510201. Persian Gulf Conflict. Members of the Armed Forces serving outside the United States or its possessions under arduous conditions (as determined by the Secretary of Defense) in connection with the Persian Gulf Conflict (e.g., Operation Desert Shield, including Desert Storm) or on permanent duty assignment outside the United States or its possessions in support of a contingency operation (as defined in the Definitions) are authorized to make deposits of unallotted current pay and allowances and earn interest. See Table 51-1 for specific eligibility to make deposits.

510202. Operation Joint Endeavor. Effective January 1, 1996, members serving outside the United States or its possessions on Operation Joint Endeavor became authorized to participate in the SDP by making deposits of unallotted pay and allowances payable after January 1, 1996. This includes units reassigned to the area of operations from outside the United States such as ships or mobile units.

510203. Operation Joint Guard. Effective January 1, 1997, members of the Armed Forces serving on Operation Joint Guard outside the United States or its possessions became authorized to make deposits of unallotted current pay and allowances payable after January 1, 1997.

510204. Operation Joint Forge. Effective June 20, 1998, any member assigned to Operation Joint Forge became authorized to participate in the SDP, provided that he or she had served for at least 30 consecutive days or at least 1 day in each of 3 consecutive months in the Operation Joint Forge area of eligibility.

510205. Operation Enduring Freedom

A. Effective November 1, 2001, any member assigned to Operation Enduring Freedom became authorized to participate in the SDP, provided that he or she had served for at least 30 consecutive days or at least 1 day in each of 3 consecutive months in the Operation Enduring Freedom area of eligibility.

B. Effective February 1, 2003, any member serving in an assignment outside the United States or its possessions in support of Operation Enduring Freedom in an area that has been designated a combat zone or is in direct support of a combat zone is eligible to participate in the SDP after the member has served in that assignment for at least 30 consecutive days or at least 1 day for each of 3 consecutive months.

510206. Member In a Missing Status. The Secretary of the Military Department concerned may, in the interest of a member who is in a missing status (see ***Glossary***) or his dependents, initiate, stop, modify, and change allotments for deposit of unpaid pay and allowances accruing in a missing member's pay account, and authorize withdrawal of deposits

made under this chapter, even though the member had an opportunity to make deposits and elected not to do so. Compute interest as prescribed by this chapter, from January 1, 1991, or the day the member enters a missing status, whichever is later. The $10,000 limitation on the amount that interest is payable does not apply to deposit accounts of members in a missing status.

Examples:

1. A member entered a missing status on February 1, 1991. Unpaid pay and allowances have been accruing in his pay account at the rate of $100 per month since that date. An account was opened for the member on May 1, 1991, with an initial deposit of $300 (February, March, and April). His account was credited with $10 per month on June 1, 1991, and the first day of each month thereafter while he remains in a missing status, or until modified, stopped, or repaid at the direction of the Secretary of the Military Department concerned. Interest accrued from February 1, 1991.

2. A member entered a missing status on February 18, 1991. The amount of unpaid pay and allowance due to the member on the payday following February 18, 1991, determined the amount of the initial deposit. The member's account was opened on March 1, 1991, with the initial deposit and his account was credited with his unallotted pay and allowances monthly on the first day of each month thereafter as prescribed in example A. Interest accrued from February 18, 1991.

5103 LIMITATIONS ON AMOUNTS OF DEPOSITS

510301. Amounts. Amounts up to $10,000 can be deposited with interest accrual at the rate of 10 percent per annum. The maximum amount on which 10 percent interest is computed is $10,000 (principal and accrued interest combined). Deposits may not be more than the amount defined as unallotted current pay and allowances in subparagraph 510101.C. When, however, the member can establish to the satisfaction of his commanding officer that he or she was unable to make a deposit in the normal manner, unallotted pay in excess of current pay and allowances may be deposited. Members may not accumulate back pay prior to departure to a covered geographic area or on permanent duty assignment outside the United States or its possessions in support of a contingency operation (as defined in the definitions) for deposit after arrival in the area. When members arrive in a covered geographic area, or on permanent duty assignment outside the United States or its possessions in support of a contingency operation (as defined in the definitions), they may deposit the amount they could have, or did, accrue during the month of arrival, less authorized deductions. Members who are paid twice monthly may combine pay accrued at midmonth and pay accrued at end of month, or combine end-of-month pay with pay accrued on the following midmonth payday for a single deposit, provided the total amount deposited in a one month period does not exceed the amount they are entitled to be paid for 1 month.

510302. Eligible Members. Active duty officers and enlisted members may make deposits into the SDP by allotment. Such allotment shall be processed in accordance with the procedural instructions of the Military Service concerned. However, the restrictions of this

chapter are applicable when starting this type of allotment.

510303. Power of Attorney. An agent with a power of attorney from the member may make deposits, either by allotment or by cash, into the SDP on behalf of the member, if the power of attorney states the authority to establish, change, or stop allotments. When accepting a cash deposit from the agent on the member's behalf, the disbursing officer must ensure that the amount deposited does not exceed the member's unallotted pay and allowances for the period involved.

5104 INTEREST ON DEPOSITS

510401. Accrual of Interest. See Table 51-2.

510402. Computation of Interest. Deposits made on or before the 10th of the month accrue interest from the 1st of the month. Deposits made after the 10th of the month accrue interest from the first day of the following month. The effective date of deposit is the date the deposit is made to the disbursing officer, finance officer, or any other designated officer of the Uniformed Service. Compute interest at the rate of 10 percent per annum, compounded quarterly, according to calendar quarter. Compute quarterly interest on the average quarterly balance on deposit. Ten percent is compounded quarterly on amounts less than $10,000. Once $10,000 is on deposit, simple interest will be computed on the $10,000. No interest is paid on amounts exceeding $10,000, except on amounts for a member who is in a missing status.

510403. Taxability of Interest Paid. Interest paid on the amounts deposited into the SDP is taxable.

510404. Computing Average Quarterly Balance

A. If there were no emergency withdrawals during the quarter, determine the average quarterly balance by adding amounts on deposit on the 10th day of each month of the quarter, and divide the total by three.

Example 1

Date	Deposits	Amount On Deposits	On 10th Day of
Jan 5	$20.00	$20.00	Jan
Feb 3	20.00	40.00	Feb
Feb 20	20.00		
Mar 10	20.00	80.00	Mar
		$140.00	

$140.00 divided by 3 = $46.67 average quarterly balance.

Example 2

Date	Deposits	Amount On Deposit	On 10th Day of
Jan	$0.00	$ 0.00	Jan
Feb 3	20.00	20.00	Feb
Feb 20	20.00		
Mar 3	20.00	60.00	Mar
		$80.00	

$80.00 divided by 3 = $26.67 average quarterly balance

B. Emergency withdrawals at any time during a quarter reduce the average quarterly balance on which interest accrues.

Example 1

Date	Deposits	With-drawals	Amount On Deposit	On 10th Day of
Apr 1	$147.12 (Bal Fwd)	$0.00		
Apr 3	20.00		$167.12	Apr
			167.12	May
May 15	10.00		--	
Jun 4	30.00		--	Jun
Jun 15		$80.00	127.12	Jun
			$461.36	

$461.00 divided by 3 = $153.79 average quarterly balance

C. Except for amounts on deposit in the case of a member who is in a missing status, the maximum amount upon which 10 percent interest is payable is $10,000 (principal and accrued interest combined).

Example 2

Date	Quarterly Interest	Amount on Deposit
Jan 10	-0-	$10,000.00
Apr 1	250.00	10,250.00
July	250.00	10,500.00

510405. Special Determinations. See Table 51-1.

5105 CONDITIONS UNDER WHICH DEPOSITS, PLUS INTEREST, ARE REPAID. See Table 51-3.

5106 PAYMENT OF INTEREST UPON FINAL SETTLEMENT OF DEPOSIT ACCOUNT

510601. General. Except when the 90-day limitation applies, interest will stop at the end of the month in which full repayment is made to the member or member's heirs.

510602. Ninety-Day Limitation Period After Eligibility to Make Deposits Terminates. In no case shall interest accrue for a period longer than 90 days (computed on a day-for-day basis of actual elapsed time) after the member's eligibility to make deposits terminates. For the Persian Gulf Conflict, the 90-day limitation period begins on the day after the member's entitlement terminates for Imminent Danger Pay (IDP) in the Persian Gulf area. Should the 90-day limitation period end on any day other than the last day of a month, interest will accrue through the last day of the preceding month. If the 90-day limitation period ends on the last day of a month, interest accrues for that month. In determining when the 90-day limitation period terminates, the last day of the month is February 28 (February 29 in leap year), the 30th of a 30-day month, or the 31st day of a 31-day month.

510603. Computation of Interest at 10 Percent Rate. Repay deposits, plus interest, under the conditions shown in Table 51-2. Compute interest at the rate of:

1 Month-1/12 of 10 percent or .00833
2 Months-2/12 of 10 percent or .01667
3 Months-(Full Quarter)-.025

Example 1: Member's Request

A member has $355 (principal plus compounded interest as of June 30, 1991) on deposit when IDP terminates on July 30, 1991. He requested repayment on August 12, 1991. The member was repaid $355 plus interest of $5.92 for the months of July and August (.01667 x $355) or $360.92.

Example 2: Ninety-Day Rule

Same example as 1, above, except the member requested repayment on October 15, 1991. The member was repaid $355 plus interest of $8.88 for the months of July, August, and September (.025 x $355) or $363.88. Interest for October 1-15, 1991, was not allowed since the 90-day limitation period ended on October 12, 1991 (a day other than the last day of the month).

Example 3: Member Discharged

Same example as 1, above, except the member was discharged overseas for his or her own convenience on July 15, 1991. The member was repaid $355 plus interest of $2.96 for the month of July (.00833 x $355) or $357.96, assuming full repayment was in effect in the month

of July.

Example 4: Member Dies

On March 8, 1991, the member had on deposit the maximum amount of $10,000 (principal plus simple interest) and made no new deposits. While in the Persian Gulf area, the member died on November 15, 1991, and settlement of unpaid pay and allowances was made to member's heir(s) on December 15, 1991. The amount repaid was $10,000 plus simple interest of $833.33 for period March 1 through December 31, 1991 (.00833 x 10), or $10,833.33.

5107 WITHDRAWAL OF DEPOSITS

510701. Emergency Withdrawals. Withdrawals may be made in an emergency only when the health or welfare of a member or his dependent(s) would be jeopardized if the withdrawal was not granted. Emergency withdrawals may be authorized by the member's commanding officer.

510702. Members in a Missing Status. Withdrawals may be made when directed by the Secretary of the Military Department concerned when deemed in the best interest of the member, the member's dependent(s), or the U.S. Government.

510703. Discharge While Eligible to Make Deposits. Members, eligible to make deposits, who are discharged and immediately reenlist, extend their enlistments, or who are discharged to accept a commission may not withdraw their deposits.

510704. Accounts Which Have Reached $10,000. In situations where the member's principal and interest on deposit reaches $10,000, any amounts representing interest accruing in the account subsequent to that time which causes the $10,000 total to be exceeded, may be withdrawn quarterly at the member's request.

510705. Automatic Refund. Accounts will accrue interest no more than 90 days after a member leaves a designated SDP area. Members should withdraw their funds after the 90-day period. If no withdrawal is made within 120 days after the qualifying duty terminates, the Defense Finance and Accounting Service will automatically transfer the funds to the military pay account of the SDP account owner.

5108 APPLICATION TO INDEBTEDNESS OR FORFEITURE

Savings deposits and interest thereon are exempt from liability for member's debts except for levies issued by the Internal Revenue Service in problem cases. This includes any indebtedness to the United States Government or its agencies. Deposits are not subject to forfeiture by sentence of court-martial, and are not forfeited by desertion.

5109 LIABILITY OF DISBURSING OFFICERS

A disbursing officer who fails to properly process a deposit into his account is liable for

the amount of the deposit, plus interest, from the effective date of the deposit to date of withdrawal or repayment.

5110 THRIFT SAVINGS PLAN (TSP)

511001. General. TSP is a Government-sponsored retirement savings and investment plan. Congress established the plan as part of the Federal Employees' Retirement System Act. Participation in the plan for military members was allowed by the National Defense Authorization Act for Fiscal Year 2000 as amended by the National Defense Authorization Act for Fiscal Year 2001 and was effective October 9, 2001. The plan offers tax deferral advantages similar to those offered by private corporations to their employees under 401(k) plans. The Federal Retirement Thrift Investment Board (Board), which operates the plan solely for the benefit of the participants and their beneficiaries, administers the plan. The Agency Technical Services (ATS) staff processes TSP data submissions from the submitting payroll offices. The Board issues TSP regulations via ***5 Code of Federal Regulations (CFR), part 1600*** and bulletins providing necessary guidance relating to TSP operations.

511002. Definitions

A. Member means:

1. A member of the Uniformed Services serving on active duty; or

2. A member of the Ready Reserve in any pay status.

B. Basic pay means basic pay payable under ***37 U.S.C. 204*** or inactive duty pay compensation payable under ***37 U.S.C. 206***, which is paid at the rate of 1/30 of the basic pay authorized to a member of a Reserve Component who is not entitled to basic pay under ***37 U.S.C. 204***.

C. Military Services refer to the Uniformed Services as defined (see ***Glossary, Item 106***).

511003. Participation

A. When to Begin TSP Deductions. Any member of the Uniformed Services may elect to participate in the TSP. The payroll deduction will commence the first full pay period after the service accepts the TSP Election Form (TSP-U-1).

B. Contribution Limitations. During the initial start up of the program, contribution limitations applied. The maximum amount a member could contribute by year through 2005 is listed below. Effective 2006, a member is authorized to contribute from 1 to 100 percent of their basic pay. If a member is contributing to the TSP from basic pay, the member is also authorized to contribute incentive or special pay (including bonus pay) under ***37 U.S.C. chapter 5*** (See Figure 51-1). Under no circumstance will the contribution for any given year exceed the limitation under title ***26 U.S.C. sections 402(g)*** and ***415(c)*** of the Internal

Revenue Code.

	Pay Period in Year	Maximum Percentage Allowable	Maximum Dollar Amount
	2002	7	$11,000
	2003	8	$12,000
	2004	9	$13,000
	2005	10	$14,000
*	2006	100	$15,000
*	2007 through 2008	100	$15,500
*	2009 through 2011	100	$16,500
*	2012 and beyond	100	$17,000

C. Member Transfers

1. When members transfer between components or branches of the Uniformed Services, their TSP contributions may be continued. The member will notify their gaining servicing organization of their existing TSP contribution rates in order to continue TSP contributions and or loan payments without interruption.

2. If a member separates from the service and rejoins after a break in service of 31 days or more, the member may sign up immediately to contribute to TSP.

3. If a member separates from the service and rejoins after a break in service of less than 31 days, and the member had been contributing to the TSP, contributions to the TSP should resume the first pay period after rejoining the service.

4. A member of the Uniformed Service who is also a Federal civilian employee may contribute under both programs to the TSP. The yearly contribution limitations in subparagraph 511003.B will apply to the combined accounts and not to each account separately.

D. All TSP contributions must be made through payroll deduction. Lump-sum contributions for special, incentive and bonus payments are permitted only through payroll deductions.

E. The choice to stop contributing to TSP is permitted at any time. It is effective at the end of the pay period in which that election is accepted by the member's servicing activity. If basic pay contributions are terminated, TSP deductions for special, incentive and bonus pays will also be terminated with the same effective date.

* 511004. Catch-Up Contributions. A TSP participant age 50 years or older may make catch-up contributions to their TSP account. Only deductions from basic pay are allowable. The amount of the catch-up will not exceed the annual limit of $5,500. To participate in the catch-up contribution, a member must self certify on the catch-up election that he/she expects to contribute the maximum amount to the TSP or other eligible employer plans. That amount is $17,000 in 2012. Future catch-up amounts will be set by the IRS and announced by

the Thrift Investment Board. The website is ***http://www.tsp.gov***.

511005. Matching Contributions. The Secretary concerned may enter into an agreement with a member to make matching contributions to the TSP for the benefit of the member if the member is in a specialty designated as critical to meet wartime or peacetime requirements. The member shall commit to serve on active duty in that specialty for a period of 6 years.

A. The Secretary concerned will make these contributions for each pay period of the 6-year period that the member makes contributions.

B. Contributions are matched dollar for dollar for the first 3 percent of basic pay contributed per pay period, and the 50 cents on the dollar for the next 2 percent of pay. Therefore, the member will not receive matching contributions for amounts contributed above 5 percent.

511006. TSP Loan Program

A. General. All TSP participants are eligible to obtain a TSP loan. Members may borrow only from their own contributions and earnings. The minimum amount a member can borrow is $1,000. A member may have a total of two loans outstanding, one of each type listed below. The total outstanding loans cannot exceed $50,000. When a member has both a civilian TSP account and a military TSP account, the maximum loan amount applies to the combined accounts and not to each account separately.

B. Types of Loans. Loans can be made for the following purposes:

1. Residential; or

2. General purpose.

C. Interest Rate. The interest rate shall be the posted rate for the G Fund at the time that the loan application is processed by the TSP. The rate is fixed at that level for the life of the loan, and the interest paid on the loan shall go back to the member's own TSP account and is not tax deductible.

D. Tax Exempt Amount. When a participating member has contributions that are made from tax exempt pay as well as from tax deferred pay, the loan principal will be made and repaid on a pro rata basis from these funds. For additional information, see ***TSP Loans*** (June 2006).

511007. Breakage (Lost TSP Earnings) Due to Agency Error

A. Authority. ***Title 5 U.S.C. 8432a*** provides statutory authority for employing agencies to pay to the TSP amounts representing breakage (lost earnings) resulting from certain agency errors. If a member receives pay from which member contributions should

have been deducted, but as a result of agency error, all or any part of those deductions were not made, then even if the member makes up those member contributions, the belated member contributions shall not be subject to lost earnings. ***5 CFR, part 1605*** provides guidance on those errors that require payment of breakage. The following are applicable conditions that require payment of breakage:

1. Delayed or Erroneous Contributions When Member Received Pay

a. If a member receives pay, but as a result of an agency error all or any part of the agency matching contribution associated with that pay are not timely received by the TSP record keeper, the agency belated contributions shall be subject to breakage.

b. If a member receives pay where contributions were properly deducted but, as a result of an agency error, all or any part of the associated agency matching contributions were not timely received by the TSP record keeper, then the belated contributions will be subject to breakage.

c. If a member receives pay where contributions were properly deducted but, as a result of an agency error all or any part of those member contributions were not timely received by the TSP record keeper, the belated contributions will be subject to breakage.

2. Agency Delay in Basic Pay, Special Pay, Incentive Pay and Bonus. Where, as the result of an agency error, a member does not timely receive all or any part of pay to which entitled, all such belated member contributions and agency matching contributions shall be subject to breakage.

3. Late Payroll Submissions. All contributions contained in a payroll submission received by the TSP record keeper more than one pay period after the pay date associated with that payroll submission shall be subject to breakage.

4. Loan Allotments. Loan allotments deducted from a member's pay but not timely received by the TSP record keeper due to agency error shall be subject to breakage.

B. Minimum Dollar Amount. Breakage on loan allotments and late contributions shall be calculated by the TSP system only for those contributions and loan allotments that are $1 or more.

C. Agency Responsibility. The employing agency whose error caused a late or erroneous investment of money in the TSP is responsible for payment of any breakage resulting from that error. The paying office that submitted payment records or loan allotments that are subject to breakage is also responsible for submitting the appropriate payment records relating to those submissions. The amount of breakage that is calculated shall be charged to the TSP clearing account of the submitting paying office. Where another employing agency caused the late or erroneous submission by the submitting paying office, the paying office that was

charged for the amount of breakage calculated should seek reimbursement from the other employing agency.

D. Detailed Information on Breakage. For detailed information concerning the breakage (lost earnings) process, refer to TSP regulations in ***5 CFR, part 1605*** or TSP Bulletins. The TSP bulletins are available under Info for TSP Representatives on the TSP's Web site at ***http://www.tsp.gov***.

PAY ENTITLEMENTS AVAILABLE FOR TSP CONTRIBUTIONS		
37 U.S.C. §	**DoDFMR, Volume 7A, Chapter section, paragraph, or subparagraph**	**Bonuses**
302(h)	0602	Accession Bonus (Dental)
302(j)	070101	Accession Bonus (Pharmacy)
302(d)	2101	Accession Bonus For Registered Nurses
330	0306	Accession Bonus for Officer Candidates
324	0307	Accession Bonus for New Officers in Critical Skills
301(b)	20	Aviator Retention Bonus (Aviator Continuation Pay)
308(h)	61	Bonus Program for the Individual Ready Reserve and Inactive National Guard
308(h)	5704	Bonus for Reenlistment, Enlistment, or Voluntary Extension (Ready Reserve)
354	66	Career Status Bonus
302(e)	2102	Certified Registered Nurse Anesthetists Bonus
302(l)	0603	Critical Skills Wartime Accession Bonus (Dental)
302(k)	0509	Critical Skills Wartime Accession Bonus (Medical)
309	0901	Enlistment Bonus
308	0904	Enlistment Bonus (Army)
308(c)	5603	Enlistment Bonus (Selected Reserve)
308(g)	5704	Enlistment Bonus (Ready Reserve)
316	1901	Foreign Language Proficiency Bonus
301(e)	0608	Multiyear Retention Bonus (Dental)
301(d)	0514	Multiyear Retention Bonus (Medical)
312(b)	030101	Nuclear Career Accession Bonus
312(c)	030103	Nuclear Career Annual Incentive Bonus
308(i)	5605	Prior Service Enlistment Bonus
308	0902	Reenlistment Bonus
308(b)	5604	Reenlistment Bonus (Selected Reserve)
308(j)	5603	Reserve Affiliation Bonus
355	0903	Retention Bonus for Members Qualified in a Critical Military Skill
355	0308	Retention Incentive for Officers in a Critical Military Skills
314	14	Special Pay for Enlisted Members Extending Duty at Designated Locations Overseas (See note 1)
302(g)	5602	Selected Reserve Health Care Professionals In Critically Short Wartime Specialties
308(j)	5601	Selected Reserve Officer Accession And Affiliation Bonus
301(b)(2)	140102	Qualified Members Extending Duty at Designated Locations Overseas Bonus
318	030302	Special Warfare Officer Retention Bonus
327	0309	Transfer between Armed Forces

***Figure 51-1. Pay Entitlements Available for TSP Contributions**

PAY ENTITLEMENTS AVAILABLE FOR TSP CONTRIBUTIONS		
37 U.S.C. §	**DoDFMR, Volume 7A, Chapter section, paragraph, or subparagraph**	**Bonuses cont.**
335(a)	0512	Health Professions Officer Accession Bonus (Medical)
335(a)	0705	Health Professions Officer Accession Bonus (Veterinarian)
335(a)	0514	Health Professions Officer Retention Bonus
		Incentive Pays
301(a)	2202	Aviation Career Incentive Pay
320	22	Career Enlisted Flyer Pay
301	24	Hazardous Duty Incentive Pays
301(c)	23	Submarine Duty
335(b)	0513	Health Professions Officer Incentive Pay (Medical)
335(b)	0705	Health Professions Officer Incentive Pay (Veterinarian)
335(c)	0515	Health Professions Officer Board Certification Incentive Pay
		Special Pays
307(a)	15	Assignment Incentive Pay
302(c)(d)	0507	Board Certified Pay for Non-Physician Health Care Providers
305(a)(a)	180102.A	Career Sea Pay
305(a)(c)	180102.B	Career Sea Pay Premium
328	13	Combat-Related Injury Rehabilitation Pay
312	030102	Continuation Pay for Nuclear-Qualified Officers Extending Period of Active Service
302(b)(a)(4)	0606	Dental Additional Special Pay
302(b)(a)(5)	0607	Dental Board Certified Pay
302(b)(a)(2)	0605	Dental Variable Special Pay
302(b)(6)	0604	Oral or Maxillofacial Dental Surgeon Incentive Special Pay
302(b)(h)	0609	Reserve Dental Officers Special Pay
308(d)	580108	Designated Unit Pay
302(c)(c)	0507	Diplomate Pay for Psychologists
304	11	Diving Duty
315	0304	Engineering and Scientific Career Continuation Pay
314(b)(1)	140201.A	Enlisted Members Extending Duty at Designated Locations Overseas
305	17	Hardship Duty Pay
310	10	Hostile Fire and Imminent Danger Pay
302(e)	2102	Incentive Special Pay for Nurse Anesthetists
321	0305	Judge Advocate Continuation Pay
302(a)(4)	0505	Medical Additional Special Pay
302(a)(5)	0506	Medical Board Certified Pay
302(b)	0503	Medical Incentive Special Pay
302(a)(2)	0504	Medical Variable Special Pay

***Figure 51-1. Pay Entitlements Available for TSP Contributions**

PAY ENTITLEMENTS AVAILABLE FOR TSP CONTRIBUTIONS		
37 U.S.C. §	**DoDFMR, Volume 7A, Chapter section, paragraph, or subparagraph**	**Special Pays cont.**
302(f)	*0508*	Special Pay for Reserve Medical Officers
302(c)	*0507*	Nonphysician Health Care Providers
302(e)	*21*	Nurse Anesthetists
306	*0302*	Officers Holding Position of Unusual Responsibility and of Critical Nature
302(a)(a)	*070202*	Optometrists Regular Special Pay
302(a)(b)	*070203*	Optometrists Retention Special Pay
302(i)	*070102*	Pharmacy Officers
302(g)	*5803*	Reserve Health Care Professionals in Critically Short Wartime Specialties
307	*08*	Special Duty Assignment Pay for Enlisted Members
307(d)	*570401*	Special Duty Assignment Pay (Guard and Reserve)
319	*0304*	Surface Warfare Officer Continuation Pay
303(a)	*070302*	Veterinarians
305(b)	*010203.A*	Weapons of Mass Destruction Civil Support Team

***Figure 51-1. Pay Entitlements Available for TSP Contributions**

ELIGIBILITY FOR MAKING DEPOSITS IN THE SAVINGS DEPOSIT PROGRAM (SDP) (note 1)			
	A	**B**	**C**
RULE	**If the member is**	**and the member**	**then member is eligible to make deposits in the SDP**
1	serving outside the United States or its possessions under arduous conditions in connection with the Persian Gulf conflict (notes 2 and 3)	is serving on an active duty assignment for more than 90 days and is entitled to hostile fire pay/imminent danger pay (HFP/IDP) for the Persian Gulf area	(note 4).
2		is entitled to HFP/IDP for duty in the Persian Gulf area for 3 consecutive months (note 7)	for subsequent periods the member is also entitled to HFP/IDP for duty in the Persian Gulf area (notes 5 and 8).
3		is assigned to duty contemplating presence in the Persian Gulf area for a period of at least 30 days	for subsequent periods the member is entitled to HFP/IDP for duty in the Persian Gulf area (note 5).
4	serving outside the United States or its possessions in support of Operation Enduring Freedom	has served at least 30 consecutive days or at least 1 day in each of 3 consecutive months in the area of operations (see subparagraph 510101.D)	(note 12).
5		has served at least 30 consecutive days or at least 1 day in each of 3 consecutive months in an area that has been designated as a combat zone or in direct support of a combat zone	for subsequent periods of service outside the United States or its possessions in support of a Operation Enduring Freedom. (note 13)
6	serving on permanent duty assignment (see paragraph 510101.B) outside the United States or its possessions in support of a contingency operation (as defined in Definitions) (notes 9, 10, and 11)	has served on an active duty assignment in the designated area for more than 30 days. (This includes units reassigned to the area of operations from outside the United States, such as ships or mobile units.)	for subsequent periods of service outside the United States or its possessions in support of a contingency operation (note 6).
7		is entitled HFP/IDP for duty in the designated area of the contingency operation for 3 consecutive months	for subsequent periods the member is also entitled to HFP/IDP for duty in the designated area of the contingency operation (note 6).

Table 51-1. Eligibility for Making Deposits in the Savings Deposit Program (SDP)

NOTES:

1. Amounts deposited shall be accounted for in the same manner as public funds. The amount of the deposits is limited to "unallotted" current pay and allowances and will be in multiples of $5.
2. The period concerned is contained in section 5101.
3. Members eligible to make deposits may continue to do so when on TAD or TDY, provided the account was started while the member was in the Persian Gulf area.
4. Applicable to deposits made before July 1, 1991. The amount of the deposits will be in multiples of $5.
5. Applicable to deposits made on or after July 1, 1991.
6. Eligibility to make deposits will be determined on a month-by-month basis in accordance with guidelines issued by the Secretary of Defense.
7. See section 5101 regarding areas in the Persian Gulf Area that are no longer designated areas.
8. The amount of money that may be deposited will not be greater than the unallotted pay and allowances the member accrued on the paydays, during the month in which member qualified for hostile fire pay.
9. See subparagraph 510101.A.2 and paragraph 510202 for Operation Joint Endeavor effective date and eligibility criteria.
10. See subparagraph 510101.A.3 and paragraph 510203for Operation Joint Guard eligibility criteria and effective date.
11. See subparagraph 510101.A.3 and paragraph 510204 for Operating Joint Forge effective date and eligibility criteria.
12. See subparagraph 510101.A.4 and paragraph 510205.A for Operation Enduring Freedom effective date and eligibility criteria.
13. See subparagraph 510101.A.4 and paragraph 510205.B for Operation Enduring Freedom effective date and eligibility criteria.

SAVINGS DEPOSITS, SPECIAL DETERMINATIONS ON ACCRUAL OF INTEREST			
RULE	A	B	C
	When an eligible member has a savings deposit account in effect and member	**and**	**then interest**
1	was in a deserter status	is returned to military control	accrues to the end of the month before the month the member entered a deserter status and resumes the first of the month after the month the member returns to military control (note 1).
2	returns to military control after desertion	has personnel records corrected to remove a mark of desertion	accrues during the period the member was originally considered to be a deserter (note 2).
3	is separated or discharged	repayment of deposits is delayed for any reason (note 3)	accrues to the end of the month in which repayment is made, not to exceed 90 days after eligibility to make deposits terminates.
4	does not request repayment after termination of eligibility to make deposits	within 90 days is again entitled to make deposits	continuously accrues.
5	is in a missing status	the Secretary of the Military Department concerned (or designee) directs repayment of total amount of deposit	accrues to the end of the month in which repayment is directed.
6		a finding of death is made	accrues to the end of the month in which repayment is made not to exceed 90 days after the date pay and allowances terminate.
7	is assigned to duty in the Persian Gulf area or on permanent duty assignment outside the United States or its possessions in support of a contingency operation (as defined in Definitions) (notes 5, 6, and 7)	is on TDY or TAD away from (a) the Persian Gulf area or (b) permanent duty assignment outside the United States or its possessions in support of a contingency operation (as defined in Definitions) for a period of 90 days (notes 5, 6, and 7)	accrues for the first 90 days of TDY or TAD, but not after 90 days (note 4).

NOTES:

1. Interest does not accrue on deposits during the period a member is in a desertion status.
2. Interest will be computed and retroactively credited.
3. Delays in repayment of deposits include withholding of issued discharge certificates pending release from confinement when sentenced to dishonorable discharge.
4. Interest would again accrue upon return to the Persian Gulf area or permanent duty assignment outside the United States or its possessions in support of a contingency operation (as defined in the definitions).
5. See subparagraph 510101.B and paragraph 510203 for Operation Joint Endeavor contingency operation designation, effective date, and eligibility criteria.
6. See paragraph 510101.0 and paragraph 510204 for Operation Joint Guard contingency operation designation, effective date, and eligibility criteria.
7. See subparagraph 510101.0 and paragraph 510205 for Operation Joint Forge contingency operation designation, effective date, and eligibility criteria.

Table 51-2. Savings Deposits, Special Determinations on Accrual of Interest

SAVINGS DEPOSITS, CONDITIONS UNDER WHICH DEPOSITS, PLUS INTEREST ARE REPAID		
RULE	A	B
	When an eligible member has a savings account and member	**then all deposits, plus interest will be repaid upon**
1	departs the Persian Gulf area or is no longer on permanent duty assignment outside the United States or its possessions in support of a contingency operation (as defined in the definitions)	the member's request upon departure from the permanent duty assignment outside the United States or its possessions or 90 days after the permanent duty assignment in the area of operations terminates (see note). For the Persian Gulf area, all deposits, plus interest, will be repaid upon the member's request, 90 days after IDP for the Persian Gulf area terminates, or 90 days after permanent duty assignment in the Persian Gulf area terminates. For contingency operations, all deposits, plus interest, will be repaid upon the member's request 90 days after the permanent duty assignment outside the United States or its possessions terminates.
2	is discharged or separated overseas (not for reentry into the Military Service)	discharge or separation from the Military Service or not to exceed 90 days thereafter.
3	is in a missing status	direction of the Secretary concerned or designee.
4	dies	settlement of member's unpaid pay and allowances as provided in ***Chapter 36*** (note).

NOTE:
Interest on deposits stops at the end of the month in which full repayment is made. Do not continue interest beyond 90 days after the date of the member's death, when hostile fire/imminent danger pay for the Persian Gulf area terminates, or when a member's permanent duty assignment outside the United States or its possessions in support of contingency operation (as defined in definitions) terminates, whichever is earlier. See Table 51-2, Rule 6, for death cases where a missing status is involved.

Table 51-3. Savings Deposits, Conditions Under Which Deposits, Plus Interest Are Repaid.

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510705 - Automatic Refund	
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5108 - APPLICATION OF INDEBTEDNESS OF FORFEITURE

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5110 - THRIFT SAVINGS PLAN (TSP)

	Public Law 99-335 & 106-65, section 661, October 5, 1999 as amended by Public Law 106-398, section 661, October 30, 2000
	5 Code of Federal Regulations, Chapter VI
511001	5 U.S.C. 8431-8440
511004	26 U.S.C. 402(g)
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Figure 51-1	37 U.S.C. Chapter 5
Table 51-1	
Rule 4	ASD(FMP) Memo, November 26, 2001
Rule 5	PDUSD (P&R) Memo, February 24, 2003

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 52
"PRECEDENCE OF PAY DEDUCTIONS AND COLLECTIONS"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

This updated chapter supersedes the previously published version dated June 2009.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Table 52-1 Rule 13 Bibliography	Incorporated TSP catch-up contributions and Roth TSP contributions for priority of deductions and collections.	Add
All	Verified accuracy of hyperlinks and references.	Update

TABLE OF CONTENTS

PRECEDENCE OF PAY DEDUCTIONS AND COLLECTIONS

Table 52-1 Priority of Deductions and Collections

Bibliography

PRIORITY OF DEDUCTIONS AND COLLECTIONS		
RULE	**When the amounts due 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: a. Forfeiture. (note 1) b. Reduction for educational benefit under "Montgomery G.I. Bill" (note 1)
2	Reimbursement to United States	Amounts collected for deposit to the credit of the United States Treasury, in the following order: 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 United States	a. Routine pay adjustment as defined in subparagraph ***500104.A.1.*** b. Repayment of advances of pay/allowances or advances of travel c. Other collections (overpayments of pay or allowances outside the scope of a routine pay adjustment). d. Repayment of public funds entrusted to an accountable member or funds obtained by any member through fraud, larceny, embezzlement, or other unlawful means e. Clothing allowance charges f. Transportation charges g. Subsistence charges h. Government property lost or damaged. (note 2) i. Telephone or telegraph charges j. Damage to assigned housing due to negligence or abuse k. Indebtedness to a Commissary, DoD contracted Military Banking Facility overseas, or other appropriated fund activity for an uncollectable check or defaulted loan l. Unpaid hospital bills for medical services furnished a dependent m. Compensation or stipend payments received by a medical officer from state, county, municipal, or privately owned hospitals for medical services n. Jury duty fees received by a member o. Amounts due 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**

PRIORITY OF DEDUCTIONS AND COLLECTIONS		
RULE	**When the amounts due 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 United States	In order specified by the Military Service member (note 4)
12	Involuntary allotment for commercial debts	(note 5)
***13**	Thrift Saving Plan (TSP)	Payments to TSP in the following order: a. TSP loan repayments b. TSP deductions * c. Roth TSP deductions * d. TSP catch-up deductions

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

PRIORITY OF DEDUCTIONS AND COLLECTIONS		
RULE	**When the amounts due 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 or when a savings bond has been issued before the date amounts due a member are to be disbursed in the following order: 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 United States savings bonds e. Donation to charity drives f. Other discretionary allotments (note 5)
15	Internal Revenue Service levy for delinquent Federal income taxes	(See ***Chapter 44***, section 4402) (note 5)
16	Court-Martial fines	

NOTES:

1. Gross pay to which the Military Service member would otherwise be entitled must be reduced by the amount of the forfeiture. The forfeiture is subtracted to determine a new, reduced 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 ***Table 50-3, rule 5.***
3. In cases where the United States Bankruptcy Court has mandated that a sum be deducted monthly, the court order will be followed as prescribed in Military Service regulations. The above order of precedence 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.

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

*BIBLIOGRAPHY

CHAPTER 52 – PRECEDENCE OF PAY DEDUCTIONS AND COLLECTIONS

Table 52-1

Rule 1(a)	36 Comp Gen 79
Rule 1(b)	38 United States Code (U.S.C.) 3011(b)(3)
Rule 2(a)	26 U.S.C 3102 and 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. 1007c
	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 12	5 U.S.C. 5520a
	DoD Directive 1344.9, 27 Oct 1994
	DoD Instruction 1344.12, 18 Nov 1994
Rule 13	37 U.S.C. 701, 703, 704 and 706
*	5 U.S.C. 8432d
Rule 14	26 U.S.C 6331 and 6334
Note 5	Internal Revenue Service Letter, 25 Sep 1978

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 54
"TRICARE DENTAL PROGRAM (TDP)"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Reviewed chapter for accuracy, formatting, and updated references and hyperlinks.	Update
540104	Combined subparagraphs 540103.A, 540103.B and 540103.C into paragraph 540104.	Update
540108	Added TRICARE Dental Program (TDP) monthly premium rates	Add
All	Removed references to United Concordia Companies, Inc.	Update

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* 540108 Premium Amounts
540109 Premium Billing Allotments
540110 Direct Billing Process

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CHAPTER 54

TRICARE DENTAL PROGRAM (TDP)

5401 TRICARE DENTAL PROGRAM (TDP)

540101. Enrollment Eligibility. The TRICARE Dental Program (TDP) is a voluntary dental plan available to eligible family members of all Active Duty Uniformed Service personnel and to Selected Reserve and Individual Ready Reserve (IRR) members and/or their eligible family members. The TDP is offered by the Department of Defense (DoD) through the TRICARE Management Activity. To be eligible for the TDP, the sponsor must have at least 12 months remaining on his service commitment with the parent Service at the time of enrollment. Individuals eligible to enroll in the TDP include the following:

A. Family members of active duty, Selected Reserve, and IRR service members. This includes spouses and unmarried children (including stepchildren, adopted children, and wards) under the age of 21. Family members will be eligible up to the end of the month in which they turn 21. Family members may be eligible after 21 if:

1. They are enrolled full time at an accredited college or university and they are more than 50 percent dependent on the sponsor for their financial support. These students are eligible to the end of the month in which they turn age 23. If the student terminates his or her education prior to turning 23, then eligibility ends at the end of the month in which education terminates.

2. They have a disabling illness or injury that occurred before their 21st birthday or between the ages of 21 and 23 if they were enrolled as a full-time student at the time of the illness or injury, and they were more than 50 percent dependent on the sponsor for financial support.

B. Selected Reserve and IRR service members.

540102. Individuals Who Are Not Eligible for TDP Coverage. Active duty service members are not eligible for the TDP. In addition, former spouses, parents, in-laws, disabled veterans, foreign personnel, and retirees and their families are not eligible for TDP benefits.

540103. Enrollment Period. All new enrollees must remain enrolled in the TDP for at least 12 months. After completing the 12-month minimum enrollment period, enrollment may be continued on a month-to-month basis. Anyone who fails to pay premiums or disenrolls for other than a valid disenrollment reason is prohibited from reenrolling in the program for 12 months.

* 540104. Enrollment Form. Enrollment must be initiated by the sponsor and is accomplished by completing a TDP Enrollment Form. If the sponsor is not available to complete and sign the form, an individual with a Power of Attorney (POA) can initiate enrollment,

providing the POA allows the individual to enter into contracts. Forms are available by accessing the TRICARE Web site, **http://www.tricare.mil**, or by visiting the local military dental treatment facility, TRICARE Service Center or Health Benefits Advisor/installation point of contact.

540105. Effective Date of Coverage. In most cases, coverage is effective the first day of the month after the month in which the completed form and one (1) month's premium payment is received by the TDP contractor. TDP Enrollment Forms must be received by the 20th of the month for coverage to begin on the first day of the next month. For applications received after the 20th of the month, coverage may not become effective until the first day of the second month.

540106. Disenrollment. New enrollees must remain enrolled in the TDP for a minimum of 12 months. Anyone who disenrolls prior to completing his 12-month "lock-in" is responsible for payment of all remaining premiums, unless disenrolling for a valid reason. The following are valid reasons for disenrolling from the TDP prior to completion of the mandatory 12-month enrollment:

A. When a sponsor or family member loses Defense Enrollment Eligibility Reporting System eligibility due to death, divorce, marriage of a child, end of entitlement, or when a family member reaches age 21 (or 23 if enrolled full-time at an accredited college or university).

B. When TDP-enrolled members relocate outside the continental United States service area, the service members may elect (within 90 calendar days of the relocation) to disenroll their family members and/or themselves from the TDP.

C. When an active duty member transfers with enrolled family members to a duty station where space-available dental care for the enrolled members is readily available at the local Uniformed Service dental treatment facility, the active duty member may elect (within 90 days of the transfer) to disenroll his family members from the TDP.

D. When an active duty, Selected Reserve or IRR member is transferred to the Standby Reserve or Retired Reserve.

540107. Other Disenrollment Situations. The TDP contractor will notify the sponsor of the disenrollment and explain enrollment/disenrollment options and any associated premium changes and time limitations for the following situations:

A. If one member in a marriage of two service members leaves the Uniformed Services and has family members assigned to him, then the family members can be reenrolled to the other service member without incurring a new 12-month lock-in.

B. When an active duty Component member transfers to the Reserve Component (Selected Reserve, Guard/Reserve on active duty, or IRR). The enrolled family members are disenrolled from the TDP.

C. When a member of the Reserve Component transfers to an active duty Component, the enrolled member and/or family members are disenrolled from the TDP.

D. When the sponsor changes from one branch of service to another.

E. When a member of the Selected Reserve (National Guard/Reserve) or IRR (Special Mobilization Category) changes status to IRR (other than Special Mobilization Category) enrolled member and/or family members are disenrolled from their current plan and automatically reenrolled into the appropriate plan. The enrolled member/family members may elect to disenroll from the TDP, if desired.

F. When a member of the Selected Reserve (National Guard/Reserve) or IRR is called to active duty for more than 30 days, the member is disenrolled effective on the first day of the active duty orders. Enrolled family members remain enrolled in the current TDP plan until the last day of the month in which the sponsor changes status. Family members are automatically re-enrolled in the program as active duty family members with the lower premium rate under the existing lock-in period.

* 540108. Premium Amounts. Effective February 1, 2010, the single TDP premium rate is $12.69 per month, and the family TDP premium rate is $31.72 per month. The premium rate amounts are effective through January 2011.

540109. Premium Billing Allotments. If the member has a payroll account, and if sufficient funds are available at the time of collection, then the Government will collect the member's share of the premium, in advance, through a Uniformed Service finance office or site. Members should always verify that the correct dental allotment appears on their Leave and Earnings Statement.

540110. Direct Billing Process. If there are insufficient funds or no payroll account is available at the time of collection, then the member must pay the premium costs by means of direct billing. When this occurs, premium collection will transfer from the Uniformed Service finance office or site payroll allotment to direct billing by the TDP contractor. Once the TDP contractor direct bills, this payment process will continue until the member requests the TDP contractor to restart the payroll allotment. The TDP contractor will immediately direct bill for premiums due from IRR service members and from Selected Reserve and IRR family members.

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SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 55
"RESERVE INCOME REPLACEMENT PROGRAM"

All changes are denoted in blue font.

Substantive revisions are denoted by a * 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 *underlined, bold, italic, blue font*.

This updated chapter supersedes the previously published version dated August 2011.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
550503	Payment Authority extended to December 31, 2012.	Update
Bibliography	Statutes updated.	Update

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CHAPTER 55

RESERVE INCOME REPLACEMENT PROGRAM

5501 AUTHORITY

The Secretary concerned shall pay to an eligible member of a Reserve Component of the Armed Forces an amount equal to the monthly active-duty income differential of the member, as determined by the Secretary, when the total monthly military compensation of the member is less than the average monthly civilian income of the member. The payments shall be made on a monthly basis.

5502 DEFINITIONS

550201. Average Monthly Civilian Income. The Average Monthly Civilian Income amount is determined by the Secretary concerned based on either:

A. The member's total earned income for the 12 full months immediately preceding the member's current mobilization, divided by 12, or

B. The member's earned income reported on the most recent federal income tax filing that covers a 12-month period prior to mobilization, divided by 12.

550202. Earned Income. Earned Income is defined as wages, salaries, tips, professional fees, other compensation received for personal services and employee compensation that is included in gross income for the taxable year, plus any net earnings from self-employment for the taxable year. Earned income includes taxable compensation received by members of the Reserve Components (to include the National Guard) for the performance of Reserve duties. Employee pay is earned income if it is taxable. Nontaxable employee pay, such as certain dependent care benefits and adoption benefits, is not earned income. Generally, earned income is that income reflected in box 1 of an individual's Internal Revenue Service (IRS) Form W-2 (Wage and Tax Statement) and is reported on line 7 of IRS Form 1040 (U.S. Individual Income Tax Return), or line 1 of IRS Form 1040EZ (U.S. Income Tax Return for Single and Joint Filers With No Dependents).

550203. Involuntary Active Duty. Involuntary Active Duty is defined as an order to duty under ***Title 10 United States Code, (U.S.C.), 12301(a)***, ***12301(g)***, ***12302***, or ***12304***, without the consent of the member or order to full-time National Guard duty under ***32 U.S.C. 502(f)(1)***.

550204. Month. For the purposes of this entitlement, the term "month" has the following meanings:

A. With regard to Reserve Income Replacement Program (RIRP) eligibility, a period of a month is computed by looking at the calendar and determining the beginning date in a month and the end date in the next month or months, using the number of days for the month

with the beginning date. Example: If duty began on February 15, 2007, a one-month period would end on March 14, 2007. As an additional example, if a Reserve Component member serves involuntarily from February 15, 2007 to August 14, 2008 (18 months), the first month period would be counted from August 15, 2007 through September 14 (based on the calendar, there are 31 days in August). The use of months to determine eligibility will only be based on increments of consecutive days that are the equivalent of a month. Periods of less than a month that involve time gaps between periods will not be used in determining eligibility.

B. A Reserve Component member is entitled to payment of RIRP on the first day of a full calendar month (e.g., January, February, and March) after performing a preceding full calendar month of active duty service after completing the requisite eligibility period described in section 5503.

550205. Monthly Active Duty Income Differential. This differential is between the average monthly civilian earned income of the member and the member's total monthly military compensation, when the member's average monthly civilian income exceeds the total monthly military compensation.

550206. Regular Military Compensation. Regular military compensation (RMC) is the sum of basic pay, basic allowances for housing, basic allowance for subsistence (BAS) and the Federal income tax advantage that accrues from allowances that are not subject to Federal income tax (i.e. housing allowances and BAS). See ***37 U.S.C. 101 (25)***. RMC does not include the tax advantage that accrues because of the Combat Zone Tax Exclusion.

550207. Total Monthly Military Compensation. The total monthly military compensation (TMMC) is the amount computed on a monthly basis of the member's regular military compensation and the amount of any special pays, incentive pays and allowances (not included in regular military compensation) that are paid on a monthly basis (e.g., Foreign Language Proficiency annual bonus that may be paid in monthly installments). Bonuses paid in lump sum or in anniversary installments, such as enlistments, reenlistment and affiliation bonuses, shall not be included in the TMMC. Cost of living allowances shall be included in TMMC. Per diem, to include Meals and Incidental Expenses, shall not be included in TMMC.

5503 ELIGIBILITY REQUIREMENT

550301. General Requirements. An eligibility period may begin before August 1, 2006. A member of the Selected Reserve, Individual Ready Reserve, Standby Reserve, or Retired Reserve who is serving on active duty may be eligible for RIRP payments if the member was involuntarily mobilized and is currently serving on involuntary active duty as defined in section 5502, and the member meets one of the following criteria:

A. On or after August 1, 2006, completed 18 continuous months of service on active duty under involuntary orders. Continuous active duty may be accumulated through successive orders to active duty, provided no break in service has occurred. Full calendar months will be used for determining eligibility.

Example: If continuous service on active duty began on February 1, 2005, the member would meet the 18 continuous months of service at midnight July 31, 2006. The first payment for the August entitlement would be paid on September 1, 2006.

B. Completed 24 cumulative months of involuntary active duty during the previous 60 months. The member must be on active duty for the entire calendar month; partial months shall not be credited. For the purposes of RIRP, the 60-month period will begin on or after August 1, 2001. Thirty days of service is considered to be a month. Partial months shall be combined into 30-day increments, and total number of days on active duty during partial months shall be divided by 30 to determine number of months.

C. Is serving on involuntary active duty for a period of 180 days or more which commenced within 6 months following the member's separation from a previous period of involuntary active duty for a period of 180 days or more. For the purposes of the 180-day criterion, it is a day-for-day count of all days on continuous active duty. For the purposes of the six-month interim period, full calendar months will be used to determine this period.

Example: A calendar month that begins on February 14 shall end at midnight on March 13.

550302. Date of Service Requirement. Effective March 6, 2008, the criteria listed in paragraph 550301 changed from months and days to just days. The member must meet one of the following criteria rules:

A. On or after August 1, 2006, completed 547 continuous days of service on active duty under involuntary mobilization orders. Continuous active duty may be accumulated through successive orders to active duty, provided no break in service has occurred.

Example: If continuous service on active duty began on February 1, 2008, the 547 days to establish eligibility would end at midnight on July 31, 2009. Under the circumstances, the member would meet the eligibility requirement for RIRP on August 1, 2009, and would be entitled to RIRP payment on September 1, 2009, for the month of August 2009, if the member served on active duty for the entire month of August.

B. Completed 730 cumulative days of active duty under involuntary mobilization orders during the previous 1,826 days.

C. Was involuntarily mobilized to serve on active duty for a period of 180 days or more which commenced within 180 days following the member's separation from a previous period of active duty for a period of 180 days or more. For the purposes of the 180-day criterion, it is a day-for-day count of all days on continuous active duty.

550303. Active Duty Requirement. The member must be on active duty for an entire month following completion of the requisite eligibility service requirement under paragraph 550301.

550304. Special Conditions. Effective March 6, 2008, the entitlement shall commence, or if previously commenced, shall continue if the member satisfies the number of days on active duty specified in paragraph 550301 or is, following an involuntarily mobilization, retained on active duty under ***10 U.S.C. 12301(h)(1)(A) or (B)*** because of an injury or illness incurred or aggravated while the member was assigned to duty in an area for which special pay under ***37 U.S.C. 310*** is available.

5504 RESTRICTIONS

550401. Ineligibility for Payment. Effective January 1, 2011, a member of a Reserve Component who is also a civilian employee of the Federal Government is not entitled to a payment under this chapter for any period for which the employee is entitled to:

A. A civilian pay differential payment under section ***5 U.S.C. 5538***; or

B. A comparable civilian pay benefit under an administratively established program for civilian employees absent from a position of employment with the Federal Government in order to perform active duty in the Uniformed Services.

5505 PAYMENT

550501. Frequency. Entitlement to RIRP payments is based on each full month of active duty, following the date on which the member meets the eligibility criteria. Changes in pay grade, longevity, number of dependents, and special pays will be taken into account in calculating the RIRP payment in the month following the change.

550502. Limitation. A member who realizes a monthly active duty income differential greater than $50 is entitled to RIRP. The maximum RIRP payment shall not exceed $3,000 per month.

* 550503. Termination of Payment. Payment will terminate when one of the conditions in Table 55-1 is met. In addition, unless the RIRP authority is extended by Congress, the RIRP will terminate on December 31, 2012, and no payments shall be made after December 31, 2012, unless the payment liquidates RIRP entitlement for periods prior to that date.

5506 TAXABILITY

550601. Federal and State Tax Deduction. RIRP payments are subject to deduction for federal and state income tax.

550602. Federal Insurance Contribution Act (FICA). Payments are not subject to FICA deductions.

DATE TO TERMINATE RIRP PAYMENT		
RULE	A	B
	When the	then RIRP payment is terminated
1	member is released from a qualifying period of active duty	effective the last full month of service. Partial month is not pro-rated.
2	member no longer meets eligibility requirements due to changes in total military monthly compensation	
3	member's monthly active duty income differential decreases to $50 or less due to changes in current military compensation.	
4	member's orders change his or her duty status from involuntary to voluntary	

Table 55-1. Date To Terminate RIRP Payment

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	37 U.S.C. 910 ASD (RA) Memo, paragraph 4.1, July 24, 2006
550302	ASD (RA) Memo, paragraph 4.2, March 6, 2008
550303	ASD (RA) Memo, paragraph 4.2.3, March 6, 2008
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37 U.S.C. 910(b)(3)
Public Law 111-383, section 601, January 7, 2011

5505 - PAYMENT

ASD (RA) Memo, March 6, 2008
37 U.S.C. 910
* Public Law 112-81, section 611 (7), December 31, 2011

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 56
"SELECTED RESERVE ACCESSION, AFFILIATION, ENLISTMENT, AND REENLISTMENT BONUSES"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
560205 Bibliography	Extended duration of authority for Critically Short Wartime Health Specialist in the Selected Reserve to December 31, 2011.	Update
560307 Bibliography	Extended duration of authority for Accession or Affiliation Bonus to December 31, 2011.	Update
560407 Bibliography	Extended duration of authority for the Selected Reserve Reenlistment Bonus to December 31, 2011.	Update
560508 Bibliography	Extended duration of authority for Prior Service Enlistment Bonus to December 31, 2011.	Update
5607 Bibliography	Inserted Military Occupational Specialty Conversion Bonus.	Add
5608 Bibliography	Inserted Army Referral Bonus.	Add

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* Bibliography

CHAPTER 56

SELECTED RESERVE ACCESSION, AFFILIATION, ENLISTMENT, AND REENLISTMENT BONUSES

5601 OFFICER ACCESSION AND AFFILIATION BONUS

560101. Officer Accession Bonus

A. Conditions of Entitlement. An accession bonus may be paid to an officer who enters into an agreement with the Secretary concerned:

1. To accept an appointment as an officer in the Armed Forces.

2. To serve in the Selected Reserve of the Ready Reserve in a designated skill for the period specified in the agreement.

B. Skills Designation. The Secretary concerned will designate for an Armed Force under his jurisdiction the officer skills to which the authority under this subparagraph is to be applied. A skill may be designated for an Armed Force if it is critical to increase the number of members accessed into that Armed Force who are qualified in that skill or are to be trained in that skill, or to mitigate a current or projected significant shortage of personnel in that Armed Force who are qualified in that skill.

560102. Officer Affiliation Bonus

A. Conditions of Entitlement. The Secretary concerned may pay an affiliation bonus to an eligible officer who enters into an agreement with the Secretary to serve for a specified period in the Selected Reserve of the Ready Reserve. The officer must enter into an agreement:

1. To serve in a critical officer skill designated by the Secretary concerned.

2. To meet a manpower shortage in:

a. A unit of that Selected Reserve.

b. A particular pay grade in that Military Department.

B. Eligibility Criteria. An officer is eligible for an affiliation bonus under this section if the officer either:

1. Serves on active duty for a period of more than 30 days, or

2. Is a member of a Reserve Component not on active duty, and if the member formerly served on active duty, then was released from active duty under honorable conditions; and

3. Is not entitled to retired or retainer pay.

C. Critical Skills Designation. The Secretary concerned, will designate for an Armed Force under their jurisdiction the critical officer skills to which the bonus authority under this subsection is to be applied. A skill may be designated as a critical officer skill for an Armed Force if it is critical for that Armed Force to have a sufficient number of officers who are qualified in that skill.

560103. Period of Obligated Service. An agreement entered into with the Secretary concerned under this paragraph will require the person entering into that agreement to serve in the Selected Reserve for a specified period. The period specified in the agreement will be any period not less than 3 years that the Secretary concerned determines appropriate to meet the needs of the Reserve Component in which the service is to be performed.

560104. Bonus Amount. Effective October 28, 2004 through January 5, 2006, the amount of a bonus under section 5601 may be any amount not in excess of $6,000 that the Secretary concerned determines appropriate. Effective January 6, 2006, the amount of a bonus under 5601 may be any amount not in excess of $10,000 that the Secretary concerned determines appropriate.

560105. Payment

A. Upon acceptance of a written agreement by the Secretary concerned, the total amount of the bonus payable under the agreement becomes fixed. The agreement will specify whether the bonus is to be paid in one lump sum or installments.

B. A person entitled to a bonus who is called or ordered to active duty will be paid, during that period of active duty, any amount of the bonus that becomes payable to the member during that period of active duty.

560106. Relation to Other Accession Bonus. A person may not receive an affiliation bonus or accession bonus and financial assistance under ***Title 37, United States Code (U.S.C.), section 302q***, or ***10 U.S.C., chapters 1608, 1609, or 1611*** for the same period of service.

*5602 CRITICALLY SHORT WARTIME HEALTH SPECIALIST IN THE SELECTED RESERVE

560201. Authorization. An officer of a Reserve Component who executes a written agreement to serve in the Selected Reserve of an Armed Force for a period of at least 1 year but not more than 3 years, beginning on the date the officer accepts the award of special pay, may be paid special pay at an annual rate not to exceed $25,000.

560202. Eligible Officers. An officer referred to in paragraph 560201 is an officer in a health care profession who is qualified in a specialty designated by Department of Defense (DoD) regulations as a critically short wartime specialty.

560203. Payment. Special pay under this section will be paid annually at the beginning of each 12-month period for which the officer has agreed to serve.

560204. Repayment. An officer who does not complete the period of service in the Selected Reserve as specified in paragraph 560201 will be subject to the repayment provisions of ***Chapter 2***.

* 560205. Duration of Authority. A bonus may be paid under this section through December 31, 2011, subject to congressional reauthorization.

5603 ACCESSION OR AFFILIATION IN THE SELECTED RESERVE

560301. Accession Bonus Authorization. The Secretary concerned may pay an accession bonus to a person who:

A. Has not previously served in the Armed Forces or has served in the Armed Forces, but released from such service before completing the basic training requirement of the Armed Force of which the person was a member, and the service was characterized as either honorable or uncharacterized.

B. Executes a written agreement to serve as an enlisted member in the Selected Reserve of the Ready Reserve of an Armed Force for a period of not less than 3 years upon acceptance of the agreement by the Secretary concerned.

560302. Affiliation Bonus

A. Authorization. The Secretary concerned may pay an affiliation bonus to an enlisted member of an Armed Force who:

1. Has completed fewer than 20 years of military service.

2. Executes a written agreement to serve in the Selected Reserve of the Ready Reserve of an Armed Force for a period of not less than 3 years, in a skill, unit, or pay grade designated, as prescribed in subparagraph 560302.B, after being discharged or released from active duty under honorable conditions.

B. Designation of Skills, Units, and Pay Grades. The Secretary concerned will designate the skills, units, and pay grades for which an affiliation bonus may be paid. Any skill, unit, or pay grade so designated will be a skill, unit, or pay grade for which there is a critical need for personnel in the Selected Reserve of the Ready Reserve of an Armed Force, as determined by the Secretary concerned. The Secretary concerned will establish other

requirements to ensure that members accepted for affiliation meet required performance and discipline standards.

560303. Limitation on Amount of Bonus. The amount of a bonus may not exceed $20,000.

560304. Payment. Upon acceptance of a written agreement by the Secretary concerned, the total amount of the bonus payable under the agreement becomes fixed. The agreement will specify whether the bonus will be paid by the Secretary concerned, in a lump sum or installments.

560305. Continued Entitlement to Bonus Payments. A member entitled to a bonus under this section who is called or ordered to active duty will be paid, during that period of active duty, any amount of the bonus that becomes payable to the member during that period of active duty.

560306. Repayment. A member who enters into an agreement and receives all or part of the bonus under the agreement, but who does not commence to serve in the Selected Reserve or does not satisfactorily participate in the Selected Reserve for the total period of service specified in the agreement, will be subject to the repayment provisions of ***Chapter 2***.

* 560307. Duration of Authority. A bonus may be paid under this section through December 31, 2011, subject to congressional reauthorization.

*5604 REENLISTMENT BONUS FOR MEMBERS OF THE SELECTED RESERVE

560401. Eligibility. The Secretary concerned may pay a bonus to an enlisted member of a Reserve Component after the following conditions are met:

A. Has completed not more than 20 years of total military service.

B. Reenlists or voluntarily extends his or her enlistment for a period of at least 3 years in a designated military skill, or in a designated unit, as determined by the Secretary concerned, in the Selected Reserve of the Ready Reserve of an Armed Force.

560402. Amount. The maximum amount of all bonuses paid under section 5604 may not exceed $15,000.

560403. Payment. Bonus payments authorized under this section may be paid in either a lump sum or installments. If the bonus is paid in installments, then the initial payment will not be less than 50 percent of the total bonus amount. The Secretary concerned will prescribe the amount of each subsequent installment payment and the schedule for making the installment payments.

NOTE: Any portion of a term of reenlistment or extension of enlistment of a member that, when added to the total years of service of the member at the time of discharge or release, exceeds 24 years may not be used in computing the total bonus.

560404. Waiver of Condition of Eligibility. In the case of a reenlistment or voluntary extension of enlistment by a member of the Armed Forces that is entered into as described in paragraph 560401, while serving on active duty in Afghanistan, Iraq, or Kuwait in support of Operation Enduring Freedom or Operation New Dawn, the Secretary concerned may waive so much of subparagraph 560401.B as requires that the skill or unit in which the member reenlists or extends an enlistment be a designated skill or designated unit determined by the Secretary concerned.

560405. Payment to Mobilized Members. A member entitled to a bonus under this section who is called or ordered to active duty will be paid, during that period of active duty, any amount of the bonus that becomes payable to the member during that period of active duty.

560406. Repayment. A member who does not complete the term of enlistment within the element of the Selected Reserve for which the bonus was paid to the member under this section will be subject to the repayment provisions of ***Chapter 2***.

* 560407. Duration of Authority. A bonus may be paid under this section through December 31, 2011, subject to congressional reauthorization.

*5605 PRIOR SERVICE ENLISTMENT BONUS

560501. Authority. A person who is a former enlisted member of an Armed Force who enlists in the Selected Reserve of the Ready Reserve of an Armed Force for a period of 3 or 6 years in a critical military skill designated for such a bonus by the Secretary concerned, and who meets the requirements of paragraph 560502, may be paid a bonus as prescribed in paragraph 560503.

560502. Eligibility Requirements. A bonus may only be paid under this section to a person who meets each of the following requirements:

A. The person has no more than 16 years of total military service and received an honorable discharge at the conclusion of all prior periods of service.

B. The person was not released, or is not being released, from active service for the purpose of enlistment in a Reserve Component.

C. The person is projected to occupy, or is occupying, a position as a member of the Selected Reserve in a specialty in which the person:

1. Successfully served while a member on active duty and attained a level of qualification while on active duty commensurate with the grade and years of service of the member; or

2. Has completed training or retraining in the specialty skill that is designated as critically short and attained a level of qualification in the specialty skill that is commensurate with the grade and years of service of the member.

560503. Bonus Amounts. The amount of a bonus under this section may not exceed:

A. $15,000, in the case of a person who enlists for a period of 6 years.

B. $7,500, in the case of a person who, having never received a bonus under this section, enlists for a period of 3 years.

C. $6,000, in the case of a person who, having received a bonus under this section for a previous 3-year enlistment, reenlists or extends the enlistment for an additional period of 3 years.

560504. Payments. Any bonus payable will be disbursed in one initial payment of an amount not to exceed one-half of the total amount of the bonus and subsequent periodic partial payments of the balance of the bonus. The Secretary concerned will prescribe the amount of each partial payment and the schedule for making the partial payments. A person entitled to a bonus who is called or ordered to active duty will be paid, during that period of active duty, any amount of the bonus that becomes payable to the member during that period of active duty.

560505. Condition of Eligibility. To be eligible for a second bonus payable in the amount listed in subparagraph 560503.C, a person must:

A. Enter into a reenlistment or extension of an enlistment for a period of 3 years not later than the date on which the enlistment for which the first bonus paid expires.

B. Still satisfy the eligibility requirements under subparagraph 560502.A.

560506. Limitation on Number of Bonuses. A person may not be paid more than one 6-year bonus or two 3-year bonuses under this section.

560507. Repayment. A person who receives a bonus payment and who, during the period for which the bonus was paid, does not serve satisfactorily within the element of the Selected Reserve with respect to which the bonus was paid will be subject to the repayment provisions of ***Chapter 2***.

* 560508. Duration of Authority. A bonus may be paid under this section through December 31, 2011, subject to congressional reauthorization.

5606 NONAVAILABILITY

560601. Ready Reserve. Members of the Ready Reserve who incur a period of authorized nonavailability (such as temporary overseas residence, missionary obligation, overseas employment obligation) have their incentive suspended. During the period of nonavailability, those persons will not be entitled to incentive payments. If subsequently assigned to the Reserve status and skill that they had previously contracted for, then the members may be reinstated in the incentive program if they extend their term of service, or contract for service, to be able to serve the full original incentive contract period. Entitlement to subsequent payments shall resume on the adjusted anniversary date of satisfactory and creditable Reserve Service, as appropriate. The date shall be adjusted for that period of nonavailability. Failure to meet reinstatement criteria in a capacity for which previously contracted shall result in termination of the incentive and recoupment, as appropriate.

560602. Selected Reserve. Members of the Selected Reserve may incur a period of authorized nonavailability of up to 1 year for valid personal reasons as determined by the Secretary concerned. These members will be transferred to the Individual Ready Reserve (IRR) or the Inactive National Guard (ING), as appropriate, during the period of nonavailability, and will be suspended from their incentive. During the period of nonavailability, the member will not be entitled to subsequent incentive payments or any incentives available to members of the Ready Reserve not in the Selected Reserve. If, within 1 year, members are subsequently reassigned to a Selected Reserve skill or unit type that they had previously contracted for, then the members may be reinstated in the incentives program if they extend their term of service, or contract for service, to be able to serve the full original incentive contract period. Entitlement to subsequent payments shall resume on the adjusted anniversary date of satisfactory creditable Selected Reserve service. The date shall be adjusted for that period of nonavailability. Failure to meet reinstatement criteria in a capacity for which previously contracted shall result in termination of the incentive and recoupment, as appropriate.

*5607 MILITARY OCCUPATIONAL SPECIALTY CONVERSION BONUS

560701. Authority. The Secretary concerned may pay a bonus to an eligible Active Component service member of the Armed Forces who executes a written agreement to convert to, and serve for a period of not less than three years in, a military occupational specialty (MOS) for which there is a shortage of trained and qualified personnel.

560702. Eligibility. A member is eligible to enter into an agreement if, at the time the agreement is executed, the member is serving in:

A. Pay grade E-6, with not more than 10 years of service computed under ***37 U.S.C. 205***; or

B. Pay grade E-5 or below, regardless of years of service.

560703. Amount. The bonus payment will not exceed $2,000.

560704. Payment. The bonus will be disbursed in one lump sum when the member's conversion to the MOS is approved by the chief personnel officer of the member's Armed Force.

560705. Repayment. A member who does not convert and complete the period of service in the MOS specified in the agreement will be subject to the repayment provisions of ***Chapter 2***.

560706. Duration of Authority. A bonus may be paid under this section through December 31, 2011, subject to congressional reauthorization.

*5608 ARMY REFERRAL BONUS

See ***Chapter 9, section 0904*** for guidance.

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* 5603 – ACCESSION OR AFFILIATION IN THE SELECTED RESERVE

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* 5604 – REENLISTMENT BONUS FOR MEMBERS OF THE SELECTED RESERVE

37 U.S.C. 308b
Public Law 111-383, section 611, January 7, 2011

* 5605 – PRIOR SERVICE ENLISTMENT BONUS

37 U.S.C. 308i
Public Law 111-383, section 611, January 7, 2011

5606 – NONAVAILABILITY

DoDI 1205.21, September 20, 1999

* 5607 – MILITARY OCCUPATIONAL SPECIALTY CONVERSION BONUS
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Public Law 111-383, section 615, January 7, 2011

* 5608 – ARMY REFERRAL BONUS
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SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 57
"RESERVE ENTITLEMENTS FOR ACTIVE DUTY (NOT EXTENDED)"

All changes denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
570407	Updated Assignment Incentive Pay referring the reader to Chapter 15.	Update
570607 Bibliography	Inserted Incapacitation Pay.	Add

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CHAPTER 57

RESERVE ENTITLEMENTS FOR ACTIVE DUTY (NOT EXTENDED)

5701 GENERAL PROVISIONS

570101. Entitlements

A. Active Duty With Pay. A member of a Reserve Component serving on active duty with pay is entitled to receive pay according to the member's years of service and the grade in which the member is serving.

NOTE: As used in this chapter, the term "active duty" includes active duty training; active duty for training; full-time training duty; annual training duty and attendance while in active service at a school designated as a Service school by law or the Secretary of the Military Department concerned; temporary active duty when the pay is chargeable to a Reserve appropriation or; in the case of the National Guard; full-time training; and other full-time duty. It does not mean extended active duty. Extended active duty (EAD) is defined as active duty performed by a member of a Reserve Component when strength accountability passes from the Reserve Component to the active military establishment.

B. Active Duty Without Pay. A member of a Reserve Component may, with his or her consent, be ordered to active duty without pay when authorized by the Secretary of the Military Department concerned. See subparagraphs 570501.B for entitlement to allowances.

C. Combination Active Duty and Inactive Duty. A member of a Reserve Component may be paid the equivalent total of more than 360 days of pay in a year, when so directed, if this total is based on a combination of active duty pay and inactive duty training pay.

D. Effective Date of Promotion for Increase in Pay and Allowances Reserve and National Guard Officers. See Table 57-1.

E. Effective Date of Promotion for Increase in Pay and Allowances, Enlisted Members of the Reserve Components. ***Table 1-4, rules 8 through 14***, applies to these members.

570102. Saved Pay. The provisions of ***Chapter 1, paragraph 010203***, apply to members of Reserve Components.

570103. Limitation. A member of a Reserve Component cannot be paid inactive duty pay on any day that he or she is entitled to active duty pay.

570104. Waiver of Benefits. A member of a Reserve Component who is drawing a pension, disability compensation, retainer pay, or retirement pay from the United States for prior military service, and who performs duty for which he or she is entitled to pay, may elect to receive either:

A. the payments for prior military service, or

B. if member specifically waives those payments, then the pay and allowances authorized for the duty the member is currently performing.

1. Department of Veterans Affairs (VA) Disability Compensation. A reservist who is entitled to VA disability compensation must waive the equivalent VA compensation for 1 day for each Reserve active duty day or each inactive duty period. Thus, the performance of two inactive duty periods in 1 calendar day requires waiver of the equivalent VA compensation for 2 days. These waiver requirements apply for all days in a calendar month.

2. Retired or Retainer Pay. A reservist who is entitled to retired or retainer pay must waive the equivalent of retired or retainer pay for 1 day for each Reserve active duty day or inactive duty performance day. Thus, the performance of two inactive duty periods in 1 calendar day requires waiver of the equivalent retired or retainer pay. These waiver requirements apply for all days in a calendar month.

570105. Allotments of Pay. Except as prescribed in paragraph 570708, a member of a Reserve Component not on EAD may not have pay allotted. Members of Reserve Components serving on active duty, active duty for training, or full-time training duty under competent orders which specify periods of duty of more than 180 days, or upon involuntary recall under ***Title 10 United States Code (U.S.C.), section 12302***, are excluded from this restriction when prescribed in Military Service regulations and may allot their pay, even though such pay is chargeable to Reserve or National Guard appropriations. ***Chapter 34, section 3404*** applies should a member enter a missing status, and paragraph 570604 applies should a member incur a disability.

570106. Leave. A member of a Reserve Component who serves on active duty with pay for periods of 30 consecutive days or more accrues leave at the rate of 2-1/2 calendar days for each month of active service, excluding periods of:

A. absence from duty without leave.

B. absence over leave.

C. confinement as a result of a court-martial.

NOTE: The member is entitled to lump-sum settlement of unused accrued leave upon completion of a tour per Table 57-2. When consecutive tours are involved, a member may be reimbursed for unused accrued leave or it may be carried forward, at the member's option, until completion of the final tour. When computing the length of a period of active duty, include allowable travel time. See also ***Chapter 35, paragraphs 350101 and 350102*** and procedural instructions of the Military Services concerned. Refer to ***Tables 35-1 through 35-4*** for specific entitlement criteria.

5702 ALLOWABLE TRAVEL TIME FOR PAY ENTITLEMENT PURPOSES

Entitlement. The provisions of ***Chapter 1, paragraph 010205*** applies to members of the Reserve Components.

5703 COMPUTATION OF PAY

570301. Annual Salary. The provisions of ***Chapter 1, paragraph 010202.C*** applies to members of the Reserve Components.

570302. Computation of Monthly Pay

A. Active Duty for 30 Days or More. When a member is ordered to active duty for 30 days or more and the tour of duty starts on the first day or an intermediate day of a calendar month, the member is entitled to pay and allowances through the 30th day. Payment is not authorized for the 31st day of a calendar month. This includes a member who is ordered to active duty for less than 30 days and is continued on active duty for 30 days or more by new orders or an amendment to the original orders. When computing the number of days for which pay is due, include the entire period the member actually serves on active duty, including allowable travel time. See Table 57-2, rules 1 and 2.

B. Active Duty for Less Than 30 Days. A member ordered to active duty for less than 30 days is entitled to pay and allowances at 1/30th the monthly rate for each day actually served, including the 31st day of a calendar month. This includes a member ordered to active duty for 30 days or more but released before performing at least 30 days of active duty, including allowable travel time. See Table 57-2, rule 3.

C. Active Duty During February. See Table 57-2, rules 4 through 11.

570303. Absence From Duty

A. Active Duty for Less Than 30 Days. Deduct 1/30th monthly rate of pay for each day of unauthorized absence.

B. Active Duty of 30 Days or More. The provisions of ***Chapter 1, subparagraph 010202.A*** applies to members of the Reserve Components.

570304. Basic Pay Rates. ***Tables 1-7 through 1-10*** contain current monthly rates of basic pay.

5704 SPECIAL AND INCENTIVE PAY

570401. Entitlement Members of a Reserve Component on active duty are generally entitled to special and incentive pays under the same conditions as members on EAD and members of the Active Component. For exceptions, see paragraphs 570402 through 570407.

570402. Career Sea Duty and Hardship Duty Pay. For career sea duty and hardship duty pay, the ship or duty station at which a member is performing active duty is considered the member's permanent duty station.

570403. Aviation Career Incentive Pay (ACIP) and Hazardous Duty Incentive Pay (HDIP) for the Performance of Aerial Flights

A. Entitlement. A Reserve Component officer is entitled to ACIP (continuous or conditional) while performing active duty, as defined in subparagraph 570101.A, when the requirements of ***Chapter 22, section 2202*** and the requirements for an Aviation Service Career (Not on Extended Active Duty nor on Active Guard and Reserve Duty), as defined in the "***Glossary***," have been met. Active Guard and Reserve aviators on full-time active duty on a career basis shall be entitled to ACIP (continuous or conditional) under provisions of ***Chapter 22*** on the same basis as officers on extended active duty.

B. Excess Flying Time. The excess flying time provisions in ***Chapter 22, section 2202*** for rated officers, flight surgeons, and rated or designated warrant officers entitled to ACIP, and in ***section 2201*** for enlisted crew members entitled to flying pay, apply to a member of a Reserve Component only if on continuous active duty for a period of 30 days or more.

C. Combined Flight Requirements. When a member performs both active and inactive duty with pay in the same month, designated flying time earned in that month may be combined to satisfy any ACIP or HDIP flight requirements for that month, as defined in ***Chapter 58, paragraph 580202***.

D. Flying Pay for Allowable Travel Time. A member on active duty for 30 days or less is entitled to flying pay (if otherwise entitled) for travel time from duty station to home, even though the period extends into the following calendar month. See ***Table 22-3, rule 5***.

E. Entitlement to ACIP While on Active Duty for Training for Members Who Perform Inactive Duty Training Without Pay. An officer who performs inactive duty for training without pay is entitled to ACIP when performing active duty for training only if member is considered to be performing aviation service on a career basis. See "***Glossary***" for "Aviation Service Career" neither on Extended Active Duty nor on Active Guard and Reserve Duty.

570404. Parachute Duty Pay. Parachute jumps performed during periods of active duty for training or during inactive duty training periods, if performed per ***Chapter 24, section 2402***, may be used to qualify the member for parachute pay for either type of training. Parachute jumps performed while on EAD do not qualify a reservist for parachute pay in an inactive duty training status.

570405. Weapons of Mass Destruction Civil Support Team Pay. When determined necessary to address recruitment and retention concerns, the Secretary of a Military Department concerned may pay up to $150 per month in special pay to Reserve Component members who

are assigned to Weapons of Mass Destruction Civil Support Teams. In order to be eligible for Weapons of Mass Destruction Civil Support Team pay, a member must be:

A. entitled to basic pay for full-time duty in the National Guard.

B. fully qualified for Weapons of Mass Destruction Civil Support Team operations.

C. serving on an approved active duty tour in excess of 139 days in a DoD designated and certified Weapons of Mass Destruction Civil Support Team position.

570406. Foreign Language Proficiency Bonus. An officer or an enlisted member on active duty for training is entitled to Foreign Language Proficiency Bonus if otherwise entitled under ***Chapter 19***.

* 570407. Assignment Incentive Pay. A Reserve Component member may be authorized to receive Assignment Incentive Pay (AIP). See ***Chapter 15*** for current programs.

5705 ALLOWANCES

570501. Basic Allowance for Subsistence (BAS)

A. Entitlement – Active Duty with Pay. A member of a Reserve Component ordered to active duty with pay is entitled to BAS as prescribed in ***Chapter 25***.

B. Entitlement – Active Duty without Pay. A member of a Reserve Component ordered to active duty without pay is entitled to subsistence in kind or commutation thereof. When a member is ordered to active duty "without pay and allowances," no payment is authorized.

1. If commutation of subsistence in kind is authorized, then the commutation will be paid at the rate of BAS specified in ***Chapter 25*** that is applicable to the situation.

2. If a military technician (dual status), as described in ***10 U.S.C. 10216***, is performing active duty outside the United States without pay, while on leave from technician employment, as authorized by ***5 U.S.C. 6323***, then the Secretary concerned may authorize the payment of a per diem allowance to the military technician in lieu of the commutation for subsistence.

570502. Basic Allowance for Housing (BAH). The provisions of the ***Joint Federal Travel Regulation, (JFTR) Chapter 10***, apply to members of the Reserve Components.

570503. Family Separation Allowance (FSA)

A. The provisions of ***Chapter 27*** apply to a member of a Reserve Component on active duty with pay for periods of more than 30 days.

B. A member of a Reserve Component may be entitled to FSA or Family Separation Housing (FSH), depending on the length of tour specified in orders and whether or not dependent travel is authorized at government expense under ***JFTR, Chapter 10*** (for example, tour length of over 20 weeks).

570504. Station Allowances Outside the United States. The provisions of the ***JFTR, Chapter 9*** apply to members of the Reserve Components.

570505. Clothing Monetary Allowances – Enlisted Members

A. Active Duty for Periods of 6 Months or Less. An enlisted member of a Reserve Component ordered to active duty for 6 months or less is not entitled to a clothing monetary allowance, except as specified in 570505.C and 570505.D.

B. Active Duty for Periods of More Than 6 Months. See ***Chapter 29*** for specific references to enlisted members of the Reserve Components ordered to active duty for periods of more than 6 months.

C. Initial Cash Allowance for Enlisted Member. An enlisted member of a Reserve Component is entitled to an initial cash allowance for the purchase of items specifically designated by the Military Department concerned to be purchased by the member rather than to be furnished in kind. See ***Chapter 29, paragraph 290201***.

D. Maternity Clothing. Pregnant enlisted women of a Reserve Component are entitled to a supplemental maternity clothing allowance in accordance with the provisions of:

1. Army: ***AR 700-84***.

2. Navy: ***DoD FMR, Volume 7A, Table 29-5***.

3. Air Force: ***AFI 36-3014***, ***AFMAN 65-116, V3***, and ***DoD FMR, Volume 7A, Table 29-6***.

4. Marine Corps: ***MCO P10120.28G***.

570506. Officers' Uniform and Equipment Allowances. See specific references to Reserve officers in ***Chapter 30***.

5706 MISCELLANEOUS PAYMENTS

570601. Advance Pay

A. A member of a Reserve Component, in receipt of orders for PCS movement (140 days or more), is entitled to advance pay per ***Chapter 32, paragraph 320101***.

Army and Air Force enlistees, with no prior service, may be paid an advance pay under the conditions set forth in ***Table 32-1, rule 4***.

B. A member of a Reserve Component, the Fleet Reserve, or a military retiree who is mobilized or recalled to active duty for any period under the provisions of ***10 U.S.C. 12302***, ***12303***, or ***12304*** is entitled to advance pay and allowances per ***Chapter 32, paragraph 320103***.

570602. Payments on Behalf of Mentally Incompetent Members

A. Active Duty (Not for Training). The provisions of ***Chapter 33*** apply to these members.

B. Active Duty for Training. Except as provided in subparagraphs 570602.B.1 and 2, a member of a Reserve Component who becomes mentally incompetent while performing active duty for training has no entitlement to pay and allowances beyond the expiration or termination (whichever is earlier) of the orders that called the member to active duty for training.

1. A member may qualify for disability pay and allowances under the provisions of paragraph 570604.

2. A member may be entitled to miscellaneous payments resulting from separation (that is, travel allowance, accrued leave).

570603. Pay Entitlement of Members Missing, Missing in Action, Interned and Payments to Dependents. The provisions of ***Chapter 34*** apply to members of the Reserve Components.

570604. Disability Entitlements for the Reserve Forces

A. Entitlement. Aggravated disabilities entitlements are listed in Table 57-3. Pay and allowances under these provisions generally may not be paid for a period of more than 6 months; however, the Secretary of the Military Department concerned may extend the period of entitlement beyond 6 months in the interest of fairness and equity.

B. Miscellaneous Provisions

1. Duty Without Pay. Duty without pay is considered for all purposes as if it were duty with pay. The rules in Table 57-3 apply equally to duty with and duty without pay. The rate of pay and allowances applicable is the rate the member would have been entitled to if in a pay status at the time the disability occurred.

2. Incentive Pay for Hazardous Duty. A member who is entitled to any of the incentive pays identified in ***Chapters 22 through 24*** on the date of disability continues to be entitled through the ending date of the orders and for the disability period beyond, provided

the orders to perform the hazardous duty remain in effect, all performance requirements were met, and any other conditions in ***Chapters 22 through 24*** are satisfied.

3. Special Pays. A member who is entitled to any of the special pays in ***Chapters 5 through 21*** on the date of disability continues to be entitled through the ending date of the orders and for the disability period beyond, provided the special conditions, if any, in ***Chapters 5 through 21*** are satisfied.

4. Disability Not in Line of Duty. In the case of ordered active duty, not-in-the-line-of-duty determinations cause pay and allowances to cease on the date of expiration of the ordered active duty plus allowable travel time, if any, or on the date the member is relieved from active duty by competent authority. In the case of inactive duty performance, not-in-the-line-of-duty determinations cause pay to cease on the day disability occurs.

5. Leave. Leave does not accrue to a member who is disabled and receiving pay and allowances beyond the ending date of the active duty orders, or the date of performance of inactive duty, as appropriate. If disability retirement or separation proceedings have begun, then the period of time while awaiting orders will be first charged against the member's accrued leave.

C. Termination of Pay and Allowances. Subject to the provisions in Table 57-3, a member's entitlement to pay and allowances while disabled terminates upon:

1. Retirement.

2. Separation for physical disability.

3. Determination by Military Service medical personnel that the member has recovered sufficiently to perform normal military duties, or when actually restored to normal military duties, whichever occurs first. A member must submit to timely Service medical examination(s) necessary for preparation of required medical certificate(s) in order to extend entitlement to pay and allowances beyond the ordered duty or training period. This provision does not apply to Table 57-3, rules 2, 5, and 8 since the member's entitlements therein are based upon lost civilian income. Civilian earned income does not include retirement income.

4. Discharge from the Reserve Component.

570605. Payments on Behalf of Deceased Members

A. Death Gratuity. The eligible beneficiaries of a member of a Reserve Component are entitled to payment of death gratuity under the provisions of ***Chapter 36***.

B. Settling Deceased Members Accounts. The provisions of ***Chapter 36, section 3602*** applies to members of the Reserve Components.

C. Allowance for Housing to Surviving Dependents. The provisions of the ***JFTR Chapter 10*** apply to the surviving dependents of members of the Reserve Components who were on active duty at the time of death.

570606. Disability Severance Pay

A. A member called or ordered to active duty (other than active duty for training) under ***10 U.S.C. 10148*** for more than 30 days and separated for a physical disability, which was the proximate result of the performance of such duty, is entitled to severance pay if otherwise qualified under appropriate personnel regulations.

B. A member on active duty for 30 days or less, or a member on active duty training for any period (including active duty for training) and separated for physical disability resulting from injury, is entitled to severance pay when injury was the proximate result of performance of such duty, if otherwise qualified under appropriate personnel regulations.

C. Computation of severance pay will be as prescribed in ***Chapter 35***.

* 570607. Incapacitation Pay

A. A Reserve Component member is entitled to medical and dental treatment and pay and allowances whenever such member is physically disabled as the result of an injury, illness, or disease incurred or aggravated in the line of duty not as a result of gross negligence or misconduct of the member, while:

1. Performing active duty; or

2. Performing inactive-duty training (other than work or study in connection with a correspondence course of an armed force or attendance in an inactive status at an educational institution under the sponsorship of an Armed Force or the Public Health Service); or

3. Traveling directly to or from such duty or training; or

4. Remaining overnight immediately before the commencement of inactive-duty training, or while remaining overnight, between successive periods of inactive-duty training, at or in the vicinity of the site of the inactive-duty training; or

5. Serving on funeral honors duty under section ***10 U.S.C. 12503*** or ***32 U.S.C.115***;

6. Traveling to or from the place at which the funeral honors duty was to be performed; or

7. Remaining overnight at or in the vicinity of the place at which funeral honors duty was to be performed immediately before serving on such duty, if the place is outside reasonable commuting distance from the member's residence.

NOTE: In the case of a member who receives earned income from nonmilitary employment or self-employment performed in any month in which the member is otherwise entitled to pay and allowances under subparagraph 570607.A, the total pay and allowances shall be reduced by the amount of such income. Income from an income protection plan, vacation pay, or sick leave that the member elects to receive shall be considered earned income for the purpose of the preceding sentence.

B. A Reserve Component member who is physically able to perform his/her military duties, is entitled, upon request, to a portion of the monthly pay and allowances for each month for which the member demonstrates a loss of earned income from nonmilitary employment or self-employment as a result of an injury, illness, or disease incurred or aggravated as described in subparagraph 570607.A.

NOTE: The monthly entitlement may not exceed the member's demonstrated loss of earned income from nonmilitary or self-employment. In calculating such loss of income, income from an income protection plan, vacation pay, or sick leave that the member elects to receive shall be considered earned income from nonmilitary or self-employment.

C. The total amount of pay and allowances paid under subparagraphs 570607.A and 570607.B for any period may not exceed the amount of pay and allowances provided by law or regulation for a member of a Regular Component of a uniformed service of corresponding grade and length of service for that period.

D. Pay and allowances may not be paid under subparagraphs 570607.A or 570607.B for a period of more than six months. The Secretary concerned may extend such period in any case if the Secretary determines that it is in the interests of fairness and equity to do so.

E. A member is not entitled to benefits under subparagraphs 570607.A and 570607.B if the injury, illness, disease, or aggravation of an injury, illness, or disease is the result of the gross negligence or misconduct of the member.

5707 DEDUCTIONS AND COLLECTIONS

570701. Income Tax Withholding

A. Federal Income Tax Withholding (FITW). The FITW provisions of ***Chapter 44*** apply to members of the Reserve Components.

B. State Income Tax Withholding. A reservist's taxable income for FITW purposes is also subject to state tax withholding providing the state has entered into a withholding agreement with the Secretary of the Treasury as published within the Treasury

Financial Manual. See also ***Chapter 44, Figure 44-1*** for states that have entered into such an agreement.

C. Legal Residence. Each member must designate a legal residence and report any change of legal residence. The provisions of ***Chapter 44, subparagraph 440106.B*** applies to members of the Reserve Components.

D. Local Tax Withholding. Only localities having agreements with the Department of the Treasury, as published in the Treasury Financial Manual, are eligible for withholding as follows:

1. When the reservist resides and performs duty in the same city or county covered by an agreement, withholding is mandatory.

2. When the reservist performs duty in a city or county other than where he or she resides, but within the same state of legal residence, withholding is mandatory for all jurisdictions with agreements. This includes the reservist's city and county of residence, as well as the city and county where duty is performed.

3. When a reservist performs duty in a city or county located in a state where the reservist does not maintain a residency, and assuming all localities have agreements, withholding is voluntary for the city or county of duty and the city or county of residence.

570702. Federal Insurance Contributions Act. The provisions of ***Chapter 45*** apply to members of the Reserve Components.

570703. Deductions for Armed Forces Retirement Home (AFRH). The pay of a member of a Reserve Component is not subject to deductions for AFRH.

570704. Servicemembers' Group Life Insurance

A. Duty in Excess of 30 Days Specified. The provisions of ***Chapter 47*** apply to members of the Reserve Components who are under a call or order to duty that does not specify a period of 30 days or less.

B. Duty of 30 Days or Less Specified. The provisions of section ***Chapter 58, paragraph 5807*** apply to members of the Reserve Components who are under a call or order to duty that specifies a period of 30 days or less.

570705. Court-Martial Sentences. The provisions of ***Chapter 48*** apply to members of the Reserve Components.

570706. Nonjudicial Punishment. The provisions of ***Chapter 49*** apply to members of the Reserve Components.

570707. Stoppages and Collections Other Than Court-Martial Forfeitures. The provisions of ***Chapter 50*** apply to members of the Reserve Components.

570708. Allotments for National Guard Members. Members of the National Guard who are not on extended active duty are authorized to make one allotment from pay for the payment of premiums under a group life insurance program sponsored by the state military department in which such member holds a National Guard membership or by the state associations of the National Guard. Details covering the administration of the allotment program for National Guard members are contained in the pay procedural instructions of the Military Services concerned.

570709. TRICARE-Family Member Dental Plan (TRICARE-FMDP). Reserve members on active duty with dependents, who meet the eligibility requirements under ***Chapter 54***, may enroll their dependents in the TRICARE-FMDP. Members must intend to be on active duty for the minimum period of enrollment set in ***Chapter 54***.

570710. Savings Deposit Program (SDP). Members serving on active duty who meet the eligibility criteria as set forth in ***Chapter 51, sections 5101 and 5102*** are eligible to participate in the SDP.

INCREASE IN PAY ON PROMOTION – RESERVE AND NG OFFICERS			
RULE	A	B	C
	When a Reserve officer is	**in the**	**then the effective date of increase in pay and allowances is the**
1	promoted to a higher Reserve grade	Army or Air Force Reserve or National Guard	effective date of the promotion stated in the orders (note 1).
2	promoted under ***Title 10, U.S.C., Chapter 1405*** to a grade above lieutenant (jg)	Naval Reserve	date on which member became eligible for promotion to the higher grade (see note 2).
3	promoted under ***Title 10, U.S.C., Chapter 1405*** to a grade above first lieutenant	Marine Corps Reserve	
4	promoted under ***Title 10, U.S.C., section 14308*** to the grade of lieutenant (jg)	Naval Reserve	date given as date of rank.
5	promoted under ***Title 10, U.S.C., section 14308*** to the grade of first lieutenant	Marine Corps Reserve	

NOTES:

1. For officers serving on active duty, other than for training, who are not on the active duty list, see ***Table 1-4***.
2. If an officer has not established the moral and professional qualifications prescribed by the Secretary of the Navy under ***10 U.S.C. 624*** within 1 year after the date on which the President approved the selection board's recommendation for promotion, officer is entitled to the pay and allowances of the grade to which promoted only from the date appointed to that grade.

Table 57-1. Increase in Pay on Promotion – Reserve and National Guard Officers

ENTITLEMENT TO PAY AND ALLOWANCES FOR VARIOUS PERIODS OF ACTIVE DUTY				
RULE	A	B	C	
	If a member serves on active duty under competent orders for	during the period	then the member is entitled to pay and allowances for	
			active duty for	and lump-sum settlement of accrued leave
1	31 days	May 1- 31	30 days (note 1)	yes
2	40 days	Jan 2-Feb 10	39 days (note 1)	yes
3	29 days	Jan 4-Feb 1	29 days	no
4	28 days	Feb 1-28 (not leap year)	28 days	no
5	28 days	Feb 1-28 (leap year)	28 days	no
6	29 days	Feb 1-29 (leap year)	29 days	no
7	33 days	Feb 6-Mar 10 (not leap year)	35 days (note 2)	yes
8	29 days	Feb 2- Mar 2 (not leap year)	29 days	no
9	30 days	Feb 2-Mar 2 (leap year)	31 days (note 3)	yes
10	31 days	Feb 1-Mar 2 (leap year)	32 days (note 3)	yes
11	29 days	Feb 1-Mar 1 (not leap year)	29 days	no
12	30 days	Jan 2-Jan 31	29 days (note 1)	yes

NOTES:

1. Member is not entitled to pay and allowances for the 31st day of the calendar month.
2. Member is entitled to pay and allowances for the constructive days of February 29 and 30.
3. Member is entitled to pay and allowances for the constructive day of February 30.

Table 57-2. Entitlement to Pay and Allowances for Various Periods of Active Duty

DISABILITY ENTITLEMENTS FOR THE RESERVE FORCES (FOR DISABILITIES INCURRED OR AGGRAVATED AFTER SEPTEMBER 29, 1988)						
	A	B			C	D
		and the member is				
RULE	If a member is physically disabled in line of duty while	not fit for military duty	fit for military duty and can show lost civilian income		then the member is entitled to	and
			Yes	No		
1	serving on ordered active duty, or while traveling directly to or from such active duty (notes 1 and 10)	X			active duty pay and allowances for the period of the orders, plus authorized travel time. If the disability continues beyond this period, or if there is a subsequent recurrence of this disability, entitlement exists to pay and allowances, less the full amount of all civilian earned income received for the disability period, for not more than a total of six months. (notes 2, 4, 6, 7, and 11)	medical and dental care appropriate for the disability until it cannot be materially improved by further hospitalization or treatment. The member is entitled to travel and transportation, or a monetary allowance, for travel incident to medical and dental care. Member is also entitled to subsistence in kind during hospitalization when not entitled to BAS. (note 8).
2			X		active duty pay and allowances for the period of orders, plus authorized travel time. Thereafter, the member is entitled, upon request, to a portion of pay and allowances in an amount equal to lost civilian earned income or full pay and allowances, whichever is less, for not more than a total of 6 months. (notes 2, 3, 5, 6, and 7)	
3				X	active duty pay and allowances for the period of the orders, plus authorized travel time	
4	performing inactive duty training or while, on the day of training, traveling directly to or from such training (notes 1 and 9)	X			inactive duty training compensation for the day (both periods if two had been scheduled). If the disability continues beyond this period, or if there is a subsequent recurrence of this disability, entitlement exists to pay and allowances, less the full amount of all civilian earned income received for the disability period, for not more than a total of 6 months. (notes 2, 4, 6, 7, and 11)	
5			X		inactive duty training compensation for the day (both periods if two had been scheduled). Thereafter, the member is entitled, upon request, to a portion of pay and allowances in an amount equal to lost civilian earned income or full pay and allowances, whichever is less, for not more than a total of 6 months. (notes 2, 3, 5, 6, and 7)	
6				X	inactive duty training compensation for the day (both periods if two had been scheduled).	

Table 57-3. Disability Entitlements for the Reserve Forces

DISABILITY ENTITLEMENTS FOR THE RESERVE FORCES (FOR DISABILITIES INCURRED OR AGGRAVATED AFTER SEPTEMBER 29, 1988)						
	A	B			C	D
		and the member is				
RULE	If a member is physically disabled in line of duty while	not fit for military duty	fit for military duty and can show lost civilian income		then the member is entitled to	and
			Yes	No		
7	traveling directly to or from inactive duty training on a day(s) other than the training day (notes 1 and 9)	X			beginning on the day of disability, pay and allowances less the full amount of all civilian earned income received for the disability period, for not more than a total of 6 months. (notes 2, 4, 6, 7, and 11)	medical and dental care appropriate for the disability until it cannot be materially improved by further hospitalization or treatment. The member is entitled to travel and transportation, or a monetary allowance, for travel incident to medical and dental care. Member is also entitled to subsistence in kind during hospitalization when not entitled to BAS. (note 8).
8			X		beginning on the day of disability, and upon request, a portion of pay and allowances in an amount equal to lost civilian earned income or full pay and allowances, whichever is less, for not more than a total of 6 months. (notes 2, 3, 5, 6, and 7)	
9				X		
10	remaining over-night immediate-ly before the start of inactive duty training, or while remaining over-night between successive periods of inactive duty training, if the site is outside reason-able commuting distance from his or her residence	X			beginning on the day of disability, pay and allowances less the full amount of all civilian earned income received for the disability period, for not more than a total of 6 months. (notes 2, 4, 6, 7, and 11)	

Table 57-3. Disability Entitlements for the Reserve Forces (Continued)

DISABILITY ENTITLEMENTS FOR THE RESERVE FORCES (FOR DISABILITIES INCURRED OR AGGRAVATED AFTER SEPTEMBER 29, 1988)						
	A	B			C	D
		and the member is				
RULE	If a member is physically disabled in line of duty while	not fit for military duty	fit for military duty and can show lost civilian income		then the member is entitled to	and
			Yes	No		
11	remaining over-night immediate-ly before the start of inactive duty training, or while remaining over-night between successive periods of inactive duty training, if the site is outside reasonable commuting distance from his or her residence		X		beginning on the day of disability, and upon request, a portion of pay and allowances in an amount equal to lost civilian earned income or full pay and allowances, whichever is less, for not more than a total of 6 months. (notes 2, 3, 5, 6, and 7	medical and dental care appropriate for the disability until it cannot be materially improved by further hospitalization or treatment. The member is entitled to travel and transportation, or a monetary allowance, for travel incident to medical and dental care. (Note 8).
12				X	beginning on the day of disability, and upon request, a portion of pay and allowances in an amount equal to lost civilian earned income or full pay and allowances, whichever is less, for not more than a total of 6 months. (notes 2, 3, 5, 6, and 7	

NOTES:

1. A member is considered to be traveling to the duty or training site upon departing residence with the intention of going directly to such duty or training site. A member is considered to be traveling from the duty or training site upon direct return to residence after completion of the duty or training.
2. Failure of the member to provide current and sufficient information as established by administrative regulations of the Military Service concerned may result in discontinuation of pay and allowances.
3. Lost civilian earned income is the difference between the member's normal wages or salary or other earnings (including self-employment earnings) that would have been payable for the disability period had the member been fully engaged in civilian employment, less any payments the member received. Civilian earned income does not include retirement income. The member must report all income from an income protection plan, vacation pay, or sick leave that is received during the disability period. If the sum of all these equals or exceeds the member's usual and customary earned income, then no pay and allowances payments will be made. Any payments to the member will first be paid as the basic pay element and then, if necessary, as allowances (BAH and BAS).
4. A member is entitled to compensation (but not point credit) at the rate of 1/30th of monthly basic pay for each scheduled inactive duty training period he or she is unable to attend because of the disability; however, there is no entitlement if, while traveling to or from the training or duty site, the member was disabled because of his or her gross negligence or misconduct. This entitlement will be factored into the pay and allowances payable so that total payments to the member for the disability period do not exceed the pay and allowances of a member of the Regular Component.

Table 57-3. Disability Entitlements for the Reserve Forces (Continued)

5. Any military duty which the member performs will be factored into the pay and allowances payable in note 3 so that the total payments to the member do not exceed the pay and allowances of a member of the Regular Component.
6. The Secretary of the Military Department concerned may extend the period of entitlement beyond 6 months in the interests of fairness and equity.
7. There is no entitlement to pay and allowances beyond the training or duty period if the disability resulted from the member's gross negligence or misconduct.
8. There is no entitlement to medical and dental care if the member is disabled because of gross negligence or misconduct and the disability occurred while traveling to or from the training or duty site.
9. Does not include work or study in connection with a correspondence course of an Armed Force or attendance in an inactive status at an educational institution under the sponsorship of an Armed Force or the Public Health Service.
10. A member who is called to active duty to undergo a physical examination, not incident to a call to active duty for more than 30 days, becomes entitled to provisions of rule 1, 2, or 3, as applicable, on the day of incurrence of disability.
11. Earned income is the total amount a member received from civilian employment or self-employment. It includes receipts from an income protection plan, vacation pay, or sick leave the member elects to receive.

Table 57-3. Disability Entitlements for the Reserve Forces (Continued)

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SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 58
"PAY AND ALLOWANCES FOR INACTIVE DUTY TRAINING"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

This updated chapter supersedes the previously published version dated June 2010.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
580108.D Bibliography	Extended Designated Unit Pay to December 31, 2011.	Update
580302 Bibliography	Clarified the computation of Foreign Language Proficiency Bonus.	Update
Table 58-1	Inserted Muster Duty Allowance amount for CY 2011.	Add

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5802 Incentive Pay

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580203 Continuous ACIP
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*Table 58-1 Muster Duty Allowance

*Bibliography

CHAPTER 58

PAY AND ALLOWANCES FOR INACTIVE DUTY TRAINING

5801 GENERAL PROVISIONS

580101. Entitlement and Computation of Inactive Duty Training Pay and Special Pay

A. Inactive Duty Training With Pay. A member of the National Guard or a Reserve Component is entitled to compensation at the rate of one-thirtieth of the basic pay prescribed for grade and years of service for the performance of each authorized period of:

1. Regular inactive duty training (drill or unit training assembly).

2. Equivalent training, instruction, or duty.

a. Army: For details and exceptions, see ***AR 140-1*** and ***NGR (AR) 350-1***.

b. Navy: See ***BUPERS Instruction 1001.39*** Series.

c. Air Force: See ***ANGI 36-2001*** and ***AFI 36-2254 V1***.

d. Marine Corps: See ***MCO P1001R.1J***.

3. Appropriate duty.

4. Additional flying training period (AFTP).

5. Additional inactive duty training.

6. Duty or training that resulted in the successful completion of a course of instruction undertaken by the member using electronically distributed learning methodologies to accomplish training requirements related to unit readiness or mobilization, as directed for the member by the Secretary concerned.

NOTE: To qualify for pay for a period of inactive duty training, each member shall engage in such duty or training for the period (not less than 2 hours) as prescribed by the Secretary concerned. Compensation will not accrue for periods of inactive duty performed in excess of the number authorized by the appropriate regulations of the Military Service concerned. A member cannot qualify for pay for more than two periods of inactive duty training during a single calendar day.

B. Inactive Duty Training Without Pay. Members of the Reserve Components may, with their consent, be ordered to inactive duty training without pay when authorized by the Secretary concerned.

C. Combination Active Duty and Inactive Duty. A member of a Reserve Component may be paid the equivalent total of pay for more than 360 days in a year, when so directed based on actual entitlement if the total is based on a combination of active duty pay and inactive duty training compensation.

580102. Limitation. A member cannot accrue compensation for inactive duty training performed on a day on which he or she is also entitled to basic pay for active duty or active duty for training, or on a day on which entitled to Muster Duty Allowance (MDA).

580103. Waiver of Benefits. The provisions of ***Chapter 57, paragraph 570104*** apply to members of the Reserve Components who perform inactive duty training in a pay status.

580104. Allotment of Pay. Except as prescribed in ***Chapter 57, paragraph 570105***, members of the Reserve Components are not authorized to allot inactive duty training compensation.

580105. Muster Duty Allowance (MDA) for Reservists

A. Entitlement. A member of the Ready Reserve who is not a member of the National Guard or the Selected Reserve is entitled to an MDA for a minimum of 2 hours muster duty performed. An MDA is paid once during a calendar year.

B. Amount Payable. The allowance is 125 percent of the average Continental United States per diem rate in effect on September 30 of the calendar year preceding the calendar year in which the muster duty is performed. The rate is listed in Table 58-1.

C. Collections. From the MDA, collect:

1. Federal Income Tax Withholdings (FITW) at the authorized rate for one-time payments.

2. State Income Tax Withholdings (SITW) at the authorized rate for one-time payments.

3. Members who perform muster duty receive part-time coverage under the Servicemembers' Group Life Insurance (SGLI) program. The premium is $0.25 for $100,000 or $1.00 for the maximum coverage rate of $400,000, unless the member elects to decline coverage. See ***Chapter 47, Table 47-1*** for coverage effective dates.

4. Members who elect SGLI shall be automatically enrolled in Traumatic Injury Protection under the SGLI program (TSGLI). There is no cost for TSGLI

coverage while a member is performing muster duty. See ***Chapter 47, section 4713*** for further information.

5. Do not collect Federal Insurance Contributions Act (FICA) taxes.

D. Payment. The allowance may be paid to a Ready Reservist before, on, or after the date on which muster duty is performed, but not more than 30 days after that date. The Ready Reservist is not entitled to other payment of any kind, including inactive duty training compensation under paragraph 580101 for the performance of a muster duty.

E. Retirement Point Credit. Muster duty shall not be credited in determining entitlement to, nor computing, retired pay.

580106. Electronic Screening Allowance (ESA) for Reservists

A. Entitlement. The Secretary concerned may authorize payment of an ESA stipend to a member of the Individual Ready Reserve (IRR) for participating in the screening performed by electronic means. Electronic screening may be performed in lieu of MDA for muster duty performed. A maximum of one ESA is paid once during a calendar year. The ESA stipend authorized may not be disbursed in kind. Payment of a stipend to a member of the IRR for participation in screening shall be made on or after the date of participation in such screening, but not later than 30 days after such date.

B. Maximum Amount Payable. The aggregate amount of the ESA stipend paid to an IRR member, in any calendar year, may not exceed $50, regardless of pay grade.

C. Collections. From the ESA, collect:

1. FITW at the authorized rate for one-time payments.

2. SITW at the authorized rate for one-time payments.

3. Members who perform electronic screening receive part-time coverage under the SGLI program. The premium is $0.25 for $100,000 or $1.00 for the maximum coverage rate of $400,000, unless the member elects to decline coverage. See ***Chapter 47, Table 47-1*** for coverage effective dates.

4. Members who elect SGLI shall be automatically enrolled in Traumatic Injury Protection under the SGLI program (TSGLI). There is no cost for TSGLI coverage while a member is performing electronic screening. See ***Chapter 47, section 4713*** for further information.

5. Do not collect FICA taxes.

D. Restriction. The ESA is the only monetary compensation authorized to be paid to a member for the performance of electronic screening and shall constitute full payment to the member regardless of the grade or rank in which the member is serving.

580107. Funeral Honors Duty Allowance (FHDA)

A. Entitlement. The Secretary concerned may authorize payment of FHDA to a member of the Ready Reserves, IRR. The member is entitled to a FHDA for a minimum of 2 hours of funeral honors duty (FHD). A maximum of 1 FHDA may be earned and paid in 1 calendar day.

B. Amount Payable (Effective October 1, 2000)

1. $50 regardless of pay grade for each FHD period; or

2. One-thirtieth of the basic pay prescribed for grade and years of service for the performance of each FHD period.

C. Collections. From the FHDA, collect:

1. FITW and SITW at the rate claimed on the member's Internal Revenue Service (IRS) Form W-4, "Employee's Withholding Allowance Certificate" or, if a W-4 is not submitted, at the rate using the daily rate table for a single member with no dependent.

2. IRR and retired Reserve members who do not have SGLI coverage may elect part-time SGLI coverage when performing FHD. The cost is $0.25 per $100,000 or $1.00 for $400,000 coverage. There is no cost for TSGLI coverage while a member is performing funeral honors duty. See ***Chapter 47, section 4713*** for further information.

3. Do not collect FICA.

D. Restriction. Except for expenses reimbursed for travel and transportation incident to FHD, the FHDA is the only monetary compensation authorized to be paid to a member for the performance of FHD and shall constitute full payment to the member.

580108. Designated Unit Pay

A. A member assigned to a unit designated as a high priority unit of the Selected Reserve by the Secretary concerned is, while performing inactive duty training for compensation, entitled to a maximum of $50 designated unit pay for the performance of each authorized period of:

1. Regular inactive duty training (drill or unit training assembly).

2. Equivalent training, instruction, or duty, provided each authorized period is not less than 4-hours duration. Authorized periods may be performed on a Sunday or a legal holiday.

B. A member of a designated unit is entitled to designated unit pay for authorized periods of drill or duty performed with a nondesignated unit, but members of a nondesignated unit may not receive designated unit pay for authorized periods of drill or duty performed with a designated unit.

C. Designated unit pay is subject to federal and state withholding, but is not subject to FICA taxation.

* D. No payment of designated unit pay may be made for any period before the date the Secretary concerned designates a unit as a high priority unit, nor may any payment be made for any period of drill or instruction performed after December 31, 2011.

5802 INCENTIVE PAY

580201. Entitlement. Members of the Reserve Components who are in a pay status are entitled to incentive pay for hazardous duty performed during periods of inactive duty training if serving under competent orders and otherwise meeting the requirements of this section. Members entitled to incentive pay for hazardous duty are entitled to an increase in compensation equal to one-thirtieth the applicable monthly rate for each authorized period of inactive duty training of not less than 2 hours.

580202. Aviation Career Incentive Pay (ACIP), Continuous or Conditional, or Hazardous Duty Incentive Pay (HDIP) for Flying Duty. Members of the Reserve Components who perform inactive duty training in a pay status are entitled to ACIP or incentive pay for flying under the conditions of ***Chapter 22, sections 2201 or 2202***. The provisions of ***Chapter 22, subparagraphs 220103.A.1 or 220203.A.1***, regarding the use of hours flown during the preceding 5 months not already used to qualify for flight pay, are equally applicable to members otherwise eligible who are performing inactive duty training. Exception: Minimum flight requirements are one-half of those prescribed for a member on active duty - that is, 2 hours per month when the calendar month is the unit period. If a fraction of a calendar month is the unit period, then flying time required for such period will be as shown in ***Chapter 22, Table 22-2*** under "Inactive Duty." A member who has performed less than the total number of regularly scheduled drills or unit training assemblies during a month or a fractional part of a month shall meet the minimum flight requirements for the month, or fraction thereof, in order to be entitled to any flying pay for the drills or unit training assemblies actually performed. When scheduled inactive duty training was not attended and performed in a subsequent month, flying pay for such period(s) is payable, provided the member met minimum flight requirements for each period involved.

A. Combined Flight Requirements. When a member performs both active and inactive duty with pay in the same month, designated flying time earned in that month may be combined to satisfy any ACIP or HDIP flight requirements for that month.

1. Active and inactive duty flying time may be combined for application to flight requirements only in the month in which the flying is performed. Combined flying time that is in excess of the requirements of the month in which actually performed, or that otherwise cannot be used in the month earned, will be redistributed into active and inactive flying time categories. Combined flying time may be applied only to other monthly flight requirements (see ***Chapter 22***) for the appropriate status category into which redistributed (i.e., active duty flying time for active duty requirements and inactive duty flying time for inactive duty requirements). Combined flying time will be applied and any excess or unused time will be divided and placed into appropriate categories as set forth in subparagraph 580202.A.1.a.

NOTE: Unless the member is performing continuous active duty in excess of 30 days, or unless the active duty period extends unbroken over parts of 2 months, the excess/unused active flying duty hours may not be banked for potential application to other requirements.

a. When the hours flown while on active duty are in excess of the active duty flight requirement of the month, and the hours flown during the inactive duty period are also in excess of the inactive duty flight requirement of the month, all excess hours will be retained in their respective categories for application to the requirements for other months, if otherwise allowable.

Example 1: A member performed 15 days of active duty and was in an inactive duty training status 15 days in the same calendar month. The member performed 5.0 hours of flying duty while on active duty and 1.5 hours while on inactive duty. The 5.0 hours earned while on active duty are in excess to the 2 hours required, and the 1.5 hours earned while on inactive duty are in excess to the 1.0 hours required. The 3.0 hours that are in excess of the active duty requirement will be "banked" as active duty time if the criteria of the note in subparagraph 580202.A.1 are met. The 0.5 hours in excess to the inactive duty requirement will be banked as inactive duty time.

b. When the hours flown while on active duty are in excess of the active duty flight requirement of the month, and the hours flown during the inactive duty period are insufficient for the inactive duty flight requirement of the month, the excess active duty hours will be applied to the inactive duty requirement. Any remaining excess or unused active duty hours will be retained for application to the requirements for other months of active duty, if otherwise allowable. If the excess active duty hours applied to the inactive duty requirement are not sufficient to meet the inactive duty requirement for that month, then any banked inactive hours shall also be applied. If the inactive duty requirement is still not satisfied, then all hours revert to their respective categories to be used in meeting the requirements for other months, as allowable.

Example 2: A member performed 15 days of active duty and was in an inactive duty training status for 15 days in the same calendar month. The member performed 5.0 hours of flying duty while on active duty and 0.5 hours while on inactive duty. The active duty flying time is in excess of the active duty requirement of 2.0 hours, while the inactive flying time is insufficient for the inactive duty requirement of 1.0 hours. Apply 0.5 of the excess active duty

hours to the inactive requirement. The remaining 2.5 excess active duty hours may be banked as active duty time, if the criteria of the note in subparagraph 580202A.1 are met.

c. When the hours flown while on active duty are insufficient for the active duty flight requirement of the month, and the hours flown during the inactive duty period are in excess of the inactive duty flight requirement of the month, the excess inactive duty hours will be applied to the active duty requirement. Any remaining excess or unused inactive duty hours will be retained for application to inactive duty requirements in a subsequent month. If the excess inactive duty hours applied to the active duty requirement are not sufficient for the month's active duty requirement, then any banked active duty hours shall be applied. If the active duty requirement is still not satisfied, then all hours revert to their respective categories for use in meeting requirements for other months, as allowable.

Example 3: A member performed 15 days of active duty and was in an inactive duty for training status 15 days in the same calendar month. The member performed 0.5 hours of flying duty while on active duty and 1.5 hours while on inactive duty. The member has 0.0 hours of active duty flying time and 3.0 of inactive flying time banked. The active duty flying time is insufficient for the active duty requirement of 2.0 hours and the inactive flying time is in excess of the inactive duty requirement of 1.0 hours. Apply the 0.5 excess inactive duty hours to the active duty requirement. Combined, the active duty and inactive duty flying time is short of the requirement by 1.0 hours. In this case, there are no banked active duty hours and the active duty requirement remains unfulfilled. Therefore, the 0.5 unused active duty hour may be banked as active duty time if the criteria of the note in subparagraph 580202.A.1 are met and the 0.5 hour of unused inactive duty time will be banked as inactive duty time.

d. When the hours flown while on active duty are insufficient for the active duty flight requirement of the month, and the hours flown during the inactive duty period are also insufficient for the inactive duty flight requirement of the month, the hours will be applied in the following sequence. First, the inactive duty hours flown will be applied to the active duty requirement. If the combined active and inactive duty hours flown are not sufficient for the active duty requirement, then any banked active duty hours shall also be applied. If the active duty requirement is still not satisfied, then the active duty hours flown will instead be applied to the inactive duty requirement. If the combined active and inactive duty hours flown are not sufficient for the inactive duty requirement, then any banked inactive duty hours shall also be applied. If the inactive duty requirement is still not satisfied, then all hours revert to their respective categories use in meeting requirements for other months, as allowable.

Example 4: A member performed 15 days of active duty and was in an inactive duty for training status 15 days in the same calendar month. The member performed 0.3 hours of flying duty while on active duty and 0.4 hours while on inactive duty. The member has 0.1 hours of active duty flying time (as a result of a period of active duty that began near the middle of the previous month and was continuous into the present month) and 0.2 hours of inactive duty flying time banked. The active duty flying time is insufficient for the active duty requirement of 2.0 hours and the inactive flying time is insufficient for the inactive duty requirement of 1.0 hours. First, apply the 0.4 hours of the inactive duty flying time to the active duty requirement. Combined, the active duty and inactive duty flying time is short of the requirement

by 1.3 hours. In this case, there are 0.1 of banked active duty hours, but that also is insufficient and the active duty requirement remains unfulfilled. Next, apply the 0.3 hours of the active duty flying time to the inactive duty requirement. Again, the coverage is not sufficient, being 0.3 hours short of the inactive duty requirement. In this case, there are 0.2 hours of banked inactive duty hours, but that also is insufficient and the inactive duty requirement remains unfulfilled. Finally, since neither the active nor the inactive requirements could be fulfilled, the unused time will be banked as allowed. The unused 0.3 hours of active flying time may be banked as active duty time if the criterion of the note in subparagraph 580202.A.1 is met and the unused 0.4 hours of inactive flying time will be banked as inactive duty time.

2. Active Duty of Less Than One Calendar Month Covering Parts of Two Calendar Months. When active duty of less than 1 month covers parts of 2 consecutive calendar months, flights performed on inactive duty training may be combined to satisfy requirements for the whole period of active duty if the inactive duty flight requirements for both months have been met.

Example 1: A member performed 3.4 hours of flying while on an inactive duty training status from April 1-23. The member did not fly during active duty for training period of April 24 to May 7, or while in an inactive duty training status May 8-31. A total of 1.1 excess flying hours were accumulated before April 1. Flying time of 3.4 hours is first applied to the inactive duty training flight requirements for April (1.6 hours) and then to active duty flight requirements for April (1.0 hours). The 0.8 excess flying hours during April added to the 1.1 excess flying hours accumulated before April results in 1.9 excess flying hours available to apply against May flight requirements. Flight time in May totals 2.6 hours (24 days of inactive duty requires 1.6 hours; 7 days of active duty requires 1.0 hours; see ***Chapter 22, Table 22-2***). Accumulated excess hours first are applied to the inactive duty training flight requirements. Do not credit pay for the period of 1-7 May since only 0.3 unused hours available is less than the 1.0 hours requirement.

Example 2: A member performed the following flights while on active and inactive duty training during parts of 2 calendar months. No excess flying hours were available on March 1.

Periods	Time Flown	Flight Requirements
(Inactive) March 1	1.8 hrs	1 hr
(Active) March 16-31	1.2 hrs	2.2 hrs
(Active) April 1-9	1 hr	1.2 hrs
(Inactive) April 10-30	1.6 hrs	1.4 hrs

NOTE: The continuous period of active duty training (March 16 to April 9) is a unit period of 25 days, which requires 3.4 hours flying time. For that reason, the 31st day of March imposes required flying time. Since this member is unable to meet the flight requirements for the active duty flight period which covers parts of 2 calendar months, it is necessary to determine if the member can meet the requirements for a single month. Entitlement for the month of March requires a composite of only 3 hours of flying time, and the month of April requires 2.6 hours.

Thus, the member qualifies for flying pay for each inactive duty period and for the active duty training periods.

B. Additional Flying Training Periods (AFTP). A member who performs an AFTP in a pay status, if otherwise qualified, is entitled to incentive pay for flying if he or she meets the flight requirements of this paragraph for the month in which the AFTP is performed. Flying time accumulated during an AFTP may be used to satisfy requirements for inactive duty training and under the provisions of subparagraphs 580202 A.1 and A.2 may also be used for requirements for periods of active duty or active duty for training.

C. Operational Flying. Flying duty required by competent orders and performed by members of a Reserve Component, irrespective of unit of assignment, is considered to be operational flying.

580203. Continuous ACIP. An officer of a Reserve Component who performs inactive duty training in a pay status is entitled to continuous ACIP so long as the requirements are met for an aviation service career (not on extended active duty) as defined in the Definitions and the provisions of ***Chapter 22, section 2202***.

580204. Submarine Duty Pay. A member of a Reserve Component who participates in scheduled drills aboard a submarine during underway operations, while under competent orders and in a pay status, is entitled to incentive pay for submarine duty.

580205. Hazardous Duty Incentive Pay for Parachute Duty. A member of a Reserve Component who performs inactive duty training in a pay status is entitled to incentive pay for parachute duty under the provisions of ***Chapter 24, section 2402***.

A. Parachute jumps performed during periods of inactive duty training or active duty for training qualifies a member for incentive pay for either type of duty.

B. Parachute jumps performed while on extended active duty do not qualify a member for incentive pay for inactive duty training (see ***Chapter 57, paragraph 570101***).

580206. Hazardous Duty Incentive Pay for Flight Deck Duty, Demolition Duty, and Experimental Stress Duty. A member of a Reserve Component who performs inactive duty training in a pay status is entitled to incentive pay under provisions of ***Chapter 24***.

5803 SPECIAL PAY

580301. Entitlement. Members of the Reserve Components are not entitled to special pay for periods of inactive duty except as noted in the following paragraphs.

* 580302. Foreign Language Proficiency Bonus (FLPB). A member of a Reserve Component who meets the requirements of ***Chapter 19, section 1901*** and any additional requirements of the Military Service concerned (see each applicable Service Foreign Language Proficiency Bonus Instruction) is entitled to foreign language proficiency bonus for each regular

period of instruction or period of appropriate duty at which the member is engaged for at least 2 hours. This includes instruction received or duty performed on a Sunday or holiday and each period of performance of such equivalent training, instruction duty, or appropriate duties as the Secretary concerned may prescribe. The sum total of FLPB for reservists must equal the annual FLPB paid to an active duty member with the same certified language proficiency.

580303. Diving Duty Pay. A member of a Reserve Component who meets the requirements of ***Chapter 11*** and any additional requirements of the Military Service concerned is entitled to diving duty pay for each regular period of instruction or period of appropriate duty at which the member is engaged for at least 2 hours. This includes instruction received or duty performed on a Sunday or holiday and each period of performance of such equivalent training, instruction duty, or appropriate duties as the Secretary concerned may prescribe. The compensation for each such period will be equal to one-thirtieth of the monthly special pay authorized under ***Chapter 11, section 1103***.

580304. Special Duty Assignment Pay. An enlisted member of a Reserve Component who meets the requirements of ***Chapter 8*** and any additional requirements of the Military Service concerned is entitled to special duty assignment pay for each regular period of instruction or period of appropriate duty at which the member is engaged for at least 2 hours. This includes instruction received or duty performed on a Sunday or holiday and each period of performance of such equivalent training, instruction duty, or appropriate duties as the Secretary concerned may prescribe. The compensation for each such period will be equal to one-thirtieth of the monthly special pay authorized under paragraph ***080105***.

580305. Officer Responsibility Pay. An officer of a Reserve Component who meets the requirements of ***Chapter 3, section 0302*** and any additional requirements of the Military Service concerned is entitled to responsibility pay for each day of the performance of duties in the designated position. This applies to days on which regular periods of instruction or periods of appropriate duty are performed, including periods of instruction received or duty performed on a Sunday or holiday and duties as the Secretary concerned may prescribe. The compensation for each such day will be equal to one-thirtieth of the monthly special pay authorized under paragraph ***030202***.

NOTE: This is a departure from the usual compensation practice of paying one-thirtieth of a special pay for each inactive duty drill period.

580306. Hostile Fire/Imminent Danger Pay. A member of a Reserve Component is entitled to hostile fire/imminent danger pay for any month during which the member, while engaged in a regular period of instruction or period of appropriate duty, also meets the requirements of ***Chapter 10***. This includes instruction received or duty performed on a Sunday or holiday and duties as the Secretary concerned may prescribe. The compensation will be equal to the full monthly special pay authorized under paragraph ***100102*** and will not be prorated or otherwise reduced.

580307. Assignment Incentive Pay (AIP). The Secretary concerned may pay incentive pay to a member of a uniformed service who performs service, while entitled to basic pay, in an assignment designated by the Secretary concerned under the provisions of ***Chapter 15***.

5804 ALLOWANCES

580401. Clothing Monetary Allowances, Enlisted Members. Except as provided for in subparagraphs 580401.A through C, an enlisted member of a Reserve Component is not entitled to any cash clothing allowances when on inactive duty training.

A. Special Initial Clothing Monetary Allowance (Navy). Effective October 1, 2009, Chief Petty Officers of the Naval Reserve, who are assigned to Selected Reserve and Voluntary Training Units, are entitled to a special initial clothing monetary allowance upon first advancement to Chief. (See ***Chapter 29, paragraph 290204***.)

B. Quarterly Maintenance Clothing Allowance (Navy). Effective October 1, 2009, Chief Petty Officers of the Naval Reserve who are assigned to Selected Reserve and Voluntary Training Units and who maintain satisfactory reserve participation per current Bureau of Naval Personnel policy in the quarter concerned, are entitled to a quarterly Reserve Maintenance Clothing Allowance (RMA) in the amount of $30.60 per quarter. A chief petty officer who is advanced to that grade or who becomes a member of a pay unit in a pay or nonpay status on other than the first day of a quarter is not entitled to a quarterly allowance until the first day of the next quarter. The allowance will not be paid for a fractional part of a quarter. New Chiefs are not entitled to the RMA until the first day of the following fiscal year after advancement.

C. Initial Cash Allowance for Enlisted Members. An enlisted member of a Reserve Component is entitled to an initial cash allowance for the purchase of items specifically designated by the Military Department concerned to be purchased by the member rather than to be furnished in kind. (See ***Chapter 29, paragraph 290201***.)

580402. Officers' Initial Uniform Allowance. An officer of a Reserve Component is entitled to an initial uniform allowance upon completing 14 periods of inactive duty training as an officer in the Ready Reserve, provided each period is of at least 2 hours duration. See also ***Chapter 30, section 3002***.

580403. Basic Allowance for Subsistence (BAS). Enlisted members of a Reserve Component may receive subsistence in kind or a cash commutation for meals when not entitled to basic pay if the member's period of instruction or duty totals at least 8 hours in 1 day. This entitlement is at the discretion of the Secretary concerned who shall issue written instructions specifying eligibility criteria. When a cash commutation is authorized, it shall be paid at one-thirtieth of the applicable monthly BAS rate from ***Chapter 25*** for each such day authorized, further pro rated by meal. Breakfast shall be pro rated at 20 percent of the daily BAS rate; lunch and dinner shall each be prorated at 40 percent of the daily BAS rate.

5805 MISCELLANEOUS PAYMENTS

580501. Pay and Allowances While Disabled. See ***Chapter 57, paragraph 570604*** for entitlements when a member of a Reserve Component is disabled while performing inactive duty training.

580502. Payment on Behalf of Deceased Members

A. Death Gratuity. The eligible beneficiaries of a member of a Reserve Component are entitled to payment of death gratuity, regardless of whether death occurred in the line of duty or was the result of the member's misconduct, if the member dies:

1. While on inactive duty training.

2. While traveling directly to or from inactive duty training.

3. Within 120 days after discharge or release from inactive duty training, if the Department of Veterans Affairs determines that death resulted from an injury or disease incurred or aggravated while performing, or traveling directly to or from such training.

B. Eligible Beneficiaries. The provisions of ***Chapter 36, Table 36-1*** apply to members of the Reserve Components.

C. Determining Eligible Beneficiaries. The provisions of ***Chapter 36, paragraph 360104*** apply to members of the Reserve Components.

D. Determination Affecting Entitlement. The provisions of ***Chapter 36, paragraph 360105*** apply to members of the Reserve Components.

E. Amounts Payable. The provisions of ***Chapter 36, paragraph 360106*** apply to members of the Reserve Components.

F. Expediting Payments. The provisions of ***Chapter 36, paragraph 360107*** apply to members of the Reserve Components.

G. Erroneous Payment. The provisions of ***Chapter 36, paragraph 360109*** apply to members of the Reserve Components.

H. Settling Deceased Member's Accounts. The provisions of ***Chapter 36, section 3602***; and ***Chapter 2*** shall apply to members of the Reserve Components.

580503. Disability Severance Pay

A. A member who performs inactive duty training and is separated for physical disability due to injury which was the proximate result of the performance of such duty is entitled to severance pay if otherwise qualified under appropriate personnel regulations.

B. Computation of severance pay will be as prescribed in ***Chapter 35***.

580504. Reservists' Special Separation Pay (RSSP)

A. Eligibility. Upon approval of the Secretary concerned and in accordance with Public Law 102-484, sections 4411 through 4422, as amended, October 23, 1992, pay RSSP to a reservist who has served more than 20 years of service but who has not reached his/her 60th birthday and meets the following conditions:

1. The member will apply for such pay and request transfer to the Retired Reserve on or after March 11, 1993.

2. The member shall have completed at least 20 years of service, and be qualified to receive nonregular retired pay (except for having reached the age of 60), not later than December 31, 2001.

3. Members who are authorized to receive early (completed at least 15 but less than 20 years of service) non-regular retired pay at age 60 are not authorized to receive RSSP.

4. Members are not eligible to receive RSSP if they are entitled to immediate payment of retired or retainer pay based solely on military service.

B. Computation of Annual Payment

1. Using an official statement of service, determine the member's total years of creditable service as of the date of transfer to the Retired Reserve. (Do not pay RSSP if the member has less than 20 years of service.) Round total years down to the nearest whole year.

2. Using the total years as determined in 580504.B.1, determine the multiplier from the following table:

Years of Service	Multiplier
20	5.0%
21	5.5%
22	6.0%
23	6.5%
24	7.0%
25	7.5%
26	8.0%
27	8.5%
28	9.0%
29	9.5%
30 or more	10.0%

3. Compute annual RSSP installment by multiplying 12 times the monthly basic pay to which the member would be entitled if the member were serving on active duty on the date the member transfers to the Retired Reserve times the multiplier.

4. Subject to the exception set out below, pay the member a maximum of five installments, the number of installments being as determined by the Secretary concerned. Pay the first installment on the member's date of transfer to the Retired Reserve. Any additional installments are due on successive anniversary dates. Do not make any payments after a member reaches age 60. For transfers which occur after October 5, 1994, prorate any installment, including the initial payment, which is due the member after the member's 59th birthday but before the member's 60th birthday. See Example 2.

Example 1: A member who was born June 5, 1937, and who has 23 years, 10 months of creditable service, and who has 28 years total service for pay purposes (includes service not creditable), transfers to the Retired Reserve on June 19, 1993, in the grade E-8, and the Secretary concerned approves payment of RSSP. Years of creditable service for RSSP purposes is 23 years (the 10 months are rounded down), with a multiplier of 6.5 percent basic pay for an E-8 with 28 years for pay purposes is $2808.60. The member's RSSP is $2190.71 ($2808.60 X 12 X .065). Pay an initial installment of $2190.71 on June 19, 1993, with additional installments on June 19, 1994, June 19, 1995, and June 19, 1996. Since the member's 60th birthday will occur before the next installment date of June 19, 1997, no further payment will be made.

Example 2: On June 30, 1995, a member (who was born on December 5, 1936) transfers to the Retired Reserve with entitlement to two years of RSSP at the rate of $6,000 per year, as determined by the Secretary concerned. The initial payment is in the full amount. The second installment, however, is due on June 30, 1996, which is after the member's 59th birthday but before his 60th birthday. Prorate for each full month between the due date and the member's 60th birthday. In this case, the second installment is 5/12ths of $6,000, or $2,500.

5. Withhold taxes from the initial payment at the rate appropriate for one-time payments for both federal and applicable state tax withholding purposes. Withhold taxes from any other RSSP installment payments at the rate appropriate for salaries paid on an annual basis, currently set forth for federal withholding purposes in the ***IRS Publication 15***. Give appropriate consideration to any withholding exemptions claimed by the member on an IRS Form W-4, "Employee's Withholding Allowance Certificate," when withholding taxes payments.

6. Receipt of these annual payments does not decrease or otherwise affect the retired pay to which the member is entitled at age 60.

7. In the event of the member's death, do not make any remaining annual payments.

580505. Reservists' Involuntary Separation Pay (RISP)

A. Payment. Upon approval by the Secretary concerned, and subject to the restrictions in this paragraph, pay RISP to a member the Selected Reserve who has at least 6 years but less than 15 years of service as of the date of discharge from a Reserve Component or involuntary transfer from the Selected Reserve. Do not make payment if the separation occurs before March 11, 1993.

B. Computation

1. Using an official statement of service, determine years of service, computing to three decimal places and rounding to two decimal places. Do not include in the service any days or points for which the member previously received separation, severance, or readjustment pay.

2. Multiply the number of years of service times 0.15 times 62 times the member's daily rate of basic pay if serving on active duty as of the date of separation or transfer from the Selected Reserve. The product is the RISP.

Example: A member who is an E-5 over 8 years total service for pay purposes (daily rate of pay $47.55) and a total of 1,760 retirement points credit is approved for discharge on August 27, 1993, by the Secretary concerned. Compute RISP as follows: Divide total Retirement Points Credit 1,760 by 360 = 4.89 years (computing to 3 decimal places rounding to 2 decimal places) x 15% x 62 x $47.55 (daily rate of pay) = $2,162.43 RISP.

3. Withhold federal and state income taxes. RISP payments are not subject to FICA or Medicare taxes.

4. A recipient of RISP who later receives basic pay, inactive duty training compensation, or retired or retainer pay, shall have such pay, compensation, or retired pay reduced by 75 percent until the total reductions equal the total RISP received.

5. A member who has received RISP, who later receives disability compensation from the Department of Veterans Affairs, shall have deducted from such disability compensation the total amount of RISP. However, there shall be no such reduction if the disability compensation is for a disability incurred or aggravated after the period for which the RISP was paid.

6. Members are not authorized to receive RISP when they are authorized to receive early (completed at least 15 but less than 20 years of service) non-regular retired pay at age 60.

5806 DEDUCTIONS AND COLLECTIONS

580601. Income Tax Withholding. The provisions of ***Chapter 57 paragraph 570701*** apply to members of the Reserve Components who are performing inactive duty training.

580602. FICA. See ***Chapter 45***.

580603. Courts-Martial Sentences. The provisions of ***Chapter 48*** apply to members of the Reserve Components who are performing inactive duty training.

580604. Nonjudicial Punishment

A. The provisions of ***Chapter 49***, except paragraph 490302, apply to members of the Reserve Components who are performing inactive duty training.

B. The maximum forfeiture to which a member of a Reserve Component is subject, while in an inactive duty status, is limited to one-half of the inactive duty training compensation to which entitled during the period of the sentence. This applies also to a member who is on active duty for training when the nonjudicial punishment is imposed, and reverts to an inactive duty status during the period of the sentence.

580605. Stoppages and Collections Other Than Courts-Martial Forfeitures. The provisions of ***Chapter 50*** apply to members of the Reserve Component who are performing inactive duty training. Remission of indebtedness is not applicable to members in an inactive duty status.

580606. Waiver of Claims for Erroneous Payment of Pay and Allowances. See ***Chapter 50 section 5005***.

580607. Legal Process for the Enforcement of Child Support and Alimony Obligations. See ***Chapter 41 section 4102***.

5807 SERVICEMEMBERS' GROUP LIFE INSURANCE (SGLI) PROGRAM FOR RESERVE COMPONENT

580701. Definitions. See ***Chapter 47 section 4702***.

580702. Basic Coverage. Effective September 1, 2005, this program automatically insures eligible members against death for $400,000, unless the member elects a reduced coverage or declines coverage. SGLI is payable upon the member's death while insured.

580703. Periods of Coverage. See ***Table 47-1***.

580704. Changes in Coverage. See ***Table 47-1***. A member who is covered for an amount less than the maximum coverage may later apply for increased coverage in writing, up to $250,000 with a proof of good health. See ***Table 47-1***, note 7 for the only exception to the proof of good health requirement.

580705. Full-Time Coverage. Members of the Reserve Component are eligible for full-time SGLI coverage while assigned to a unit or position in which they are required to perform active duty or active duty for training; and each year will be required to perform at least 12 periods of inactive duty training that is creditable for retirement purposes. Services SGLI procedures must provide for timely determination of the effective start dates for eligible members and stop dates whenever a member does not meet the eligibility criteria. When a member ceases to meet the conditions of eligibility for full-time SGLI coverage, the Service must notify the member of the pending termination of benefits. Also, see paragraph ***470301***.

A. Deduction of SGLI Premiums. See section ***Chapter 47 section 4706***.

B. Collection of SGLI Premiums

1. Member in a Pay Status. SGLI premiums will be collected from the member's active duty pay or drill pay whenever possible. This should apply to members who drill regularly, even if they are not scheduled to drill every month. Even though a member may not drill on a particular month and may not receive any pay, premium due is still included in the monthly transfer of funds to the Department of Veterans Affairs and must be collected from the member as quickly as possible. This can be done either by deduction from pay or direct payment from the member. The Defense Finance and Accounting Service (DFAS) will establish a debt on the member's pay account and collect the total premium due when pay is due. When a member ceases to meet the conditions of eligibility for SGLI coverage, the member's parent Service must inform DFAS in a timely manner to allow for any final premium liability to be deducted from final pay and to preclude further overpayments.

2. Direct Remitters. Each Service must have clearly established programs to identify members who are required to make a direct remittance of premiums. Services must notify members at least 30 days in advance of the date the direct remittance is due. The notice will include the amount of the payment, the date it is due and the Service's address to which the payment should be sent. The member must make remittance within 30 days from the date of the notice.

a. Failure to Make Remittance Within 60 Days. When a member fails to make the direct remittance within 60 days from the due date, the Service Secretary concerned must notify the member of termination of SGLI coverage unless the member justifies the delinquency to the satisfaction of the Secretary concerned.

b. Termination of SGLI Coverage. When the Secretary concerned determines that the member failed to make direct remittance within 60 days of the due date, the Secretary concerned will send a "Notice of SGLI Termination" to the member's official address. The notice must clearly state that effective 60 days from the date of such notice the member's SGLI will be terminated. If the member fails to justify the delinquency within 60 days, then the Secretary concerned shall send the "Final Notice of SGLI Termination" by certified mail to the member's official address. The Secretary concerned must notify DFAS of the member's effective date of termination. Once SGLI coverage is terminated, it will remain terminated with reinstatement only as approved by the Secretary of Veterans Affairs.

c. Continuation of Coverage. SGLI coverage may be continued if, and only if, the member remits all required premiums within 60 days from the "Notice of SGLI Termination" and justifies the reason for the late payment (subject to approval the Secretary concerned). A copy of all requests for continuation of SGLI coverage and the Service's final determination will be forwarded within 30 days to:

Director of Compensation
Attn: Termination of SGLI Coverage
ODASD(FMP)(MPP)(Comp)
Washington, DC 20301-4000

580706. Part-Time Coverage. Part-time coverage is available to certain eligible members of the Reserve Component who do not qualify for full-time coverage while performing active duty or active duty for training under calls or orders of specified periods of 30 days or less. Members may elect coverage of $400,000 or less in $50,000 increments, or decline coverage.

A. Deductions of SGLI Premium. The premium is $3.50 for $50,000 or $28.00 for $400,000. The premium covers the entire fiscal year without regard for any portion of the fiscal year served. The annual premium is collected from the member's pay account during the first period of duty each year in which the member is in a pay status, or for those not in a pay status, by direct payment by the member to the appropriate Military Service. The premium is not prorated.

B. Election Changes. Amounts deducted for coverage before the effective date of a waiver of coverage or before an election of a lesser amount of coverage are not refunded. Should a member elect increased coverage during a year in which a duty period has already been performed, collect the difference (between the higher annual premium and the premium previously collected) during the first period of duty in which the member is in a pay status that same year, if applicable. A proof of good health is required for any increase of coverage. See ***Table 47-1***, note 7.

C. Continuation of Coverage. Any election made continues in effect during continuous obligation to perform duty in the same Uniformed Service, including any active duty for a period of more than 30 days. For mobilization, see ***Table 47-1***, rule 8.

580707. Appellate Leave. See ***Chapter 47 section 4705***.

580708. Forfeiture of Coverage. See ***Chapter 47 paragraph 470303***.

580709. Refunds. See ***Chapter 47 section 4707***.
580710. Settlement of SGLI Claims. See ***Chapter 47, section 4709***.

580711. Retired Reserve. Reservist with full-time coverage will, upon retirement, have the option of converting their SGLI coverage to Veterans Group Life Insurance (VGLI). On the day that a member is assigned to (or who upon application would be eligible for

assignment to) the Retired Reserve, such member's SGLI coverage will remain in effect for 120 days after separation and/or retirement. Within this 120-day period, the member may apply for conversion to VGLI, and medical proof of insurability is not required.

580712. Family Coverage Under SGLI. See section ***4710***.

MUSTER DUTY ALLOWANCE	
Effective	**Amount**
January 1, 2009	$197.86
January 1, 2010	$205.00
January 1, 2011	$215.63

***Table 58-1. Muster Duty Allowance**

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		37 U.S.C. 1002
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		MS Comp Gen B-179882, December 4, 1974
		MS Comp Gen B-207913, April 15, 1983
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*	580106	10 U.S.C. 10149
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		37 U.S.C. 433a
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		EO 11292, August 1, 1966
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580401	37 U.S.C. 418
580401.A & 580401.B	Department of the Navy Memo, October 7, 2009
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	580502.F	10 U.S.C. 1479
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SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 59
"PAYMENT TO MEMBERS OF THE SENIOR RESERVE OFFICERS' TRAINING CORPS (ROTC)"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
5903	Changed section title to reflect entitlement.	Update
590301.B	Added definition of foreign language of strategic interest.	Add
590302.D 590302.E Bibliography	Added critical eligibility and entitlement requirement and definition of satisfactorily completing a Skill Proficiency Bonus-approved course.	Add
590307 Bibliography	Extended duration of Authority for Foreign Language Skill Proficiency Bonus to December 31, 2011.	Update

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Table 59-1 ROTC Monthly Subsistence Allowance

* Bibliography

CHAPTER 59

PAYMENT TO MEMBERS OF THE SENIOR RESERVE OFFICERS' TRAINING CORPS (ROTC)

5901 ENTITLEMENTS

590101. Pay While Attending Training. Pay is authorized at the rate prescribed for cadets and midshipmen at the United States Military, Naval, and Air Force Academies under ***Title 37, United States Code (U.S.C.), section 203(c)***. However, the rate for a cadet or midshipman who is a member of the regular component of an armed force shall be at the rate of basic pay applicable to the member prescribed in ***37 U.S.C. 203***. These rates apply for:

A. A cadet or midshipman in the Reserve Officers' Training Corps (ROTC), while attending training or practice cruises prescribed in ***10 U.S.C., chapter 103***, if the training or cruise is of at least four weeks duration and must be completed before the cadet or midshipman is commissioned; or

B. An applicant for membership in the ROTC, while attending field training or practice cruises to satisfy the requirements of ***10 U.S.C. 2104(b)(6)(B)*** for admission to advanced training.

NOTE: A member or applicant for membership in the ROTC program is not entitled to longevity increases or basic pay while performing authorized travel to or from training site.

590102. Advance Pay. See ***Chapter 32, paragraph 320111***.

590103. ROTC Graduates Ordered To Active Duty

A. Officers Ordered to Extended Active Duty. The provisions of ***Chapters 1 through 55*** apply to these officers.

B. Officers Performing Initial Periods of Active-Duty Training Under ***Title 50***, War and National Defense. The provisions of ***Chapter 57*** apply to these officers.

590104. Commutation In Lieu Of Uniforms

A. Army. See ***Army Regulation (AR) 710-2***.

B. Navy. ***Naval ROTC, CNSTC Instruction 1533.2 Series***.

C. Air Force. Air Force Officer Accession and Training School (AFOATS) Instruction 65-101 and AFOATS Instruction 65-102.

590105. Textbook Allowances, Scholarship Cadets, and Midshipmen

A. Army. The rates are prescribed by the Commander, U.S. Army Cadet Command.

B. Navy. ***Naval ROTC, CNSTC Instruction 1533.2 Series***.

C. Air Force. AFOATSI 65-101 and AFOATSI 65-102.

590106. Restrictions

A. Allowances. A member or applicant for membership in the ROTC program is not entitled to allowances while performing field training or at-sea training, except as authorized in section 5907.

B. Special and Incentive Pay. A member or applicant for membership in the ROTC program is not entitled to special or incentive pay, except as provided in section 5903.

C. Navy Reserve Drill Pay. Drill payments to Navy ROTC members are authorized only for students selected for advanced training in their freshman and sophomore years and who specifically request continuation in a drill status.

5902 SUBSISTENCE ALLOWANCE

590201. Scholarship Cadets or Midshipmen. Except as prescribed in paragraph 590207, a member of the ROTC who is selected for advanced training (***10 U.S.C. 2104***) is entitled to a monthly subsistence allowance as provided in Table 59-1. Entitlement begins on the day the cadet or midshipman starts advanced training and ends upon the completion of their instruction under ***10 U.S.C. 2104***. In no event, however, shall any member receive such pay for more than 30 months.

590202. Senior ROTC Members Appointed In Reserves. Except as prescribed in paragraph 590207, a member of the ROTC enrolled in the first two years of a four-year program, is entitled to a monthly subsistence allowance as provided in Table 59-1 when appointed under ***10 U.S.C. 2107*** for a maximum of 20 months. A member enrolled in the advanced course is entitled to subsistence as prescribed in paragraph 590201.

590203. Nonscholarship Senior ROTC Members Not In Advanced Training. A member of the Selected Reserve Officers' Training Corps who has entered into an agreement under ***10 U.S.C. 2103a*** is entitled to a monthly subsistence allowance at a rate provided in Table 59-1. That allowance may be paid to the member by reason of such agreement for a maximum of 20 months.

590204. Nonscholarship Cadets or Midshipmen. Nonscholarship cadets and midshipmen are not entitled to subsistence allowance, except as noted in paragraph 590305.

590205. Subsistence Allowance for Marine Corps Platoon Leaders Class. Except while serving on active duty, members of the Marine Corps Platoon Leaders Class program are entitled to subsistence allowance at the rates provided in Table 59-1. Only members in the sophomore, junior, and senior class (Levels II, III, and IV) are entitled to the subsistence allowance. Members of the freshman class are not entitled to the subsistence allowance. Detailed instructions governing the payment of the subsistence allowance are in the Marine Corps Total Force System Personnel Reporting Instruction Users Manual (MCTFS PRIUM).

590206. Accelerated Completion of Military Instruction. A cadet or midshipman participating in advanced training at an institution which is withdrawn from the program may complete the third and fourth year (or the fourth and fifth year of a 5-year program) of military training in the third year (or the fourth year of a 5-year program) and be paid subsistence allowance during the fourth academic year (or the fifth year of a 5-year program), as though enrolled for training in the fourth year (or the fifth year of a 5-year program).

590207. Limitations

A. Deduction for Field Training and At-Sea Training. A cadet or midshipman is not entitled to the subsistence allowance while performing field training or at-sea training. During the period of field training or at-sea training, the cadet or midshipman is entitled to basic pay as specified in paragraph 590101.

B. Vacation Periods

1. A cadet or midshipman enrolled in the first 2 years of the program is not entitled to subsistence allowance for any period(s) between academic school years – for example, summer vacations between academic school years. Holiday breaks do not interrupt the entitlement.

2. A cadet or midshipman enrolled in the advanced course is entitled to subsistence allowance uninterrupted by any periods between academic school years (subject only to the overall 20 months – 30 months in an approved 5-year program – of entitlement limitation and subject to deduction for any periods of field training or at-sea training).

C. Government Meals Furnished Without Charge. ROTC members will have deducted from their subsistence allowance on a per-meal basis the charge for government meals furnished without charge. The total deduction for any day will not exceed 1/30th of the subsistence allowance. This recoupment provision does not apply when meals are furnished during training events conducted during the academic year.

590208. Payment Procedures. Detailed instructions governing the payment of subsistence allowance to the respective ROTC members are contained in:

A. Army. ***AR 145-1***.

B. Navy. ***Naval ROTC, CNSTC Instruction 1533.2 Series***.

C. Air Force. AFOATSI 65-101 and AFOATSI 65-102.

D. Marine Corps. MCTFS PRIUM.

*5903 SKILL PROFICIENCY BONUS – FOREIGN LANGUAGE SKILL PROFICIENCY BONUS (SPB)

* 590301. Skill Proficiency Bonus (SPB). The Secretary of Defense may pay a proficiency bonus under this section to an individual who:

A. Is enrolled as a member of the ROTC, as determined in accordance with regulations prescribed by the Secretary of Defense; and

* B. Participates in a language-immersion program approved for purposes of the ROTC, or in study abroad, or is enrolled in an academic course that involves instruction in a foreign language of strategic interest (a language listed on the DoD Strategic Language List or other foreign language of strategic interest which may be designated by the Secretary concerned as critical for purposes of foreign language SPB) to the Department of Defense, as designated by the Secretary of Defense for purposes of this section.

590302. Eligibility. A student is eligible for Foreign Language SPB if:

A. The student is enrolled in an ROTC, even though the student may not have completed the first year of a 4-year ROTC course or became an obligated member under the ROTC program.

B. The student has entered into a written agreement under paragraph 590303.

C. The student pursues a course of study to acquire a critical foreign language as defined by the Secretary concerned.

* D. Foreign Language SPB (referred to as the Culture and Language Incentive Pay-Bonus (CLIP-B)) for Army Senior ROTC will be paid upon satisfactory course completion of a CLIP-B eligible course, as evidenced by academic credit reflected on an official transcript certified by the cadet's Senior ROTC home institution. Transcripts that reflect "Incomplete", "Withdrawal Passing", "Withdrawal Failure", or showing no academic credit awarded, do not meet the requirement for "satisfactory course completion."

* E. An Air Force SROTC student who satisfactorily completes an SPB-approved course will be retroactively paid SPB. "Satisfactory completion" is defined as achieving a grade of "C" (2.0) or better in the course, or "Pass" if the course is taken on a Pass/Fail basis, as reflected on an official transcript certified by the cadet's ROTC home institution. Transcripts that show that the cadet received an "Incomplete" or withdrew from or failed the course do not meet the definition of satisfactory completion. "Incomplete" grades that are not resolved by the end of the next academic term will result in the cadet not being paid SPB.

NOTE: The Secretaries concerned shall establish internal enrollment and eligibility policies, and designate as critical those foreign languages and foreign cultural/cross-cultural studies determined appropriate.

590303. Written Agreement. The Secretary concerned shall require an enrolled student to enter into a written agreement with the Secretary, which shall specify that the student must remain an enrolled student while participating in an ROTC SPB critical skill course of study. The written agreement shall further specify the amount of the ROTC SPB, the qualifying academic period(s), the academic period(s) in which the ROTC SPB will be paid, and the required ROTC SPB critical skill course of study.

590304. Maximum Amounts and Methods of Payment: An ROTC SPB may not exceed $3,000 for each 12-month period of proficiency certification or 12-month period that follows a qualifying academic period in which a student successfully completes a course of study to develop an ROTC SPB critical skill. The ROTC SPB may be paid in periodic installments during the academic period that follows the qualifying academic period. The 12-month period will be based on the academic year starting August 1 to July 31.

590305. Monthly Subsistence Allowance. During the period covered by the ROTC SPB, the student is entitled to a monthly subsistence allowance as detailed in section 5902, even though the student has not entered into an agreement under ***10 U.S.C. 2103a***. If paid, the monthly subsistence allowance will be as authorized in Table 59-1. An ROTC cadet may only receive a single monthly subsistence allowance under ***37 U.S.C. 209***.

590306. Repayment. An individual who is paid a proficiency bonus under this section but does not satisfactorily complete participation in the individual's language program or study as described in paragraph 590301 (or does not complete the requirements of the ROTC, as applicable) shall be subject to the repayment provisions of ***Chapter 2***.

* 590307. Duration of Authority. Unless extended by the authority of the Congress, no agreement may be entered into for the ROTC SPB under this section after December 31, 2011.

5904 DEDUCTIONS

590401. General. The basic pay of a member or applicant for membership in the ROTC program is income subject to withholding for Federal income tax and Federal Insurance Contributions Act taxes. See ***Treasury Circular E*** and paragraph ***Table 45-1*** for rates of deduction.

590402. Servicemembers' Group Life Insurance. Public Law 89-214, September 29, 1965, as amended by Public Law 91-291, effective June 25, 1970, and Public Law 93-289, effective May 24, 1974, provide for Servicemembers' Group Life Insurance (SGLI) coverage to ROTC members.

A. ***Chapter 47*** applies to members, cadets, or midshipmen of ROTC performing full-time duty while attending field training or practice cruises under calls or orders not limited to 30 days or less.

B. ***Chapter 58, section 5807*** applies to members, cadets, or midshipmen of ROTC performing full-time duty while attending field training or practice cruises under calls or orders limited to 30 days or less.

C. A member, cadet, or midshipman is provided SGLI coverage while proceeding directly to or returning directly from the place where such duty is performed.

590403. Allotments. A member or applicant for membership in the ROTC program is not authorized to register allotments.

5905 DISABILITY BENEFITS

590501. Entitlements for Cadets and Midshipmen Disabled While Enroute To or From Field or At-Sea Training. A cadet or midshipman who is disabled enroute to or from field or at-sea training, and is otherwise entitled to the subsistence allowance described in section 5902, is entitled to the subsistence allowance for the day of incurrence of the disability and continuing thereafter subject to the provisions of section 5902. The cadet or midshipman may also be entitled to the compensation and other benefits of ***38 U.S.C., chapter 11***.

590502. Entitlement for Cadets and Midshipmen Disabled While Attending Field or At-Sea Training. A cadet or midshipman who is disabled while attending field or at-sea training is entitled to the monthly cadet rate of pay prescribed in ***Table 1-7*** through the last day of the ordered training period. If the disability continues beyond the ordered tour, the cadet or midshipman, if otherwise entitled, is entitled to the subsistence allowance described in section 5902. As in paragraph 590501, the cadet or midshipman may be entitled to the compensation and other benefits of ***38 U.S.C., chapter 11***.

5906 PAYMENTS ON BEHALF OF DECEASED MEMBERS

Beneficiaries of any member or applicant for membership in the ROTC program who dies under the conditions specified in paragraph 590502 are entitled to:

590601. Death gratuity under the provisions of ***Chapter 36, section 3601***.

590602. Unpaid pay and allowances under the provisions of ***Chapter 36, section 3602***.

5907 TRAVEL AND TRANSPORTATION ALLOWANCES

The travel and transportation allowances payable to ROTC cadets and midshipmen are prescribed in ***Joint Federal Travel Regulations, Volume 1, Chapter 7, Part A***.

ROTC MONTHLY SUBSISTENCE ALLOWANCE				
EFFECTIVE DATE	**FRESHMAN Level 1**	**SOPHOMORE Level 2**	**JUNIOR Level 3**	**SENIOR Level 4**
December 1, 2000	$250.00	$250.00	$300.00	$350.00
October 1, 2002	$250.00	$300.00	$350.00	$400.00
October 1, 2005 (note)	$300.00	$350.00	$450.00	$500.00

NOTE: These are alternative rates, effective October 1, 2005. The alternative rates are payable if approved by the Secretary concerned.

Table 59-1. ROTC Monthly Subsistence Allowance

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CHAPTER 59 – PAYMENT TO MEMBERS OF THE SENIOR RESERVE OFFICERS' TRAINING CORPS (ROTC)

5901 – ENTITLEMENTS

10 U.S.C. 2104
10 U.S.C. 2109
37 U.S.C. 209(c)

5902 – SUBSISTENCE ALLOWANCE

37 U.S.C. 209

* 5903 – SKILL PROFICIENCY BONUS – FOREIGN LANGUAGE SKILL PROFICIENCY BONUS (SPB)

37 U.S.C. 353(b)
OSD (P&R) Memo, April 8, 2009
Public Law 111-383, section 614, January 7, 2011
590302.D U.S. Army Cadet Command, CC Pam 145-3-2
590302.E U.S. Air Force Memo, August 18, 2009

5905 – DISABILITY BENEFITS

10 U.S.C. 2109
5 U.S.C. 8140

5906 – PAYMENTS ON BEHALF OF DECEASED MEMBERS

10 U.S.C. 1475-1480

5907 – TRAVEL AND TRANSPORTATION ALLOWANCES

37 U.S.C. 422
OSD (P&R) Memo, July 23, 1993

Table 59-1

ASD Memo, July 24, 2001
OUSD(P&R) Memo, August 22, 2005

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 60
"HEALTH PROFESSIONS SCHOLARSHIP PROGRAM FOR ACTIVE SERVICE"

All changes are denoted by blue font

Substantive revisions are denoted by a * 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 *underlined, bold, italic, blue font*

The updated chapter supersedes the previously published version dated November 2010

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Title	Changed to accurately reflect the program.	Update
All	Updated chapter to reflect the current program laws, entitlements and policies.	Update
Bibliography	Updated statutes, regulations and memorandums.	Update

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CHAPTER 60

HEALTH PROFESSIONS SCHOLARSHIP PROGRAM FOR ACTIVE SERVICE

6001 ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIP

* 600101. General. The purpose of the Armed Forces Health Professions Scholarship program (AFHPS) is to obtain adequate numbers of commissioned officers on active duty who are qualified:

A. In the various health professions; or

B. As a health professional with specific skills to assist in providing mental health care to members of the Armed Forces.

* 600102. Responsibility. The Secretary of the Military Department concerned, under regulations prescribed by the Secretary of Defense, may establish and maintain a health professions scholarship and financial assistance program for his or her department. The Secretary Concerned shall allocate a portion of the total number of scholarships available in his or her department to members of the program described in paragraph sub600101.B. for the purpose of assisting such members to pursue a degree at the master and doctoral level, with obligatory periods of military training, in any of the following disciplines:

A. Social work;

B. Clinical psychology;

C. Psychiatry; or

D. Other disciplines that contribute to mental health care programs in that Military Department.

* 600103. Eligibility. To be eligible for participation as a member of the program, a person must be a citizen of the United States and must:

A. Be accepted for admission to, or enrolled in, an institution in a course of study or selected to receive specialized training, or, if offered, agree to accept residency training in a health profession skill which has been designated by the Secretary as a critically needed wartime skill;

B. Sign an agreement to:

1. Complete the educational phase of the program;

2. Accept an appropriate reappointment or designation within his or her military service, if tendered, based upon his or her health profession, following satisfactory completion of the program;

3. Participate in the intern program of his or her service, if selected for such participation;

4. Participate in the residency program of his or her service, if selected, or be released from active duty for the period required to undergo civilian residency, if selected for such training;

5. Because of a sincere motivation and dedication to a career in the uniformed services, participate in military training while in the program, under regulations prescribed by the Secretary of Defense; and

C. Meet the requirements for appointment as a commissioned officer.

* 600104. Active Duty Obligation. A member of the program incurs an active duty obligation based upon the following conditions:

A. The period of obligation, as prescribed under regulations by the Secretary of Defense, may not be less than 1 year for each year of participation in the program.

B. A period of time spent in military intern or residency training shall not be creditable in satisfying the active duty obligation.

C. A member of the program who is dropped from the program for deficiency in conduct or studies or for other reasons; may be required to perform active duty in an appropriate military capacity in accordance with the active duty obligation imposed in this program.

D. The Secretary of the Military Department concerned may relieve a member of the program who is dropped from the program from an active duty obligation, but such relief shall not relieve him from any military obligation imposed by any other law.

E. A member of the program who is relieved of the member's active duty obligation before the completion of that active duty obligation may be given, with or without the consent of the member, any of the following alternative obligations, as determined by the Secretary of the Military Department concerned:

1. A service obligation in another Armed Force for a period of time not less than the member's remaining active duty service obligation;

2. A service obligation in a component of the Selected Reserve for a period not less than twice as long as the member's remaining active duty service obligation; or

3. Repayment of a percentage of the total cost incurred by the Secretary under this chapter on behalf of the member pursuant to the repayment provisions of ***Chapter 2*** of this volume.

F. If the member is relieved of an active duty obligation by reason of the separation because of a physical disability, then the Secretary of Military Department concerned may give the member a service obligation as a civilian employee. The member may be employed as a health care professional in a facility of the uniformed services for a period of time equal to the member's remaining active duty service obligation.

*6002 ACCESSION BONUS

600201. Eligibility. To be eligible for the program, an individual must meet the requirements of paragraph 600103.

600202. Amount. The Secretary of Defense may offer a person who enters into an agreement under subparagraph 600103.B an accession bonus not to exceed $20,000.

600203. Relationship to Other Payments. An accession bonus paid a person is in addition to any other amounts payable under this chapter.

600204. Repayment. A person who receives an accession bonus under this section, but fails to comply with the agreement under subparagraph 600103.B, or to commence or complete the active duty obligation discussed in paragraph 600104, shall be subject to the repayment provisions of ***Chapter 2*** of this volume.

*6003 PAY ENTITLEMENTS

600301. Active Duty

A. Persons participating in the program shall be commissioned officers in the Reserve Components of the Armed Forces and will be ordered to active duty for a period of 45 days during each year of participation.

B. Members pursuing a course of study shall serve on active duty in pay grade O–1 with full pay and allowances of that grade.

C. Members pursuing specialized training shall serve on active duty in a pay grade commensurate with their educational level, as determined by appointment under ***Title 10 United States Code (U.S.C.) section 12207***, with full pay (including Reserve Medical Officers Special Pay under ***Chapter 5 section 0508*** of this volume) and allowances of that grade for a period of 14 days during each year of participation in the program.

D. Members shall be detailed as students at accredited civilian institutions, located in the United States or Puerto Rico, for the purpose of acquiring knowledge or training in a designated health profession. This active duty period may be served at the location where the person is receiving specialized training if it would otherwise interrupt the member's residency or fellowship training to serve elsewhere on active duty.

600302. Prior Active Service. Effective January 28, 2008, a member who has been selected as a medical student and who has prior military service at a pay grade and with years of service credited for pay shall be paid basic pay at such prior pay grade and years of service if this rate of basic pay exceeds the rate of basic pay to which he would be entitled as a medical student. The amount of such basic pay shall be increased on January 1 of each year by the average increase in basic pay for such year. The member shall continue to receive the higher basic pay of his or her prior pay grade until the basic pay for the member's actual grade and years of service credited for pay exceeds the basic pay he is receiving pursuant to ***10 U.S.C. 2121(c)(2)***, regardless of whether this occurs before or after the conclusion of his or her participation as a medical student.

600303. Stipend. Except during periods of active duty (see paragraph 600301), members enrolled in this program are entitled to a monthly stipend of $2,088 per month effective July 1, 2011. These rates are payable during periods of absence.

A. Payment. The stipend is payable during the course of study and during vacation periods when members are not on active duty. The stipend is prorated for portions of a month at the beginning and end of the course of study and at the beginning and end of any active duty period.

B. Termination. Some students complete their professional degree requirements several months before the formal graduation ceremony and conferral of the professional degree. In those cases where the actual award of the professional degree is a prerequisite to recommissioning into a professional corps or utilization in the profession and a lapse of time occurs for administrative reasons, the payment of the stipend should be terminated. The date for termination of the stipend should be the completion of the academic training if this date precedes the date of graduation by more than 45 days.

C. Recoupment. Educational costs of the program are subject to recoupment when members of the program are dropped for deficiency in conduct or studies, or when members for other reasons fail to fulfill their contractual agreement as a result of action not initiated by the government.

600304. Advance Pay. Members may be paid an advance pay when reporting for the 45-day active duty tour. (See ***Chapter 32, paragraph 320108*** of this volume.)

600305. Travel Time. During the active duty period, including allowable travel time under ***Chapter 1, Table 1-6*** of this volume, members serve in pay grade O-1 and are normally entitled to full pay and allowances (see ***Chapter 57*** of this volume) for that grade.

600306. Officer's Initial Uniform Allowance. A member of the Armed Forces Health Professions Scholarship Program is entitled to an initial uniform allowance upon reporting for the first period of active duty required by ***10 U.S.C. 2121(c)***. (See ***Chapter 30, section 3002*** of this volume.)

600307. Servicemembers' Group Life Insurance (SGLI). Members, while under this program, are entitled to SGLI coverage for the 45-day active duty tour. (See ***Chapter 47, section 4703*** of this volume.) For deductions during active duty periods, see ***Chapter 47, section 4706*** of this volume.

600308. Tax Withholding

A. Active duty pay paid under this program is subject to Federal income tax withholding (FITW) and Federal Insurance Contribution Act (FICA) in the same manner as prescribed in ***Chapters 44*** and ***45*** of this volume.

B. Monthly stipends paid to students entering the program are subject to FITW.

C. Monthly stipends are not subject to FICA withholding.

D. Amounts paid directly to schools on behalf of students for tuition, books, fees, laboratory expenses and any reimbursements for such items paid to students participating at any time in the program are not subject to withholding for FITW or FICA.

600309. Settlement of Deceased Member's Accounts. See ***Chapter 36, section 3602*** of this volume for authority for payment of any unpaid pay and allowances (includes amount of unpaid stipend).

600310. Creditable Service

A. Except as provided in subparagraph 600310.B, service performed while a member of the program shall not be counted:

1. In determining eligibility for retirement other than by reason of a physical disability incurred while on active duty as a member of the program; or

2. In computing years of service creditable under ***37 U.S.C. 205***.

B. Service Creditable for Certain Purposes

1. The Secretary concerned may authorize service performed by a member of the program in pursuit of a course of study under this section to be counted in accordance with this subparagraph if the member:

a. completes the course of study;

b. completes the active duty obligation imposed under ***10 U.S.C. 2123(a)***; and

c. possesses a specialty designated by the Secretary concerned as critically needed in wartime.

2. Service credited under subparagraph 600310.B.1 counts only for the award of retirement points for computation of years of service under ***10 U.S.C. 12732*** and for computation of retired pay under ***10 U.S.C. 12733***.

3. The number of points credited to a member under subparagraph 600310.B.1 for a year of participation in a course of study is 50. The points shall be credited to the member for one of the years of that participation at the end of each year after the completion of the course of study that the member serves in the Selected Reserve and is credited under ***10 U.S.C. 12732(a)(2)*** with at least 50 points. The points credited for the participation shall be recorded in the member's records as having been earned in the year of the participation in the course of study.

4. Service may not be counted under subparagraph 600310.B.1 for more than 4 years of participation in a course of study as a member of the program.

5. A member of the Selected Reserve may be considered to be in an active status while pursuing a course of study under this section only for purposes of ***10 U.S.C. 12732(a)*** and ***10 U.S.C 12733(3)***.

6. A member is not entitled to any retroactive award of, or increase in, pay or allowances under ***Title 37*** by reason of an award of service credit under subparagraph 600310.B.1.

*6004 FINANCIAL ASSISTANCE PROGRAM

600401. General. The Secretary concerned may provide for the payment of all educational expenses incurred by a member of the AFHPS Program including tuition, fees, books, and laboratory expenses. Such payments, however, shall be limited to those educational expenses normally incurred by students at the institution and in the health profession concerned who are not members of the program. A member of the Financial Assistance Program (FAP) is appointed as a Medical or Dental Corps officer under ***DoD Instruction 6000.13***, "Medical Manpower and Personnel."

600402. Grant. Effective July 1, 2008, a person participating as a member of the program in specialized training shall be paid an annual grant in an amount not to exceed $45,000 in addition to the stipend under paragraph 600303.

A. A grant is paid annually based on the rate in effect on the date of entitlement.

B. A grant is pro-rated only for partial years of participation, to include the final payment. Subsequent installments are to be issued on the anniversary date of the initial payment.

C. The amount of each grant is reviewed and increased as appropriate in the same manner as provided for the stipend.

D. Payment starts effective on the date of execution of the oath of office, the date of execution of the FAP contract, or the date of commencement of academic curriculum, whichever is latest.

E. Payment normally continues until the date of graduation or completion of specialized training. If a member of the FAP is suspended or disenrolled from the designated course of specialized training, stipend payments terminate effective on that date.

F. Dual Payments. The authority to make the grant and stipend payments is not affected by any payments made to the member by the civilian training institution.

600403. Recoupment. A member of the FAP who fails to complete specialty training because of deficiency in conduct or studies, or who for other reasons fails to fulfill the contractual agreement as a result of action not initiated by the government, may be required to reimburse the government for all or a portion of payments received while a member of the FAP. Recoupment is subject to the repayment provisions of ***Chapter 2*** of this volume.

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SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 61
"BONUS PROGRAM FOR THE INDIVIDUAL READY RESERVE AND INACTIVE NATIONAL GUARD"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
6102 Bibliography	Renumbered from 6107. Duration of Authority extended to December 31, 2011	Update
6102 – 6106	Renumbered to 6103 – 6107	Update

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CHAPTER 61

BONUS PROGRAM FOR THE INDIVIDUAL READY RESERVE AND INACTIVE NATIONAL GUARD

6101 AUTHORITY

The Secretary concerned may pay a bonus to an eligible member who reenlists, enlists, or voluntarily extends an enlistment in a Reserve Component of an Armed Force for assignment to an element (other than the Selected Reserve) of the Ready Reserve.

*6102 DURATION OF AUTHORITY

A bonus may not be paid to any person for a reenlistment, enlistment, or voluntary extension of an enlistment after December 31, 2011.

6103 ELIGIBILITY

610301. An individual must:

A. Remain an enlisted member during the period of enlistment, reenlistment, or extension.

B. Be qualified in and assigned a primary or secondary military occupational specialty (MOS) rate, specified Navy ratings, or Air Force Specialty Code in a critically short wartime skill or a critically short wartime specialty designated by the Secretary concerned.

C. Not have failed to satisfactorily complete any original term of enlistment in the Armed Forces.

D. Enlist, reenlist, or extend for 3 or 6 years beyond the military service obligation in accordance with Military Service regulations.

E. Not have completed more than 14 years of total military service.

610302. An individual who completes obligation to one Military Service may be accepted by another Military Service for enlistment under this program, provided the individual possesses a skill approved by the gaining Military Service for the payment of the bonus.

610303. Army members who transfer from the Inactive National Guard (ING) to the Individual Ready Reserve (IRR) may continue to receive this bonus provided such members continue to serve satisfactorily.

610304. A person entitled to a bonus under this section who is called or ordered to active duty shall be paid, during that period of active duty, any amount of the bonus that becomes payable to the member during that period of active duty.

610305. For the purposes of this section, the Secretary concerned may designate a skill or specialty as a critically short wartime skill or critically short wartime specialty if:

A. The skill or specialty is critical to meet wartime requirements of the Armed Force; and

B. There is a critical shortage of personnel in that Armed Force who are qualified in that skill or specialty.

610306. The Secretary concerned may waive the eligibility requirement in subparagraph 610301.B in the case of a reenlistment or voluntary extension of enlistment by a member of the Armed Forces that is entered into as described in this subsection while the member is serving on active duty in Afghanistan, Iraq, or Kuwait in support of Operation Enduring Freedom and Operation New Dawn.

6104 AMOUNTS PAYABLE

610401. An amount not to exceed $3,000 may be paid to a person who enlists, reenlists, or extends for a period of 6 years, or $1,500 to a person who enlists, reenlists, or extends for a period of 3 years.

A. A bonus paid for a 6-year reenlistment or extension contract will be as follows: $500 shall be paid at the time of the enlistment, reenlistment, or extension, with the remainder paid in equal annual increments.

B. A bonus paid for a 3-year reenlistment or extension contract will be in equal annual increments.

610402. An additional amount of up to $1,500 may be paid for a subsequent reenlistment or extension provided the individual meets the eligibility criteria of section 6103.

6105 OBLIGATION

A member must be contractually obligated to serve satisfactorily, as prescribed by the regulations of the Military Service concerned, in the IRR or ING for the full term of enlistment, reenlistment, or extension. As a condition of receipt of the bonus, recipients must agree to participate in an annual muster of the Reserve Component or in active duty for training as may be required by the Secretary concerned. The use of extensions in lieu of reenlistments is authorized and encouraged to reduce the administrative burden of the reenlistment process and to eliminate the need for the oath of enlistment or reenlistment. Participants must obligate themselves to continue to serve in the same MOS unless excused for the convenience of the Government. A bonus recipient who later transfers to the Selected Reserve is not required to refund the IRR and ING bonus. Bonus recipients who transfer to the Selected Reserve are not eligible for a selected Reserve reenlistment bonus during the period for which an IRR or ING bonus was paid.

6106 TERMINATION OF BONUS ENTITLEMENT

Entitlement to the IRR and ING bonus will be terminated if a member:

610601. Fails to participate satisfactorily in the Ready Reserve in accordance with the regulations of the Military Service concerned.

610602. Accepts a civilian position where membership in the Reserve Component is a condition of employment (persons on temporary assignment excluded).

610603. Is separated from the Ready Reserve as an enlisted member for any reason (including enlistment or voluntary recall into the active forces).

610604. Becomes a simultaneous member of an authorized officer program drawing a stipend.

610605. Moves to a non-bonus-qualified MOS, unless at the express direction of the Military Service concerned (through no fault of the member).

6107 RECOUPMENT OF PAYMENTS

610701. Any refund made by a member shall not affect the period of obligation of such member to serve as a Ready Reservist. Recoupment of unearned portions of the IRR and ING bonus is required when the member:

A. Fails to satisfactorily complete the designated term of enlistment, reenlistment, or extension of enlistment for which the bonus was paid unless the failure was due to reasons beyond the control of the member (for example, death, injury, illness, or other impairment not the result of member's misconduct).

B. Accepts a civilian position where membership in the Reserve Component is a condition of employment, if less than one-half of the contract term for which a bonus is payable has been served (persons on temporary assignment excluded).

C. Separates from the Ready Reserve as an enlisted member (including enlistment or voluntary recall into the active component) other than by death or to accept an appointment as an officer in the Ready Reserve.

D. Accepts an immediate appointment as an officer in the Ready Reserve, if less than 1 year of the term has been served.

E. Moves to a non-bonus-eligible MOS, unless at the express direction of the Military Service concerned (through no fault of the member).

610702. Recoupment will be the amount of bonus received multiplied by the quotient produced by dividing the number of whole months remaining unserved by the number

of months in the term of the bonus. The product is the amount recouped.

Example: An individual reenlists in the IRR for 3 years and receives the maximum bonus of $1500. Five months later, the individual is disqualified from entitlement to the bonus:

Amount of bonus received	$1500.00
Multiplied by:	
Number of whole months remaining divided by term of bonus: 31/36 = .8611	x .8611
Amount to be recouped	$1291.65

610703. Reduce the amount to be recouped by an amount equal to any reduction taken under ***Chapter 35***, subparagraphs 350702.F or 350802.D.

610704. A person who does not complete the period of enlistment or extension of enlistment for which the bonus was paid under this section will be subject to the repayment provisions of ***Chapter 2***.

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SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 62
"HEALTH PROFESSIONS STIPEND PROGRAM FOR RESERVE SERVICE"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Unless otherwise noted, chapters referenced are contained in this volume.

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The updated chapter supersedes the previously published version dated November 2010.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Title	Changed to accurately reflect current program.	Update
All	Updated to reflect the current program laws, entitlements, and policies.	Update
Bibliography	Updated statutes, regulations, and memorandums.	Update

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*6207 Baccalaureate Students in Nursing or Other Health Professions

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CHAPTER 62

HEALTH PROFESSIONS STIPEND PROGRAM FOR RESERVE SERVICE

*6201 GENERAL

The purpose of the Health Professional Stipend Program for Reserve Service is to obtain adequate numbers of commissioned officers in the reserve components who are qualified in health professions. The Secretary of the Military Department concerned may establish and maintain a program to provide financial assistance under this chapter to persons engaged in training that leads to a degree in medicine or dentistry or training in a health professions specialty that is critically needed in wartime. The Secretary concerned may agree to pay a financial stipend to persons engaged in health care education and training in return for a commitment to subsequent service in the Ready Reserve.

*6202 PAY COMPUTATION

620201. Stipend. When a participant has agreed to serve in the Selected Reserve; the amount of a stipend effective July 1, 2011 shall be $2,088 or one-half of that rate, if the participant has agreed to serve in the Individual Ready Reserve.

A. Payment. The stipend is payable during the course of specialized advanced training, during vacation periods, and during periods when officers are participating in annual training with the Selected Reserve. The stipend is prorated for portions of a month at the beginning and end of the course of specialized advanced training.

B. Termination. When an officer's eligibility to the stipend program is terminated, the officer no longer is entitled to receive the stipend. The effective date of termination is set by program administrators and communicated to the paying activity. Termination is based on criteria set by the Department of Defense.

C. Recoupment. A member of the program who, under regulations prescribed by the Secretary of Defense, is dropped from the program for deficiency in training, or for other reasons, shall be required:

1. To perform 1 year of active duty for each year (or part thereof) for which such person was provided financial assistance under this section; or

2. To comply with the repayment provisions of ***Title 37 United States Code (U.S.C.) section 303a(e)*** and ***Chapter 2***.

NOTE: The Secretary of the Military Department concerned may relieve a member participating in the program who is dropped from the program from any requirement that may be imposed under subparagraph 620201.C, but such relief shall not relieve him from any military obligation imposed by any other law.

D. Prohibitions of Duplicate Benefits. Financial assistance may not be provided under this section to a member receiving financial assistance under ***10 U.S.C. section 2107***.

620202. Servicemembers' Group Life Insurance (SGLI). See ***Chapter 47, section 4704***. For deductions during active duty periods, see ***Chapter 47, section 4706***.

620203. Tax Withholding

A. Active duty pay paid under this program is subject to Federal income tax withholding (FITW) and Federal Insurance Contribution Act (FICA) in the same manner as prescribed in ***Chapters 44*** and ***45***.

B. Monthly stipends paid to students entering the program are subject to FITW.

C. Monthly stipends are not subject to FICA withholding.

620204. Settlement of Deceased Member's Accounts. See ***Chapter 36, section 3602*** for authority for payment of any unpaid pay and allowances (includes amount of unpaid stipend).

*6203 REQUIRED ACTIVE DUTY TRAINING

620301. Selected Reserve. A person who is required under the agreements described in sections 6204 through 6207 to serve in the Selected Reserve shall serve not less than 12 days of active duty for training each year during the period of service required by the agreement.

620302. Individual Ready Reserve Service (IRR). A person who is required under the agreements described in sections 6204 through 6207 to serve in the IRR shall serve:

A. Not less than 30 days of initial active duty for training; and

B. Not less than 5 days of active duty for training each year during the period of service required by the agreement.

620303. Nonavailability. Members of the Ready Reserve who incur a period of authorized nonavailability shall be suspended without recoupment from their incentive. If subsequently assigned to the Reserve status and skill originally contracted for, then members may be reinstated in the incentive program, if they extend their term of service or contract for service so as to be able to serve the full original incentive contract period. Entitlement to subsequent payments shall resume on the adjusted anniversary date of satisfactory and creditable Reserve Service, as appropriate. These members are assigned temporarily to the Standby Reserve or to the Inactive National Guard, as appropriate, during the period of authorized nonavailability and are required to extend their Selected Reserve service agreement for a period of time that equals the period of authorized non-availability.

A. Members of the Selected Reserve may incur a period of authorized non-availability for up to 1 year for valid personal reasons as determined by the Secretary of the Military Department concerned.

B. During the period of non-availability, a member is suspended without concurrent recoupment. The member shall not be entitled to subsequent payments or any other available incentives.

C. An officer again is entitled to stipend payments when the anniversary date of satisfactory and creditable Ready Reserve service is adjusted for the period of authorized non-availability.

*6204 MEDICAL AND DENTAL SCHOOL STUDENTS

620401. Eligibility. The Secretary of the Military Department concerned may enter into an agreement with a person who:

A. Is eligible to be appointed as an officer in a reserve component;

B. Is enrolled or has been accepted for enrollment in an institution in a course of study that results in a degree in medicine or dentistry;

C. Signs an agreement that, unless sooner separated, the person will:

1. Complete the educational phase of the program;

2. Accept a re-appointment or re-designation within the person's reserve component, if tendered, based upon the person's health profession, following satisfactory completion of the educational and intern programs;

3. Participate in a residency program; and

D. Agrees to apply for (if eligible) and accept (if offered), residency training in a health profession skill which has been designated by the Secretary of Defense as a critically needed wartime skill.

620402. Agreement

A. The Secretary of the Military Department concerned shall agree to pay the participant a stipend, in the amount contained in paragraph 620201, for the period or the remainder of the period that the student is satisfactorily progressing toward a degree in medicine or dentistry while enrolled in an accredited medical or dental school;

B. The participant shall not be eligible to receive such stipend before appointment, designation, or assignment as an officer for service in the Ready Reserve;

C. The participant shall be subject to such active duty requirements as may be specified in the agreement and to active duty in time of war or national emergency as provided by law for members of the Ready Reserve; and

D. The participant shall agree to serve in the Selected Reserve, upon successful completion of the program, for the period of 1 year for each 6 months, or part thereof, for which the participant is provided a stipend pursuant to the agreement.

E. In the case of a participant who enters into a subsequent agreement under section 6205 and successfully completes residency training in a specialty designated by the Secretary of Defense as a specialty critically needed by the military department in wartime, the requirement to serve in the Selected Reserve may be reduced to 1 year for each year, or part thereof, for which the stipend was provided while enrolled in medical or dental school.

*6205 PHYSICIANS AND DENTISTS IN CRITICAL WARTIME SPECIALTIES

620501. Eligibility. Under the stipend program under this chapter, the Secretary of the Military Department concerned may enter into an agreement with a person who:

A. Is a graduate of a medical school or dental school;

B. Is eligible for appointment, designation, or assignment as a medical officer or dental officer in the Reserve of the Armed Force concerned or has been appointed as a medical or dental officer in the Reserve of the Armed Force concerned; and

C. Is enrolled or has been accepted for enrollment in a residency program for physicians or dentists in a medical or dental specialty designated by the Secretary concerned as a specialty critically needed by that military department in wartime.

620502. Agreement

A. The Secretary shall agree to pay the participant a stipend, in the amount contained in paragraph 620201, for the period or the remainder of the period of the residency program in which the participant enrolls or is enrolled;

B. The participant shall not be eligible to receive such stipend before appointment, designation, or assignment as a medical officer or dental officer for service in the Ready Reserve;

C. The participant shall be subject to such active duty requirements as may be specified in the agreement and to active duty in time of war or national emergency as provided by law for members of the Ready Reserve; and

D. The participant shall agree to serve, upon successful completion of the program, 1 year in the Ready Reserve for each 6 months, or part thereof, for which the stipend is provided, to be served in the Selected Reserve or in the Individual Ready Reserve as specified in

the agreement.

*6206 REGISTERED NURSES IN CRITICAL SPECIALTIES

620601. Eligibility. Under the stipend program under this chapter, the Secretary of the Military Department concerned may enter into an agreement with a person who:

A. Is a registered nurse;

B. Is eligible for appointment as:

1. A Reserve officer for service in the Army Reserve in the Army Nurse Corps;

2. A Reserve officer for service in the Navy Reserve in the Navy Nurse Corps; or

3. A Reserve officer for service in the Air Force Reserve with a designation as an Air Force nurse under ***10 U.S.C. section 8067(e)***; and

C. Is enrolled or has been accepted for enrollment in an accredited program in nursing in a specialty designated by the Secretary concerned as a specialty critically needed by that military department in wartime.

620602. Agreement

A. The Secretary shall agree to pay the participant a stipend, in the amount contained in paragraph 620201, for the period or the remainder of the period of the nursing program in which the participant enrolls or is enrolled;

B. The participant shall not be eligible to receive such stipend before being appointed as a Reserve officer for service in the Ready Reserve:

1. In the Nurse Corps of the Army or Navy; or

2. As an Air Force nurse of the Air Force;

C. The participant shall be subject to such active duty requirements as may be specified in the agreement and to active duty in time of war or national emergency as provided by law for members of the Ready Reserve; and

D. The participant shall agree to serve, upon successful completion of the program, 1 year in the Ready Reserve for each 6 months, or part thereof, for which the stipend is provided, to be served in the Selected Reserve or in the Individual Ready Reserve as specified in the agreement.

*6207 BACCALAUREATE STUDENTS IN NURSING OR OTHER HEALTH PROFESSIONS

620701. Eligibility. Under the stipend program under this chapter, the Secretary of the Military Department concerned may enter into an agreement with a person who:

A. Will, upon completion of the program, be eligible to be appointed, designated, or assigned as a Reserve officer for duty as a nurse or other health professional; and

B. Is enrolled, or has been accepted for enrollment in the third or fourth year of:

1. An accredited baccalaureate nursing program; or

2. Any other accredited baccalaureate program leading to a degree in a health-care profession designated by the Secretary concerned as a profession critically needed by that military department in wartime.

620702. Agreement

A. The Secretary shall agree to pay the participant a monthly stipend in the amount contained in paragraph 620201 for the period or the remainder of the period of the baccalaureate program in which the participant enrolls or is enrolled;

B. The participant shall not be eligible to receive such stipend before enlistment in the Ready Reserve;

C. The participant shall be subject to such active duty requirements as may be specified in the agreement and to active duty in time of war or national emergency as provided by law for members of the Ready Reserve; and

D. The participant shall agree to serve, upon graduation from the baccalaureate program, 1 year in the Ready Reserve for each year, or part thereof, for which the stipend is paid.

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*	6206 – REGISTERED NURSES IN CRITICAL SPECIATIES	
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*	6207 – BACCALAUREATE STUDENTS IN NURSING OR OTHER HEALTH PROFESSIONS	
		10 U.S.C. 16201(e)

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 63
"ACCESSION AND CONTINUATION BONUSES FOR NURSE OFFICER CANDIDATES"

All changes are denoted in blue font.

Substantive revisions are denoted by a * 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 *underlined, bold, italic, blue font.*

This updated chapter supersedes the previously published version dated May 2011.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
6306	Duration of Authority extended to December 31, 2012.	Update
Bibliography	Statutes updated.	Add

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CHAPTER 63

ACCESSION AND CONTINUATION BONUSES FOR NURSE OFFICER CANDIDATES

6301 AUTHORITY

The Secretaries concerned are authorized to provide financial assistance to full-time students enrolled in an accredited baccalaureate degree program in nursing to assist in the completion of degree requirements and acceptance of an appointment as a nurse officer.

6302 ELIGIBLE STUDENTS

The Accession and Continuation Bonuses are authorized for nursing students who execute an agreement under the following conditions:

630201. Senior Reserve Officers Training Corps (SROTC). The student is enrolled as a full-time student in an accredited baccalaureate degree program in nursing at a civilian educational institution that does not have a Senior Reserve Officers Training Corps (SROTC) program established under ***Title 10, United States Code (U.S.C.), section 2102*** by the Secretary concerned, or that has a SROTC for which the student is ineligible and will complete this nursing degree program.

630202. Baccalaureate Degree Program. The student has completed the second year of an accredited baccalaureate degree program in nursing and has more than 6 months of academic work remaining before graduation.

630203. Officer Appointment. The student meets the qualifications for appointment as an officer of a Reserve Component of the Army, Navy, or Air Force, as set forth in ***10 U.S.C. 12201*** and the regulations of the Military Department concerned.

6303 AGREEMENT

The student described in section 6302 will execute a written agreement in which the student agrees to the following 4 provisions:

630301. Degree Completion. The student will complete the nursing degree program as stated in paragraph 630201.

630302. Reserve Enlistment. The student will, upon acceptance of the agreement by the Secretary concerned, enlist in a Reserve Component of the Armed Forces.

630303. Officer Appointment. The student will accept an appointment as an officer in the Nurse Corps of the Army or the Navy or as an officer designated as a nurse officer in the Air Force, as the case may be, upon graduation from the nursing degree program.

630304. Active Duty Obligation. The member will serve on active duty as an officer as follows:

A. For a period of 4 years in the case of a person whose agreement was accepted by the Secretary concerned during that person's fourth year of the nursing degree program.

B. For a period of 5 years in the case of a person whose agreement was accepted by the Secretary concerned during that person's third year of the nursing degree program.

6304 AMOUNTS PAYABLE

630401. Accession Bonus. The Secretary concerned may, upon acceptance of the written agreement, pay an accession bonus to an eligible person in an amount not to exceed $20,000. The bonus will be paid in periodic installments, as determined by the Secretary concerned at the time the agreement is accepted, except that the first installment may not exceed $10,000.

630402. Continuation Bonus. In addition to the accession bonus, the student shall be entitled to a monthly continuation bonus of an amount not to exceed the stipend rate in effect under ***10 U.S.C. 2121(d)*** for each month that the individual is enrolled as a full-time student in an accredited baccalaureate degree program in nursing. The continuation bonus may be paid for not more than 24 months.

NOTE: The accession and continuation bonus is subject to Federal income tax withholding and is not subject to Federal Insurance Contribution Act.

6305 REPAYMENT

A person shall be subject to the repayment provisions of ***Chapter 2*** under the following conditions:

630501. Withdraws from Program. The student does not complete a nursing degree program in which the student is enrolled in accordance with the agreement entered into under this chapter;

630502. Commissioning. Having completed a nursing degree program, the student does not become an officer in the Nurse Corps of the Army or the Navy or an officer designated as a nurse officer of the Air Force; or

630503. Fails to Complete Service Obligation. The member does not complete the period of obligated active service required under the agreement.

*6306 DURATION OF AUTHORITY

Unless authorized by the Congress, no agreement under this section may be entered into after December 31, 2012.

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6302 – ELIGIBLE STUDENTS

10 U.S.C. 2130a(b)

6303 – AGREEMENT

10 U.S.C. 2130a(c)

6304 – AMOUNTS PAYABLE

630401	10 U.S.C. 2130a(a)(1)
630402	10 U.S.C. 2130a(a)(2)

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Public Law 112-81, section 612(a)(1), December 31, 2011

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 64
"HEALTH CARE OFFICERS ON ACTIVE DUTY IN SUPPORT OF THE PERSIAN GULF CONFLICT"

All changes are denoted by blue font.

Substantive revisions are denoted by a * 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 *underlined, bold, italic, blue font*.

This updated chapter supersedes the previously published version dated April 2010.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
ALL	This Chapter is being deleted. The entitlements pertaining to Health Care Officers have been incorporated into the following chapters: 1) Chapter 5, "Special Pay and Bonuses for Medical and Other Health Professions Officers," 2) Chapter 6, "Special Pays for Dental Officers," 3) Chapter 7, "Special Pay for Pharmacy Officers, Optometrists and Veterinarians," and 4) Chapter 21, "Special Pays for Nurse Corps Officers." Specific paragraphs and subparagraphs are listed below.	Delete
Former 640201.A	Moved to ***050101*** – "General Provisions, Medical Corps Officer."	Delete
Former 640201.B	Moved to ***070201.A*** – "Optometrists, Eligibility."	Delete
Former 640201.C	Moved to ***060101*** – "General Provisions, Dental Corps Officers."	Delete
Former 640201.D	Moved to ***210301.A*** - "Incentive Special Pay (ISP) for Certified Registered Nurse Anesthetists (CRNA), Eligibility for Officers Serving on Active Duty for 1-Year or More."	Delete
Former 640201.E	Moved to ***070301.A*** – "Special Pay – Veterinarians, Eligibility."	Delete

SUMMARY OF MAJOR CHANGES TO
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PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Former 640301 Former 640302	Moved to: ***050802*** – "Special Pay: Reserve, Recalled, Or Retained Health Care Officers, Active Duty for More than 30 Days but Less than 1 year, Other than Active Duty for Training," ***070201.C*** – "Optometrists, Eligibility." ***060902*** – "Special Pay for Reserve Dental Officers, Restrictions," ***210301*** – "Incentive Special Pay (ISP) for Certified Registered Nurse Anesthetists (CRNA), Eligibility for Officers Serving on Active Duty for 1-year or More," and ***070301.C.1*** – "Special Pay –Veterinarians, Eligibility."	Delete
Former 640402	Moved to: ***050801*** – "Special Pay: Reserve, Recalled, or Retained Health Care Officers, Entitlement."	Delete
Former 6405	Moved to: ***050603*** – "Board Certification Pay (BCP), Waiver," and ***060703*** – "Board Certification Pay (BCP), Waiver of Board Certification Requirement When Certification Interrupted by Contingency Operation."	Delete
Former 640601	Moved to: ***2103*** – "Incentive Special Pay (ISP) for Certified Registered Nurse Anesthetists (CRNA)." ***0605*** – "Variable Special Pay (VSP)," ***0606*** – "Additional Special Pay (ASP)," and ***0607*** – "Board Certification Pay (BCP)."	Delete

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 64
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PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Former 640701	Moved to: ***0503*** – "Incentive Special Pay (ISP)," ***0504*** – "Variable Special Pay (VSP)," ***0505*** – "Additional Special Pay (ASP),"and ***0506*** – "Board Certification Pay (BCP)."	Delete
Former 640702	Moved to: ***0605*** - "Variable Special Pay (VSP)," ***0606*** – "Additional Special Pay (ASP)," and ***0607*** – "Board Certification Pay (BCP)."	Delete
Former 640703	Moved to: ***070202*** – "Optometrists, Regular Special Pay," and ***070302*** – "Special Pay – Veterinarians, Special Pay."	Delete
Former 640704	Moved to: ***210302*** – "Incentive Special Pay (ISP) for Certified Registered Nurse Anesthetists (CRNA), Eligibility for Officers Serving on Active Duty for Less than 1-Year."	Delete

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 64
"HEALTH CARE OFFICERS ON ACTIVE
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PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
640401 Bibliography	Inserted a hyperlink to Volume 7A, Chapter 2 of the volume for repayment provisions.	Update

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CHAPTER 64

HEALTH CARE OFFICERS ON ACTIVE DUTY IN SUPPORT OF THE PERSIAN GULF CONFLICT

6401 AUTHORITY

Public Law 101-510, section 1111 (November 5, 1990) authorizes special pay for Reserve medical and dental officers called to active duty in support of Operation Desert Shield (during fiscal years 1990 and 1991) in the same manner as regular medical and dental officers. ***Public Law 102-25, Section 304, (6 April 1991)***, as amended by ***Public Law 102-190, Section 634, (December 5, 1991)*** authorizes special pay for health care officers described in sections ***302*** (medical officers), ***302a*** (optometrists), ***302b*** (dentists), ***302e*** (nurse anesthetists), or ***303*** (veterinarians) of ***Title 37, United States Code (U.S.C.)*** (whichever applies), notwithstanding any requirement in those sections that the call or order to active duty be for a period of not less than 1 year or that the officer execute a written agreement to remain on active duty for a period of not less than 1 year.

6402 DEFINITIONS

640201. Health Care Officer. An officer of the Armed Forces, including Reserve Components and National Guard, described in the following sections of ***Title 37, U.S.C.***:

A. Medical Officers ***(section 302)***. An officer of the Medical Corps of the Army or the Navy or an officer of the Air Force designated as a medical officer.

B. Optometrists ***(section 302a)***. An officer of the Army, Navy, or Air Force designated as an optometry officer.

C. Dental Officers ***(section 302b)***. An officer of the Dental Corps of the Army or the Navy or an officer of the Air Force designated as a dental officer.

D. Nurse Anesthetists ***(section 302e)***. A qualified certified registered nurse anesthetist who is either an officer of the Army or Navy Nurse Corps or an officer of the Air Force designated as a nurse.

E. Veterinarians ***(section 303)***. An officer of the Veterinary Corps of the Army or an officer of the Air Force designated as a veterinary officer.

640202. Operation Desert Storm. Operations of United States Armed Forces conducted as a consequence of the invasion of Kuwait by Iraq, including the operation known as Operation Desert Shield.

640203. Persian Gulf Conflict. Means the period beginning on August 2, 1990 and ending thereafter on the date prescribed by Presidential proclamation or by law.

6403 ENTITLEMENT

640301. Health care officers who are otherwise eligible to receive special pay under ***37 U.S.C. 302***, ***302a***, ***302b***, ***302e***, or ***303*** shall be eligible for such payments for all periods of active duty beginning on or after August 1, 1990 (other than for training) while:

A. A Reserve officer on active duty under a call or order to active duty for a period of less than 1 year in connection with the Persian Gulf Conflict;

B. A retired officer recalled to active duty under ***10 U.S.C. 688***, in connection with the Persian Gulf Conflict;

C. An officer involuntarily retained on active duty under ***10 U.S.C. 12305***, or an officer who has voluntarily agreed to remain on active duty for a period of less than 1 year in support of the Persian Gulf Conflict.

640302. Health care officers voluntarily agreeing to remain on active duty are eligible for payments only for those periods served following the expiration of any previously existing active duty service obligations for education, training, or special pay agreements, as determined by the Secretary concerned or designee.

640303. Reserve medical and dental officers in either an active or inactive Reserve status who were called or ordered to active duty for a period of less than 1 year in connection with Operation Desert Shield are eligible for special pay, effective August 1, 1990. For retired medical or dental officers called or ordered from an inactive status, their period of eligibility begins August 1, 1990.

640304. The provisions of this chapter will end on the first day of the first month beginning on or after the date 180 days after the end of the Persian Gulf Conflict.

6404 LIMITATIONS AND RECOUPMENT

* 640401. Any payments made for periods the health care officer subsequently fails to actually serve on active duty will be recouped on a pro rata basis. The officer shall be subject to the repayment provisions of Volume 7A, ***Chapter 2*** of this volume.

640402. Medical officers are not entitled to the $450 per month special pay contained in ***Chapter 5***, section 0508 for the same period they receive the special pay provided by this chapter. Any payments made under ***37 U.S.C. 302(h)***are to be recouped for any period that special pay is received under this chapter.

640403. Health care officers on active duty for training are not eligible for the four types of special pay, as applicable (additional, board certified, incentive, and variable), even if they support the Persian Gulf Conflict.

6405 BOARD CERTIFICATION WAIVER (MEDICAL AND DENTAL OFFICERS)

640501. Medical and dental officers in categories eligible for board certification pay who are unable to schedule or complete board certification examinations because of active duty service in connection with the Persian Gulf Conflict may be eligible for board certification pay if the otherwise eligible officer:

A. Had completed all other requirements for board certification, including all requisite graduate medical education prior to the effective date of the call or order to active duty.

B. Successfully completes all required certification examinations within 180 days after release from the duty to which the officer was assigned in connection with the Persian Gulf Conflict.

640502. Secretaries of the Military Departments may waive the 180-day limitation for up to 1 year for those officers whose board examinations are not offered within the 180-day period or in other well-justified cases. Certification must be obtained before the medical or dental officer receives payment.

640503. Payments for periods of active duty pursuant to board certification waivers shall be made in lump sum when that officer successfully completes the first available board certification examination after the release from the duty assignment on which the waiver was based. Officers not successfully completing this first available examination shall only receive board certification pay after they become board certified.

6406 SPECIAL PROVISIONS

640601. All payments provided for in this chapter may be made on a monthly basis, notwithstanding the provisions of ***37 U.S.C. 302e***, ***302b(d)*** or ***302e(d)*** that would require some payments be made annually in advance.

640602. For medical and dental officers previously eligible for payments under ***Public Law 101-510, section 1111***, payments shall continue to be made effective the first day the eligible officer began active duty in connection with Operation Desert Storm. Retroactive payments are authorized for any period which the eligible officer actually served on active duty under the call or order to active duty.

6407 RATES PAYABLE

Any health care officer who meets the eligibility requirements shall be paid special pay equivalent to their active duty counterpart for the period of time the officer is on active duty. Health care officers will be paid the following rates:

640701. Medical officers are paid the monthly rates in ***Chapter 5***, for variable special pay, board certified pay, incentive special pay, and additional special pay, as applicable.

640702. Dental officers are paid the monthly rates in ***Chapter 6*** for variable special pay, board certified special pay, and additional special pay, as applicable.

640703. Veterinarians and optometrists are entitled to special pay at the monthly rate of $100.

640704. Certified registered nurse anesthetists are entitled to incentive special pay, as contained in ***Chapter 21***, section 2103.

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* 6403 - ENTITLEMENT

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* 6404 – LIMITATIONS AND RECOUPMENT

Public Law 102-25, section 304, December 5, 1991

* 6406 – SPECIAL PROVISIONS

Public Law 102-25, section 304, December 5, 1991

6407 – RATES PAYABLE

Public Law 107-314, section 615(f),
December 2, 2002

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 65
"HIGH-DEPLOYMENT PER DIEM"

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PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Entire Chapter	This chapter was reviewed for accuracy and no changes to policy were deemed necessary.	Update

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CHAPTER 65

HIGH-DEPLOYMENT PER DIEM

6501 ENTITLEMENT

High-deployment per diem is payable to all members who are deployed 401 days or more out of the preceding 730 days. Days accrued prior to October 1, 2000 do not count towards eligibility. In a memorandum dated October 8, 2001, the Deputy Secretary of Defense indefinitely suspended the accumulation of deployment days for purposes of determining eligibility for high deployment per diem due to national security issues.

650101. Deployment. There are five categories of deployments that must be tracked and counted towards the established management and pay thresholds. See Figure 65-1 for categories of Personnel Tempo (PERSTEMPO) events.

A. Operations. A military action or the carrying out of a strategic, tactical, service, training or administrative military mission; providing support to domestic civil, humanitarian, or counter-drug military mission; and the process of carrying on combat, including movement, supply, attack, defense and maneuvers needed to gain the objectives of any battle or campaign. Operations are generally named by the Joint Staff.

B. Exercise. A named military maneuver or simulated wartime operation involving planning, preparation, and execution. It is carried out for the purpose of training or evaluation. It may be a combined, joint, or single-Service exercise, depending on participating organizations.

C. Unit Training. All or part of a unit accomplishing a training objective at a location other than the permanent duty location. Unit training includes exercises that have not received an official designation.

D. Home Station Training/Local Operating Area of a Ship or Vessel. Training conducted within the limits of an installation/base/local operating area of a ship or vessel. The area must have been predetermined and documented by appropriate authorities.

E. Mission Support Temporary Duty (TDY). Duties that include meetings, conferences, staff visits, staff augmentation, and medical appointments.

650102. Nondeployment. For the purpose of this chapter, a member is not deployed or in a deployment when the member is:

A. a student or trainee at a school (including any government school);

B. performing administrative, guard, or detail duties in garrison at the member's permanent duty station; or

C. unavailable because of:

1. hospitalization of the member at the member's permanent duty station or homeport or in the immediate vicinity of the member's permanent residence; or

2. disciplinary action taken against the member.

650103. Payment. A member who meets the requirement of section 6501 must be paid $100 for each day on which the member is deployed and has been deployed 401 days or more out of the preceding 730 days since October 1, 2000. Pursuant to ***Title 10, United States Code (U.S.C.), section 991(d)***, Service Secretaries may suspend the management of the PERSTEMPO program when such a suspension is in the "national security interests." Invoking this suspension terminates the requirement to pay $100 per day high-deployment per diem under ***37 U.S.C. 436***.

A. Day Away. Begins on one day and ends on another day. A day away does not require a full 24 hours to be considered a PERSTEMPO day, and the day of return will not count as a day away. For example, if a member departs on Monday afternoon and returns on Tuesday morning, only Monday counts as a PERSTEMPO day.

B. Leave While Deployed. Leave in conjunction with a deployment shall not count as deployed time away from home. Exceptions to this may be granted at the discretion of the Service Secretary for those circumstances under which personnel are required to take chargeable leave in order to be exempted from duty requirements or watch standing requirements. In general, leave that would extend the actual or projected deployed time away from home shall not be counted as deployed time.

C. Hospitalization When Deployed. When a member is deployed and requires hospitalization away from the permanent duty station, the member is still considered deployed. If, however, a member is deployed and requires hospitalization at the permanent duty station, then the member is no longer considered deployed. If a line of duty investigation determines injuries are due to member's misconduct, then deployment days do not accrue in the hospital.

D. Taxability of High-Deployment Per Diem. Generally, high-deployment per diem is taxable income. If, however, the high-deployment per diem is earned while the member is serving within a combat zone, then the per diem is eligible for the combat zone tax exclusion (CZTE). For more information on CZTE, refer to ***Chapter 44***.

PERSTEMPO Event Type	PERSTEMPO Event Category	PERSTEMPO Event Purpose*
Deployment	Operations (Includes TDY)	Contingency Operations
		National Emergency
		War
		Counter-Drug
		Law Enforcement Operations
		U. S. Domestic Civil
		Humanitarian Assistance
		Peacekeeping
		Surveillance
		Forward Presence
		Hospitalization
	Named Exercise (Includes TDY)	Joint/Combined
		Service
		North Atlantic Treaty Organization (NATO)
		Hospitalization
	Unit Training (includes TDY)	Combined Training Center
		Training Area
		Hospitalization
	Home Station Training/Local Operating Area of a Ship or Vessel	
	Mission Support TDY (includes meetings, conferences, staff visits, staff augmentation, medical appointments)	
Non-Deployment (note)*		
	Individual Training/School TDY	
	Duty in Garrison (home station/home port duty)	
	Hospitalization (except deployed)	
	Discipline	
	Inactive Duty Training (if away from permanent training site (PTS))	
	Muster Duty (if away from PTS)	
	Funeral Honors Duty (if away from PTS)	

Note:
Reporting of these data elements has been suspended due to current limitations of Service personnel data systems.

Figure 65-1. PERSTEMPO Events

BIBLIOGRAPHY

CHAPTER 65 – HIGH-DEPLOYMENT PER DIEM

6501 - Entitlement	10 U.S.C. 991 37 U.S.C. 436 DEPSECDEF Memo, October 8, 2001

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, CHAPTER 66
"CAREER STATUS BONUS/REDUX ELECTION OPTION"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Entire chapter	Updated chapter to comply with current administrative instructions.	Update

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CHAPTER 66

CAREER STATUS BONUS/REDUX ELECTION OPTION

6601 CAREER STATUS BONUS

660101. General Provisions. The National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65, sections 641 through 644) significantly changed the retired pay system for those members of a Uniformed Service who first became members on or after August 1, 1986. Previously, they were covered by the Military Retirement Reform Act of 1986 (86 MRRA; henceforth referred to as REDUX). These members may now elect, upon completion of 15 years of active duty in the Uniformed Services, to receive a $30,000 career status bonus (CSB), in which case they will again be under the REDUX retired pay system. (For details on the REDUX retirement plan, see ***title 10 United States Code (U.S.C.) section 1409***.

660102. Entitlement. To be eligible for the CSB/REDUX election opportunity at the time the member completes 15 years of active service, all of the criteria listed below must be satisfied simultaneously. A member who does not meet all criteria at that time, but subsequently does, may not then be given the opportunity to make a CSB/REDUX election, unless otherwise stated or approved by the Secretary of the Military Department concerned. A member of the Uniformed Service is eligible to make a CSB/REDUX Retirement election only when a member:

A. is serving on active duty, and

B. first became a member of a Uniformed Service on or after August 1, 1986; i.e. has a Date of Initial Entry to Military/Uniformed Service (DIEMS) of August 1, 1986 or later, and

C. completes 15 years of active duty in the Uniformed Service, and

D. is otherwise eligible, as determined by the Secretary of the Military Department concerned, to serve continuously on the active duty until the completion of 20 years of active duty service.

660103. CSB/REDUX Eligibility Notification. The Secretary of the Military Department concerned shall notify all members with a DIEMS of August 1, 1986, or later, whether they are eligible to make a CSB/REDUX election. Notification letters will be sent on or shortly before the date individuals complete 14 years and 6 months of active duty. If a member is not eligible, the notification will explain why not, and will inform the member whether, under exception established in guidance promulgated by the Secretary of the Military Department concerned, there will be an opportunity to make a CSB/REDUX election in the future, if the impediment to eligibility is subsequently eliminated. The Secretary of the Military Department concerned will promptly notify a member who subsequently becomes eligible.

660104. CSB Election. To make a CSB/REDUX election, a member submits the Career Status Bonus Election Form (DD Form 2839) or Service equivalent form, and any other Service required forms as directed in the eligibility notification not later than the date the member attains 15 years of active military service or 6 months after the eligibility notification is sent, whichever is the later date.

6602 BONUS PAYMENT

660201. Lump Sum Payment. The $30,000 CSB shall be paid to an eligible military service member who made a valid CSB/REDUX election. A member whose CSB/REDUX effective election date and the date of payment fall on or before December 27, 2001, must receive the bonus in a lump sum payment.

660202. Payment by Installment. Under Public Law 107-107, effective December 28, 2001, eligible members may elect to receive the CSB under one of the following options:

A. One payment of $30,000;

B. Two annual installments of $15,000 each;

C. Three annual installments of $10,000 each;

D. Four annual installments of $7,500 each; or

E. Five annual installments of $6,000 each.

660203. Types of Payment

A. Initial Payment. The initial CSB payment must be paid not earlier than the date the member attained 15 years of active service and not later than the end of the first month that begins on or after the date that is 60 days after the date the election is effective.

Example: A member who will attain 15 years of active duty service on October 10, 2002, should be sent the CSB/REDUX notification no later than April 10, 2002. The member may complete the necessary forms and return them as directed by the Service concerned, but the election is not effective until October 10, 2002. The Secretary concerned will pay the member the initial payment no earlier than October 10, 2002, and no later than January 31, 2003. The latter date is determined as follows: the date that is 60 days after the effective date of the election is December 9, 2002 so the first month that begins on or after that date is January 2003 – the member must be paid no later than the end of January 2003.

B. Second and Subsequent Payments. Subsequent annual installments shall be paid on or about January 15th of each year following the calendar year of the initial payment. All CSB payments qualify for deposit to the Uniformed Services Thrift Savings Plan (TSP). For more information regarding TSP, see ***chapter 51***.

660204. Tax Consideration. The CSB, if taxable, is income as of the date on which the payment is actually made to the member. The CSB/REDUX is considered tax exempt if the effective date of the election falls within the month in which the member is entitled to combat zone tax exclusion. See ***paragraph 440103*** for more information.

6603 RECOUPMENT

660301. Recoupment Computation. A CSB recipient who fails to serve continuously on active duty until the completion of 20 years of active duty must repay a comparable portion of the CSB received. The amount of repayment is calculated by multiplying $30,000 by a factor that is determined by dividing the uncompleted period of active duty by the total continuous active duty required as a result of the CSB/REDUX election. In making the calculation, months and days must be expressed as decimal fractions of a year (to the nearest .00000001). Each month is $1/12^{th}$ of a year and each day is $1/360^{th}$ of a year, rounded to the eighth decimal place. (See Figure 66-1 for computation decimals.) See Examples 1 and 2. Use the same formula above in computing installment repayment amount except use the completed (vice uncompleted) time served to determine the bonus amount earned. Deduct that figure from the installment totals to determine the overpayment (See Example 3).

Example 1: A member's CSB/REDUX election is effective upon attaining 15 years of active service on October 10, 2001. The member is obligated to serve through October 10, 2006 (5 full years). If the member's last day of active duty is December 31, 2002, the member will have failed to complete 3 years, 9 months and 10 days of required service. The member's repayment is computed as follows:

The period of agreed additional service is: 5 full years

The service not completed is: 3 years, 9 months, and 10 days, or
3 + .75 + .02777778 = 3.77777778 years

The required repayment is:
(3.77777778 / 5) x $30,000 = .75555556 x $30,000 = $22,666.67

Example 2: A member not initially notified of eligibility for a CSB, was later notified and made a CSB/REDUX election that was effective upon attainment of 16 years, 6 months, and 23 days of service. The member thus agreed to complete an additional 3 years, 5 months, and 7 days of service, but later separated, failing to complete 2 years, 3 months, and 11 days of that time. This member's repayment is computed as follows:

The period of agreed additional service is:
3 + .41666667 + .01944444 = 3.43611111 years

and the service not completed is:
2 + .25 + .03055556 = 2.28055556 years

The required repayment is: (2.28055556 / 3.43611111) x $30,000
= .66370251 x $30,000 = $19,911.08

Example 3. A member's CSB/REDUX election is effective after attaining 15 years of active service on October 10, 2002 and the member received the first installment of $15,000. The member is obligated to serve through October 9, 2007 (5 full years). The member's last day on active duty is December 31, 2003, after completing only 1 year, 2 months and 20 days of required service. The member's repayment is computed as follows:

The period of agreed additional service is: 5 full years.

The service completed is:
1 year, 2 months, and 20 days, or 1 + .16666667 + .05555556 = 1.22222223 years

The amount earned is: (1.22222223/5) x $30,000 = .24444444 x $30,000 = $7,333.33

The required repayment is: $15,000 less $7,333.33 = $7,666.67.

660302. Waiver of CSB Recoupment. The Secretary of the Military Department concerned may waive, in whole or in part, the required CSB refund if the Secretary determines that recovery would be against equity and good conscience or contrary to the best interests of the United States.

A. The Secretary of the Military Department shall waive the required refund if the member:

1. dies, or

2. is separated or retired as a result of a physical disability under ***10 U.S.C. Chapter 61***, or

3. is separated under a Service offer for early retirement (such as TERA (Temporary Early Retirement Authority)) or separation program.

B. The Secretary of the Military Department concerned shall not waive repayment if the member's separation is due to misconduct or if waiver of repayment would be inconsistent with other prescribed law, regulation, or policy.

Mos	Days	Fractional Years	Mos	Days	Fractional Years	Mos	Days	Fractional Years	Mos	Days	Fractional Years
0	1	0.00277778	1	17	0.13055555	3	2	0.25555556	4	18	0.38333333
0	2	0.00555556	1	18	0.13333333	3	3	0.25833333	4	19	0.38611111
0	3	0.00833333	1	19	0.13611111	3	4	0.26111111	4	20	0.38888889
0	4	0.01111111	1	20	0.13888889	3	5	0.26388889	4	21	0.39166666
0	5	0.01388889	1	21	0.14166666	3	6	0.26666667	4	22	0.39444444
0	6	0.01666667	1	22	0.14444444	3	7	0.26944444	4	23	0.39722222
0	7	0.01944444	1	23	0.14722222	3	8	0.27222222	4	24	0.4
0	8	0.02222222	1	24	0.15	3	9	0.275	4	25	0.40277777
0	9	0.025	1	25	0.15277777	3	10	0.27777778	4	26	0.40555555
0	10	0.02777778	1	26	0.15555555	3	11	0.28055556	4	27	0.40833333
0	11	0.03055556	1	27	0.15833333	3	12	0.28333333	4	28	0.41111111
0	12	0.03333333	1	28	0.16111111	3	13	0.28611111	4	29	0.41388889
0	13	0.03611111	1	29	0.16388889	3	14	0.28888889	4	30	0.41666667
0	14	0.03888889	1	30	0.16666667	3	15	0.29166667	5	0	0.41666667
0	15	0.04166667	2	0	0.16666667	3	16	0.29444444	5	1	0.41944444
0	16	0.04444444	2	1	0.16944445	3	17	0.29722222	5	2	0.42222222
0	17	0.04722222	2	2	0.17222223	3	18	0.3	5	3	0.42499999
0	18	0.05	2	3	0.175	3	19	0.30277778	5	4	0.42777777
0	19	0.05277778	2	4	0.17777778	3	20	0.30555556	5	5	0.43055555
0	20	0.05555556	2	5	0.18055556	3	21	0.30833333	5	6	0.43333333
0	21	0.05833333	2	6	0.18333334	3	22	0.31111111	5	7	0.4361111
0	22	0.06111111	2	7	0.18611111	3	23	0.31388889	5	8	0.43888888
0	23	0.06388889	2	8	0.18888889	3	24	0.31666667	5	9	0.44166666
0	24	0.06666667	2	9	0.19166667	3	25	0.31944444	5	10	0.44444444
0	25	0.06944444	2	10	0.19444445	3	26	0.32222222	5	11	0.44722222
0	26	0.07222222	2	11	0.19722223	3	27	0.325	5	12	0.44999999
0	27	0.075	2	12	0.2	3	28	0.32777778	5	13	0.45277777
0	28	0.07777778	2	13	0.20277778	3	29	0.33055556	5	14	0.45555555
0	29	0.08055556	2	14	0.20555556	3	30	0.33333333	5	15	0.45833333
0	30	0.08333333	2	15	0.20833334	4	0	0.33333333	5	16	0.4611111
1	0	0.08333333	2	16	0.21111111	4	1	0.33611111	5	17	0.46388888
1	1	0.08611111	2	17	0.21388889	4	2	0.33888889	5	18	0.46666666
1	2	0.08888889	2	18	0.21666667	4	3	0.34166666	5	19	0.46944444
1	3	0.09166666	2	19	0.21944445	4	4	0.34444444	5	20	0.47222222
1	4	0.09444444	2	20	0.22222223	4	5	0.34722222	5	21	0.47499999
1	5	0.09722222	2	21	0.225	4	6	0.35	5	22	0.47777777
1	6	0.1	2	22	0.22777778	4	7	0.35277777	5	23	0.48055555
1	7	0.10277777	2	23	0.23055556	4	8	0.35555555	5	24	0.48333333
1	8	0.10555555	2	24	0.23333334	4	9	0.35833333	5	25	0.4861111
1	9	0.10833333	2	25	0.23611111	4	10	0.36111111	5	26	0.48888888
1	10	0.11111111	2	26	0.23888889	4	11	0.36388889	5	27	0.49166666
1	11	0.11388889	2	27	0.24166667	4	12	0.36666666	5	28	0.49444444
1	12	0.11666666	2	28	0.24444445	4	13	0.36944444	5	29	0.49722222
1	13	0.11944444	2	29	0.24722223	4	14	0.37222222	5	30	0.5
1	14	0.12222222	2	30	0.25	4	15	0.375	See Next Page for 6 mos or more.		
1	15	0.125	3	0	0.25	4	16	0.37777777			
1	16	0.12777777	3	1	0.25277778	4	17	0.38055555			

Figure 66-1. Recoupment Computational Factors of Fractional Years

Mos	Days	Fractional Years	Mos	Days	Fractional Years	Mos	Days	Fractional Years	Mos	Days	Fractional Years
6	0	0.5	7	17	0.63055555	9	2	0.75555556	10	18	0.88333333
6	1	0.50277778	7	18	0.63333333	9	3	0.75833333	10	19	0.88611111
6	2	0.50555556	7	19	0.63611111	9	4	0.76111111	10	20	0.88888889
6	3	0.50833333	7	20	0.63888889	9	5	0.76388889	10	21	0.89166666
6	4	0.51111111	7	21	0.64166666	9	6	0.76666667	10	22	0.89444444
6	5	0.51388889	7	22	0.64444444	9	7	0.76944444	10	23	0.89722222
6	6	0.51666667	7	23	0.64722222	9	8	0.77222222	10	24	0.9
6	7	0.51944444	7	24	0.65	9	9	0.775	10	25	0.90277777
6	8	0.52222222	7	25	0.65277777	9	10	0.77777778	10	26	0.90555555
6	9	0.525	7	26	0.65555555	9	11	0.78055556	10	27	0.90833333
6	10	0.52777778	7	27	0.65833333	9	12	0.78333333	10	28	0.91111111
6	11	0.53055556	7	28	0.66111111	9	13	0.78611111	10	29	0.91388889
6	12	0.53333333	7	29	0.66388889	9	14	0.78888889	10	30	0.91666667
6	13	0.53611111	7	30	0.66666667	9	15	0.79166667	11	0	0.91666667
6	14	0.53888889	8	0	0.66666667	9	16	0.79444444	11	1	0.91944445
6	15	0.54166667	8	1	0.66944445	9	17	0.79722222	11	2	0.92222223
6	16	0.54444444	8	2	0.67222223	9	18	0.8	11	3	0.925
6	17	0.54722222	8	3	0.675	9	19	0.80277778	11	4	0.92777778
6	18	0.55	8	4	0.67777778	9	20	0.80555556	11	5	0.93055556
6	19	0.55277778	8	5	0.68055556	9	21	0.80833333	11	6	0.93333334
6	20	0.55555556	8	6	0.68333334	9	22	0.81111111	11	7	0.93611111
6	21	0.55833333	8	7	0.68611111	9	23	0.81388889	11	8	0.93888889
6	22	0.56111111	8	8	0.68888889	9	24	0.81666667	11	9	0.94166667
6	23	0.56388889	8	9	0.69166667	9	25	0.81944444	11	10	0.94444445
6	24	0.56666667	8	10	0.69444445	9	26	0.82222222	11	11	0.94722223
6	25	0.56944444	8	11	0.69722223	9	27	0.825	11	12	0.95
6	26	0.57222222	8	12	0.7	9	28	0.82777778	11	13	0.95277778
6	27	0.575	8	13	0.70277778	9	29	0.83055556	11	14	0.95555556
6	28	0.57777778	8	14	0.70555556	9	30	0.83333333	11	15	0.95833334
6	29	0.58055556	8	15	0.70833334	10	0	0.83333333	11	16	0.96111111
6	30	0.58333333	8	16	0.71111111	10	1	0.83611111	11	17	0.96388889
7	0	0.58333333	8	17	0.71388889	10	2	0.83888889	11	18	0.96666667
7	1	0.58611111	8	18	0.71666667	10	3	0.84166666	11	19	0.96944445
7	2	0.58888889	8	19	0.71944445	10	4	0.84444444	11	20	0.97222223
7	3	0.59166666	8	20	0.72222223	10	5	0.84722222	11	21	0.975
7	4	0.59444444	8	21	0.725	10	6	0.85	11	22	0.97777778
7	5	0.59722222	8	22	0.72777778	10	7	0.85277777	11	23	0.98055556
7	6	0.6	8	23	0.73055556	10	8	0.85555555	11	24	0.98333334
7	7	0.60277777	8	24	0.73333334	10	9	0.85833333	11	25	0.98611111
7	8	0.60555555	8	25	0.73611111	10	10	0.86111111	11	26	0.98888889
7	9	0.60833333	8	26	0.73888889	10	11	0.86388889	11	27	0.99166667
7	10	0.61111111	8	27	0.74166667	10	12	0.86666666	11	28	0.99444445
7	11	0.61388889	8	28	0.74444445	10	13	0.86944444	11	29	0.99722223
7	12	0.61666666	8	29	0.74722223	10	14	0.87222222	11	30	1
7	13	0.61944444	8	30	0.75	10	15	0.875	12	0	1
7	14	0.62222222	9	0	0.75	10	16	0.87777777			
7	15	0.625	9	1	0.75277778	10	17	0.88055555			

Figure 66-1. Recoupment Computational Factors of Fractional Years (Continued)

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6602 - BONUS PAYMENT

Public Law 106-65, October 5, 1999
ASD (FMP) Memo, February 2, 2001
Public Law 107-107, section 620
December 28, 2001
ASD (FMP) (MPP) memo, June 24, 2002

6603 - RECOUPMENT

ASD (FMP) Memo, February 2, 2001

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, APPENDIX A
"REIMBURSEMENT OF ADOPTION EXPENSES"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

This updated appendix supersedes the previously published version dated May 2009.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
Table of Contents	Added paragraph titles.	Add
A003 A00402	Eliminated references to old dates.	Update
A00402	Clarified member requirements for meeting period of eligibility based upon DoDI 1341.09.	Add
A00501.A	Clarified language within paragraph.	Update
A00501.D	Reorganized acceptable forms of proof of U.S. citizenship into list format.	Update
A00501.D.1	Included IR-3 visa as an acceptable form of documentation.	Update
A00501.D.2	Added IH-3 visa and green card as acceptable forms of documentation for proof of U.S. citizenship.	Add
A00604	Added title to paragraph.	Add
All	Verified hyperlinks and references.	Update

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Bibliography

APPENDIX A

REIMBURSEMENT OF ADOPTION EXPENSES

A001 PURPOSE

The purpose of this chapter is to describe the procedures necessary to reimburse adoption expenses to qualified members, as authorized by ***Title 10, United States Code (U.S.C.), section 1052***.

A002 APPLICABILITY AND SCOPE

This chapter applies to the Defense Finance and Accounting Service-Cleveland (DFAS-CL) site, each Military Service personnel activity, and Military Service and active duty members serving on continuous active duty for at least 180 days. This also includes full-time Active Guard/Reserve members on active duty orders for at least 180 days.

A003 POLICY

Service members specified in section A004, whose adoption of a child under 18 years of age has been finalized, may be reimbursed a maximum of $2,000 per child for qualified expenses related to the adoption. In the event of multiple adoptions, the maximum reimbursable amount is $5,000 per calendar year. A benefit may not be paid for any expense paid to or for a member of the Armed Forces under any other adoption benefits program administered by the Federal Government or under any such program administered by a State or local government. The DFAS-CL site is responsible for paying all approved adoption reimbursement claims. DFAS-CL is also responsible for providing primary guidance concerning adoption expense reimbursement procedures. The date the claim form is served on the DFAS-CL by certified mail determines the creditable calendar year for determining the maximum reimbursable amount for multiple adoptions.

A004 ELIGIBILITY REQUIREMENTS

A00401. Active Duty Requirements. Service members must serve on continuous active duty for at least 180 days. In addition, members are not entitled to reimbursement expenses if they leave active duty before the adoption is final. Applicants are eligible for reimbursement expenses if the adoption is finalized before leaving active duty, the claim form has been signed and certified by the member's commanding officer, and the claim is submitted to the DFAS-CL site prior to discharge. Members may request a voluntary extension of assignment beyond their normal expiration of term of service to complete the adoption process.

A00402. Period of Eligibility. An active duty member, who incurs expenses when adopting a child under 18 years of age, must have the adoption finalized while on active duty to be eligible for reimbursement. Members must submit a reimbursement request via certified mail to the nearest military personnel and finance office no later than 1 year after finalization of the adoption and prior to separation from active duty. The member must obtain a receipt for his or

her records from the military personnel and finance office showing the date the application was submitted. The date of the receipt shall be used to determine if the 1-year requirement has been satisfied.

A00403. Eligible Members. Adoption expense reimbursements may be paid to married or single members. If both parents are Service members (including members of the Coast Guard when operating as a Military Service in the Navy), then only one member may be reimbursed for expenses related to the adoption of the same child.

A00404. Qualifying Adoptions. Adoptions for which expenses may be reimbursed include the adoption of a child under the age of 18, an adoption by a single person, an infant adoption, an inter-country adoption, and an adoption of a child with special needs (as defined in section 473(c) of the Social Security Act ***42 U.S.C. 673(c)***) and, for adoptions finalized after November 2, 2007, stepchildren adopted by the military member. Adoptions qualify for reimbursement only if the adoption is arranged by a qualified adoption agency, or for adoptions finalized after November 2, 2007, those arranged by either a qualified adoption agency or other source authorized to place children for adoption under state or local law. A qualified adoption agency means a state or local government agency that has responsibility under state or local law for child placement through adoption; or a nonprofit, voluntary adoption agency that is authorized by state or local law to place children for adoption; or any other source authorized by a state to provide adoption placement, if the adoption is supervised by a court under state or local law. (As used in this chapter, "state or local" refers to a state or locality in the United States.) A qualified adoption agency for inter-country adoptions would be a foreign government or an agency authorized by a foreign government to place children for adoption, in any case which:

A. The adopted child is entitled to automatic citizenship under section 320 of the Immigration and Nationality Act (***8 U.S.C. 1431***); or

B. A certificate of citizenship has been issued for such child under section 322 of the Immigration and Nationality Act (***8 U.S.C. 1433***).

C. Documentation that describes the mission of the foreign agency and the authority delegated from the foreign government should be provided.

A005 RESPONSIBILITIES

* A00501. Member Responsibilities

A. A Service member must submit requests for reimbursement of qualified adoption expenses using a separate ***DD Form 2675*** (Reimbursement Request for Adoption Expenses) for each qualifying adoption. Hard-copy forms can be obtained from the member's servicing personnel activity. The completed DD Form 2675 and substantiating documentation must be submitted for review to the member's servicing personnel activity no later than 1 year after finalization of the adoption. If the request and documentation appear to be complete, then the member's commanding officer or designee will certify the member's eligibility for reimbursement by completing block 30 of the DD Form 2675.

B. If neither the member nor the spouse is able to appear personally at the servicing personnel activity, then the completed claim forms may be mailed to the personnel activity. The spouse of a Service member who is unable to complete a claims package due to military duty can sign a claim form under a power of attorney. All claims signed by a spouse must include the power of attorney as a part of the claims package. Also, exceptions can be made by the Service certifying official when deployment responsibilities impact the member's ability to comply with the 1-year deadline. In these cases, the certifying official who signed the DD Form 2675 shall submit a letter stating that the member's deployment impacted the member's ability to comply with the 1-year deadline.

C. Service members must substantiate all expenses with documentation, such as receipts marked "PAID" or cancelled checks. If the receipts are from a foreign entity, then they should list the U.S. currency equivalency. Reconstruction of expense records is permissible when the original records are unavailable and the Service member submits a notarized affidavit stating the costs. In addition, the member is responsible for providing the appropriate documentation, which establishes that the adoption is final and that it was arranged by a qualified adoption agency, as defined in paragraph A00404. With respect to documents originating from a state or other authorized adoption agency, copies of those documents must be certified as true copies of the original by the state or adoption agency. If the original document is filed with the court, then the member must submit a copy of the adoption order certified by the clerk of courts. The member must submit a full English translation of any foreign language document, to include the translator's certification that he or she is competent to translate the foreign language to English and that his or her translation is complete and correct. These documents will not be returned to the member.

* D. In determining whether an adoption of a child in a foreign country is final, the member must submit a copy of the final court documents, as well as proof of U.S. citizenship for the child. The following documents are acceptable forms of proof of U.S. citizenship:

* 1. A copy of the front and back of the Permanent Resident Alien Card (green card) or visa showing the IR-3 code.

* 2. A copy of the front and back of the Permanent Resident Alien Card (green card) or visa showing the IH-3 code.

3. A copy of a U.S. court order that recognizes foreign adoption, or documents the "re-adopting" of the child in the Unites States.

4. A letter from the United States Citizenship and Immigration Services which states the status of the child's adoption.

5. A copy of U.S. passport (page with personal information only).

6. A copy of U.S. Certificate of Citizenship.

E. The Service member is responsible for maintaining a file for the reimbursement claim. This file should contain copies of all paperwork related to the claim, including the receipts, agency documentation, and courts papers associated with the adoption proceedings or court-certified copies, until the claim is paid or denied.

F. The Service member will submit only one reimbursement claim per adoption.

A00502. Servicing Personnel Activity Responsibilities. The member's servicing personnel activity is the primary coordinating activity and the first point of contact for the reimbursement claim. That office is responsible for maintaining adequate stocks of DD Form 2675, assisting the member in assembling the proper supporting documentation, and providing the member necessary guidance to accurately complete the reimbursement application. When completed, the personnel activity will mail the application by certified mail to:

Defense Finance and Accounting Service
Cleveland Site (Code JFLAGA)
1240 East Ninth Street
Cleveland, OH 44199-2055

A00503. DFAS-CL Responsibilities. The DFAS-CL site is the central site location for review, certification, and payment of adoption expense reimbursement payments. DFAS-CL is the primary source for guidance concerning the adoption expense reimbursement program. DFAS-CL will also maintain data on expenditures on a fiscal year basis. The contact information for DFAS-CL adoption expense reimbursement program is:

DFAS-CL
(Code JFLAGA)
Commercial phone: 216-522-5576/6701
DSN: 580-5576/6701
Email: CCL-ADOPTION-REIMBURSEMENT@dfas.mil

A00504. Military Services' Adoption Expense Reimbursement Funding Responsibilities. The Military Services provide funding authorization to DFAS-CL by memorandum each fiscal year. The DFAS-CL site charges the applicable Military service provided appropriations according to standard cross-disbursing operating procedures.

A006 ADOPTION REIMBURSEMENT PROCEDURES

A00601. Authorized Reimbursable Expenses. The DFAS-CL site will pay documented, reasonable, and necessary adoption expenses, up to $2,000 per adoptive child. Not more than $5,000 shall be paid per calendar year to any Service member. In the case of two married Service members (including the Coast Guard when operating as a Military Service in the Navy), only one member may claim expenses for each adopted child and the couple is limited to the $5,000 per calendar year maximum. The calendar year is determined by the date the claim is received by DFAS-CL for payment. Reasonable and necessary expenses include the following:

A. Public and private agency fees, including adoptive fees charged by an agency in a foreign country.

B. Placement fees, including fees charged adoptive parents for counseling.

C. Legal fees, including court costs, for services that are unavailable to a member for the Military services under ***10 U.S.C. 1044*** or ***1044a***.

D. Medical expenses, including hospital expenses, of the biological mother of the child to be adopted and of a newborn infant to be adopted.

E. Temporary foster care charges when payment of such charges is required to be made before the adoptive child's placement.

A00602. Unqualified Expenses. The term "reasonable and necessary expenses" does not include:

A. Travel costs of the adopting parent; or

B. Any costs associated with an adoption arranged in violation of federal, state, or local law.

A00603. Payment Processing Requirements.

A. A separate DD Form 2675 must support each claim.

B. Eligibility for reimbursement is supported by the documentation submitted. If eligibility for reimbursement cannot be determined from the documents provided, or claimed expenses are not properly supported by receipts, then the DFAS-CL Director will retain the claim and request the necessary information or documentation.

C. The DFAS-CL site will issue the reimbursement by Electronic Funds Transfer (EFT) to the member's EFT account as designated on the DD Form 2675 within 30 days of receipt of a properly prepared and supported claim package. A Service member without access to an EFT account must submit a request for EFT waiver to receive a check.

D. If the claim is denied, then DFAS-CL will send a letter to the member stating this fact. DFAS-CL will not return documents to Service members.

A00604. Appeals. If a member receives a claim denial, they can request reconsideration in writing and add additional explanation or documentation. If, upon reconsideration, the member receives a notice of final action regarding the denial of the claim, the member may appeal to the Defense Office of Hearings and Appeals via DFAS. The request for appeal should include copies of all relevant court documents and statements of the member or other persons in support of the claim.

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APPENDIX A – REIMBURSEMENT OF ADOPTION EXPENSES

A003 – POLICY

A003	DoDI 1341.09

A004 – ELGIBILITY REQUIREMENTS

A00404	10 U.S.C. 1052(b) 10 U.S.C. 1052(g)(1), January 6, 2006 10 U.S.C 1052(g)(3)(D), October 28, 2004 DoDI 1341.09
A00404.A-B	10 U.S.C. 1052(g)(3)(D), October 28, 2004

A005 – RESPONSIBILITIES

A00501.A-C	DoDI 1341.09

A006 – ADOPTION REIMBURSEMENT PROCEDURES

A00601	DoDI 1341.09
A00602	DoDI 1341.09
A00604	DoDI 1340.21

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, APPENDIX B
"DISPOSITION OF FORFEITURES AND FINES AS A RESULT OF COURTS-MARTIAL, NONJUDICIAL PUNISHMENT, AND DESERTION"

All changes are denoted by blue font

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

This updated appendix supersedes the previously published version dated August 2009.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	No substantive changes were made to subject appendix. This appendix is certified as current.	Update

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APPENDIX B

DISPOSITION OF FORFEITURES AND FINES AS A RESULT OF COURTS-MARTIAL, NONJUDICIAL PUNISHMENT, AND DESERTION

B001 PURPOSE

This appendix describes the transfer of certain forfeitures and fines as a result of courts-martial, nonjudicial punishment, and desertion to the Armed Forces Retirement Home Trust Fund (AFRHTF).

B002 APPLICABILITY AND SCOPE

This appendix applies to each Defense Finance and Accounting Service (DFAS) Site that maintains a military pay system and to limited-duty officers, regular and Reserve warrant officers, and regular and Reserve enlisted members of the Army, Navy, Air Force, and Marine Corps.

B003 GENERAL POLICY

The Chief Operating Officer for the Armed Forces Retirement Home determines, on the basis of the financial needs of the Armed Forces Retirement Home, a percentage of forfeitures and fines adjudged by courts-martial and nonjudicial punishment, and amounts forfeited on account of desertion against limited-duty officers, warrant officers, and enlisted members to be transferred to the AFRHTF. The Chief Operating Officer has determined that 100 percent of all forfeitures and fines will be transferred to the AFRHTF. Transfer only those amounts that are in excess of any indebtedness to the United States and amounts owed to individuals. For the purposes of this appendix, the term "indebted" or "debt" refers to amounts due from the member for reimbursement to the United States; for example, an amount due the Internal Revenue Service pursuant to a tax levy, which may ordinarily be thought of as a "debt" to the United States, is not a "reimbursement" or "debt" for purposes of this appendix. The term "amounts owed to individuals" refers to amounts owed from a member's pay by direction of a commanding officer, pursuant to Title 10 United States Code, section 939, ***Article 139 of the Uniform Code of Military Justice***.

B004 PROCEDURES

B00401. Transfer of Fines. When a limited-duty officer, warrant officer, or enlisted member is sentenced by a court-martial or nonjudicial punishment to pay a fine, the supporting DFAS Site will transfer the amount to the AFRHTF within 30 days from the end of the month in which the fine was collected.

B00402. Transfer of Courts-Martial and Nonjudicial Punishment Forfeitures. When a limited-duty officer, warrant officer, or enlisted member is sentenced to forfeit all or part of his/her pay, the supporting DFAS Site will transfer the amount to the AFRHTF within 30 days from the end of the month in which the forfeiture is collected. Multiple-month forfeitures, or

forfeiture amounts which are collected over 2 or more months, will be transferred on a monthly basis to the AFRHTF. Do not wait until the entire amount of the forfeiture has been collected before making such transfers. For example, a member is sentenced to forfeiture of pay of $500 per month for 2 months, and the effective date of the forfeitures is November 29. The transfer would be $33.33 ($500 divided by 30 days, times 2 days left in the month) no later than December 30; $500 ($500 divided by 30 days times 30 days) no later than January 30; and $466.67 ($500 divided by 30 days times 28 days left uncollected) no later than March 2, into the AFRHTF.

B00403. Transfer of Courts-Martial and Nonjudicial Punishment Forfeitures When Indebted to the Government

A. Separation From Service Not Involved. When a limited-duty officer, warrant officer, or enlisted member is sentenced to forfeit all or part of his/her pay, and the member is indebted to the Government, the supporting DFAS Site will not transfer any amounts to the AFRHTF until all known debts have been established. Any forfeiture amounts exceeding the uncollected indebtedness will be transferred to the AFRHTF. All amounts collected thereafter, not to exceed the total amount of the forfeiture, will be transferred to the AFRHTF. For example, a member has a forfeiture of $200 per month for 2 months, with outstanding debts totaling $300. Transfer $100 to the AFRHTF only after the first $300 of forfeitures has been collected. Transfer the remaining $300 to the AFRHTF as the debt is collected.

B. Members Who are Separated From the Service. A forfeiture of a limited-duty officer, warrant officer, or enlisted member is not credited to the AFRHTF when the member has unsatisfied indebtedness at date of separation, except as shown in paragraph B00404. The forfeiture remains in the military personnel appropriation. If the total unsatisfied debt at separation is less than the forfeiture, then credit the difference between the two to the AFRHTF. The supporting DFAS Site will transfer to the AFRHTF the amounts of the debt that subsequently are collected, not to exceed the total amount of the forfeiture. If the unsatisfied debt at separation is more than the forfeiture, then no amounts will be transferred to the AFRHTF at that time. The AFRHTF will receive only those amounts subsequently collected that exceed the difference between the original uncollected debt and the forfeiture amount.

Example 1: If the debt is $500 and forfeiture is $600, then the supporting DFAS Site will transfer the difference of $100 to the AFRHTF. All further collections will be transferred to the AFRHTF.

Example 2: If the debt is $800 and forfeiture is $500 at separation, then no amounts will be transferred to the AFRHTF at this time. If subsequent collection recovers $700, then the first $300 ($800 indebtedness minus $500 forfeiture) collected will be credited to the applicable military personnel appropriation, and the next $400 received will be credited to the AFRHTF.

B00404. Indebtedness After Forfeiture Becomes Effective. Debts incurred by a limited-duty officer, warrant officer, or enlisted member after a sentence has been executed, and

before credit of the forfeiture to the AFRHTF, do not affect the disposition of the forfeiture. The forfeiture will be credited to the AFRHTF as if the indebtedness did not exist.

B00405. Remission of Indebtedness. If a forfeiture of a limited-duty officer, warrant officer, or enlisted member is not credited to the AFRHTF due to outstanding debts, and the unliquidated portion of the debts is thereafter remitted or canceled, then the DFAS Site will not credit the forfeiture that equals the amount of indebtedness remitted or canceled to the AFRHTF. It remains in the military personnel appropriation.

B00406. Commissioned Officers. The DFAS Site will credit forfeitures and fines of Regular and Reserve commissioned officers (except warrant and limited-duty officers), to the appropriation to which the member's pay is properly chargeable.

B00407. Forfeitures as a Result of Desertion. When a limited-duty officer, warrant officer, or enlisted member is declared a deserter, the amount of forfeitures on account of the desertion will be credited to the AFRHTF. For the purposes of this paragraph, the phrase "forfeitures on account of the desertion" refers to all pay and allowances due and unpaid at the time of a member's desertion that are automatically forfeited when a member is determined to be a deserter.

B00408. Transfer of Desertion Forfeitures. The DFAS Site will transfer desertion forfeitures according to the procedures in paragraph B00402.

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B004 – PROCEDURES	
B00401	10 USC 939
B00407	10 USC 2772(a)(2)
	United States v. Landers, 92 U.S. 77 (1876)
	Comp Gen B-145618, May 11, 1961
	Comp Gen B125209, August 29, 1955

SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7A, APPENDIX C
"IMPLEMENTING PROCEDURES FOR MANDATORY ELECTRONIC FUNDS TRANSFER (EFT) OF MILITARY PAY"

All changes are denoted by blue font.

Substantive revisions are denoted by a * preceding the section, paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*.

This updated appendix supersedes the previously published version dated August 2009.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Reviewed Appendix for content. No major changes needed. Eliminated old dates, as unnecessary.	Update
Bibliography	Created Bibliography. Deleted former C00101, "Authority" subparagraph and placed reference in the Bibliography.	Update

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APPENDIX C

IMPLEMENTING PROCEDURES FOR MANDATORY ELECTRONIC FUNDS TRANSFER (EFT) OF MILITARY PAY

C001 GENERAL PROVISIONS

C00101. Purpose. This appendix provides the policy and procedures for the administration and delivery of payments to military members, retirees, and annuitants through electronic fund transfer (EFT).

C00102. Policy. The prescribed method of payment within the Department of Defense (DoD) is EFT. DoD considers the requirement to participate in EFT as a reasonable condition of service or benefit for personnel including enlistments, commissions, promotions, reenlistments, retirements, and for survivor benefit annuitant recipients. This policy requires payments by EFT on all new active duty, reserve, retired, and annuitant payments unless the recipient of the new payment certifies in writing that he/she does not have a financial institution or authorized payment agent.

Example: I certify that I do not have a financial institution or authorized payment agent. Signature_____ Date_____

C00103. Applicability and Scope

A All payments to active duty members, reservists, retirees, survivor annuitants and allotments are paid by EFT.

B. Emergency payments (defined in ***chapter 32, section 3202***) and certification of no account with a financial institution, as described in paragraph C00103, are the only exceptions to the requirement for delivery by EFT. All pay for which an exception to the EFT requirement has not been granted, and for which the payee has not designated an account for receipt, is held at the servicing Defense Finance and Accounting Service (DFAS) central site (when systems changes are available) until the required financial institution information is provided. Check payments are mailed on payday from the servicing DFAS central site to the member's mailing address.

C002 PERSONNEL SUBJECT TO EFT PARTICIPATION

C00201. Active Duty Military. Active duty military personnel and personnel entering or reentering the military service must provide EFT information or certify in writing that they do not have a financial institution upon arrival at their respective military processing station. Personnel currently on active duty but not enrolled in EFT are required to submit EFT information when they perform temporary duty travel, permanent change of station travel, are promoted, reenlist, become eligible for a new payment, or certify in writing that they do not have a financial institution.

C00202. Reserve and National Guard. Reserve and National Guard personnel entering or reentering a Reserve Component upon processing into their respective component or upon mobilization or recall to active duty must provide EFT information or certify in writing that they do not have a financial institution. Mobilized or recalled personnel are also required to continue participation after demobilization or deactivation. Personnel currently affiliated with a Reserve or National Guard unit, but not enrolled in EFT, are required to submit EFT information when they become eligible for any new payment, or certify in writing that they do not have a financial institution.

C00203. Military Retirees and Annuitants. All retirees, separated military personnel, and Survivor Benefit Plan annuitants who become eligible for new payments or annuities shall provide EFT information or certify in writing that they do not have a financial institution. NOTE: Personnel currently receiving payments at a financial institution or address in a foreign country where EFT is not available are exempt from this policy until EFT becomes available.

C00204. Academy and Reserve Officer Training Corps (ROTC) Cadets and Midshipmen. Military service academy, ROTC cadets, and midshipmen are required to participate in EFT. Personnel not presently enrolled shall enroll immediately or certify in writing that they do not have a financial institution.

C00205. Individual Ready Reservist. Individual ready reservists and annual muster participants are required to participate in EFT. Personnel not presently enrolled shall enroll immediately or certify in writing that they do not have a financial institution.

C003 PERSONNEL EXEMPT FROM EFT PARTICIPATION

C00301. Personnel. Active duty military, retirees, or survivor annuitants receiving payments in an overseas area where EFT is not available are exempt from this policy until EFT becomes available at a financial institution in their area or until they relocate to an area where EFT is available.

C00302. Written Certification Waiver. Individuals shall certify in writing that they do not have a financial institution.

A. For active duty members and reservists, certifications shall be submitted in writing to the Unit Commander.

B. For military retirees, certification shall be submitted in writing to Defense Finance and Accounting Service, U.S. Military Retirement Pay, P.O. Box 7130, London, KY 40742-7130.

C. For survivor annuitants, certifications shall be submitted in writing to Defense Finance and Accounting Service, U.S. Military Annuitant Pay, P.O. Box 7131, London, KY 40742-7131.

C004 REIMBURSEMENT FOR DISHONORED CHECK CHARGES

C00401. Reimbursements. Charges resulting from erroneous information provided by the individual or the financial institution to the servicing financial office are not the liability of the government and are not reimbursed. Reimbursement for dishonored check charges is authorized when an administrative or mechanical error on the part of the government causes the pay of a military member to be deposited late or in an incorrect manner or amount. Such reimbursements are limited to overdraft charges or minimum balance or average balance charges levied by the financial institution.

C00402. DFAS Procedures. The servicing DFAS Site contacts the financial institution to explain the error and requests that charges levied against the account holder be reversed. If the financial institution declines to reverse the charges, then government reimbursement of the charges is made via EFT, directly to the applicable account involved. Such charges are funded from the appropriation available for the pay of the member concerned.

C005 ALLOTMENTS

C00501. General. EFT is the preferred method for paying all allotments and should be used whenever possible. It is DoD's intention to work with recipients of all allotments, such as courts receiving child support and/or alimony payments, dependents, spouses, insurance companies, mortgage companies, loan companies, etc., to accept allotment payment by EFT when systems become available for third party EFT.

C00502. Savings Allotments. EFT is required for all savings allotments sent to financial institutions participating in the Federal Reserve System.

C00503. Allotments to Non Individuals. EFT is required for all discretionary allotments to non individuals.

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