

Retiree and Annuitant Services (RAS)

1 800 772-8724



Welcome to the Retired Pay portion of your class.

The building pictured is the Frank Carlson Federal Building, home of PSC (RAS) located in Topeka, Kansas.

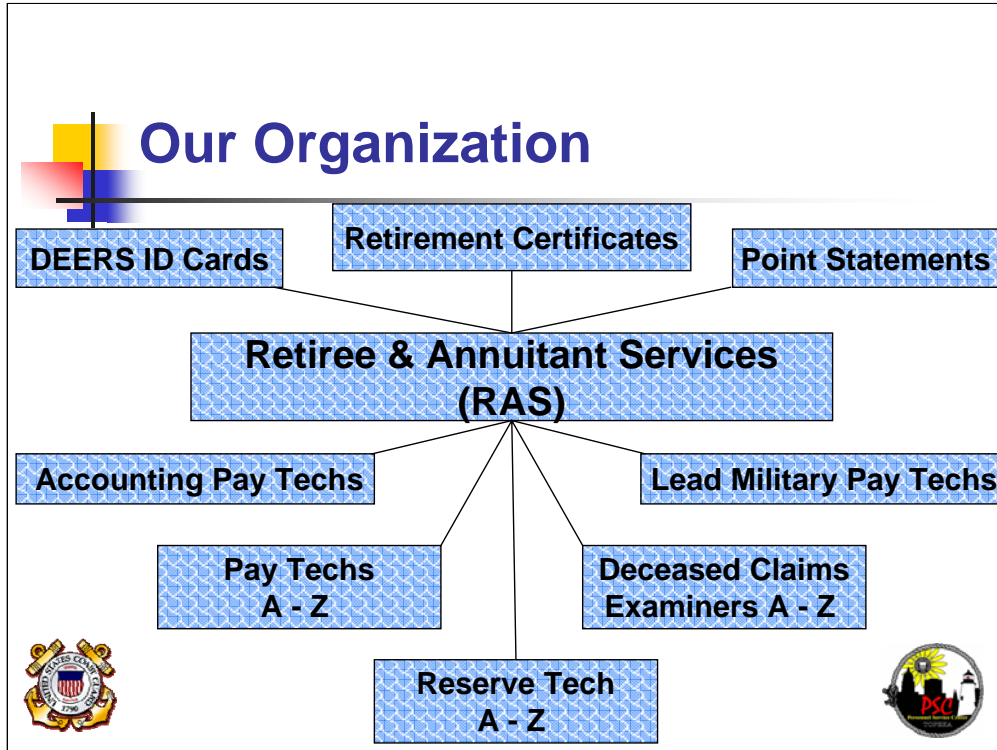
Our Mission

- To provide excellent customer service to Coast Guard and NOAA retirees and annuitants.



Read the slide.

Our mission is to provide excellent customer service to Coast Guard and NOAA retirees and annuitants.



This provides an organizational view of RAS.

DEERS/ID Card Tech handles updating the DEERS computer, issuing ID Cards, SBP Direct Remittance, etc.

The Reserve Tech handles all aspects of reserve processing – Ret-2, Ret-1, points statements & issues Retirement Certificates for the entire Coast Guard.

Pay Technicians establish and maintain your retired pay account from the date of retirement until you cross the bar. Deceased Claims Examiners establish and maintain the annuitant accounts.

Accounting techs process payroll and provide accounting reports.

Lead Military Pay Techs audit work of all above.



Today's Topics

- Last months on Active Duty
- Preparing for Retirement
- Things that affect your pay
- Maintaining your Retired Account
- The Survivor Benefit Plan (SBP)



Go over topics listed – These are the topics we will be discussing today.



Your Last Months on Active Duty

- Submit retirement request
- Receive Orders via Direct Access
- Set up Physical
- Complete Career Intentions Worksheet
- SPO issues DD214
 - Active duty or reservist under Title 10 mobilization



Read the slide.

Additional information – DD-214 is issued on or after your retirement date. You will receive a copy of the paperwork to look over. Make sure everything is included and correct before signing it.

Corrections for the DD-214 are generated by completing a DD-215. Keep copies of the DD-214 in a safe place as you will need them when filing for VA, other federal jobs, and social security.



Preparing For Retirement

- Receive Retirement Package from PSC (RAS)
 - Sent via e-mail 6 months prior to retirement
- Complete Retirement Form (CG PSC-4700)
- Retired Pay Estimate
 - www.uscg.mil/hq/psc/ras.htm
- Retirement Checklist 3PM PSCINST M1000.2A 3-B-23
- Attend Pre-Retirement Seminar
- Certificates and Pin



You will fill out a retirement package (CG PSC-4700 form) to receive your retired pay. You will find it on pages 6-9 in your handout for the class. You need to complete it and ensure RAS has it approximately 60 to 90 days before you retire. If we do not have it, you will not receive your retired pay. It is the member's responsibility to ensure the form is received by RAS prior to departing on terminal leave.

Retired Pay Estimates can be completed on the website listed. There is a guide provided to assist Coast Guard personnel with the terminology for the estimate.

Checklist available for your use in 3PM.

Attend retirement seminar.

Certificates and a Pin will be sent to your unit.



Certificates & Pin

- Units should order Certificates from Website
 - <http://www.uscg.mil/hq/psc/retform.htm>
 - PSC (RAS) sends the following items to member's unit for presentation
 - Retirement Certificate signed by Commandant
 - Spouse Certificate of Appreciation signed by Commandant
 - Certificate of Appreciation for Service in the Armed Forces of the United States signed by the President
- U.S. Coast Guard Retirement Pin



Read over the slide. These are the certificates that RAS will provide. If someone wants a certificate for children or a pet, check with the unit. The unit can issue them.

If certificates are received and are incorrect or damaged, call RAS for replacements.

The Retirement Form

- Retirement Forms (CG PSC-4700) available from Website
 - www.uscg.mil/hq/psc/forms/index.htm
 - Submit Form to RAS at least 3 months prior to retirement
 - Keep a copy!
- RAS builds file and verifies info in Retired Pay System
- List of frequent problems in seminar handout



If you misplace your (CG PSC-4700) form, it is available at the Website - www.uscg.mil/hq/psc/forms/index.htm

Receipt of the PSC-4700 form is very important, since active duty and retired pay are not on the same system, this is the information we use to validate the data for your retired pay account.

Submit Form to RAS at least 3 months prior to retirement

Keep a copy! Fax a copy to RAS for verification before mailing the original. We must have the original on file but can use the fax to establish your retired pay account. If the original is not received, your retired pay will be held.

At this point have the participants turn to the PSC-4700 forms in the handout.

Page 1 – If permanent address is not known, provide a PO Box or an address which will receive their mail. If 3 pieces of mail is returned and RAS cannot locate the retiree, retired pay is held until we hear from the retiree.

If same bank, check continues, otherwise provide information for new bank.

Federal tax is collected by what the member requests. Suggestion – if other income coming into household contact both federal and state tax office providing total income to ensure enough taxes will be withheld.

State tax is not required by all states. We do not keep all the charts on file so you will have to provide the state and the amount to be withheld in even dollar increments over \$10.00

Page 2 – Designation of Beneficiaries for Unpaid Retired Pay – this is who you want to receive your final retired pay. For example, if you cross the bar on the 15th of the month, someone is due 15 days of pay.

Last question on this page – if you are in receipt of VA compensation, RAS needs to know how much and which VA office is paying you.

Page 3 – MOST IMPORTANT PAGE IN PACKET – If you elect not to participate in SBP, ensure your spouse concurs otherwise you are placed on full SBP coverage. Make sure your spouse and the witness sign and date the form on the same day. You are also placed on full coverage if the CG PSC-4700 form is not received prior to the first day of retirement. Your SBP has to be notarized if you make an election of anything less than a full election.

Page 4 – Declaration of Service – If you have prior reserve service other than Coast Guard, provide a breakdown of that service. If you have copies of your drills, submit them with the form otherwise provide the branch of service so we can request the information. This information is added to the multiplier and adjustments made once received.

Member's Certification – ANOTHER IMPORTANT SECTION Ensure the member and the witness date the form on the same day. If not, the form will be returned to the member or another page 4 may be requested and could cause pay delays.

Points of Interest about Retired Pay



- Retired pay is due & paid on the 1st working day of the month following the month for which it is due.
- Your first retired payment is made the 1st working day of the month following date of retirement.
 - Retire on 1 Dec 07, first payment received on 2 Jan 08.
- The tax year for retired pay runs from December through November of the following year because the December payment is made in the New Year.



Saturday, Sunday and Holidays are not considered working days.

If the 1st falls on a weekend or holiday, retired pay is paid the first working day afterwards.

For example, retire on 1 Dec 07, payment received 2 Jan 08.



Retired Pay Formulas

Date Initial Entry in Military Service (DIEMS)

**Prior to
8 Sep 1980**

2 1/2%
Per Year
X Base Pay
on Date of
Retirement
20 Years:
50% of Base Pay



**Between
8 Sep 80 - 31 Jul 86 &
After 31 Jul 86 if REDUX
Bonus Not Taken**

2 1/2 % Per Year
X Average of
Highest 36 Months
of Active Duty
20 Years:
50% of High 36

**After
31 Jul 86 – If REDUX
Bonus Taken**

2 1/2 % Per Year
Less 1% for Each Year
Less than 30 Years
X Average of Highest 36
Months of Active Duty
20 Years:
40% of High 36 at
20 Years



These are the formulas used for retirement.

Go over each one.

Information Needed to Compute Retired Pay

- Highest Grade Held
- Active Duty Base Date (ADBD)
 - Only Active Duty Time counts
- Pay Base Date (PBD)
 - Includes active & inactive time
- Date Initial Entry Military Service (DIEMS)
 - Designates retirement law used for retirement



Read the slide.

The DIEMS date is the date you signed the paperwork to enter the service and are sworn in.

Examples from Jan 2008 ADPS

Ex: (E-8 w/20 yrs)

\$4,306.80

x .5000

\$2,153.00

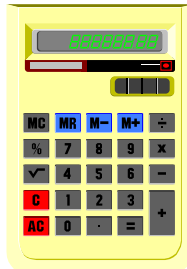
Gross Retired Pay

Ex: (CWO3 w/24 yrs)

\$5,466.90

x .6000

\$3,280.00



Review examples.



VA Disability Compensation

- Forfeit \$1 of retired pay for each \$1 of VA Disability Compensation received
- Additional stipend for dependents if VA rates disability at 30% or higher
- VA Disability Compensation is Tax-Free
- 1 Jun 03 Combat Related Special Compensation
- 1 Jan 04 Concurrent Disability & Retirement Payments
 - Affects members with 50% or higher VA disability
 - Phased in over 10 years
 - Full implementation scheduled for 2014



Go over slide.

VA is still a dollar for dollar offset. Depending on rating may qualify for Concurrent Receipt.

Combat related special comp – you have to submit an application to apply for it to PERSCOM, DD-2860.

Concurrent Receipt is automatic for anyone rated by the VA at 50% or higher, and qualify for concurrent receipt. No application to complete.

Refer to pages 21 and 22 in the handout for detailed information.



VA RATES - 2008

<u>VA Disability %</u>	<u>Monthly Amount</u>
10%	\$117.00
20%	\$230.00
30%	\$356.00
40%	\$512.00
50%	\$728.00
60%	\$921.00
70%	\$1,161.00
80%	\$1,349.00
90%	\$1,517.00
100%	\$2,527.00



Explain that these are the VA rates for this year and that they will change with the cost-of-living adjustments each year.

Everyone receives the same basic rates, there is no difference due to rank or location.



Allotments in Retirement

- How to convert active duty allotments to retirement
 - Annotate, sign, & date LES
 - Allotment Form (CG PSC 7221)
- Changing allotments in retirement
 - Allotment Form (CG PSC 7221)
 - Phone, Write or Fax request to us
- Allotment Tidbits
 - Allotments must be direct deposit
 - SGLI/VGLI started through Servicemembers Group Life Ins.
 - Retired Delta Dental is not an allotment
 - No CFC allotments may be carried forward
 - Authorized allotments & form in seminar handout



Carrying allotments into retirement begins with the member submitting a copy of the latest LES crossing off the ones you don't want. Sign and date the LES sending it in along with your CG PSC-4700 original form to RAS.

Types of allotments are listed on page 26 of the handout.

Explain that Delta Dental, Tricare, and SGLI/VGLI conversion has to be started by the retiree through each agency. These agencies will notify RAS when to begin deductions. All phone numbers and websites are listed in the handout.



Garnishment

- May be Court Ordered to enforce child support and/or alimony
- Carried forward from Active Duty
- Computation for Net Disposable Earnings and Percentage found in seminar handout



Read the slide.



Former Spouse Protection Act

- Provided for in Divorce Decree
- Processed through Legal Office
- Alimony & Child Support
 - No minimum length of service
 - No minimum length of marriage
- Community Property or Property Division
 - For PSC enforcement - 10 years marriage while member was in the military Service
- Deduction may be as much as 50% of “Disposable Retired Pay”



Divorce decrees are reviewed by the Legal department and submitted to RAS for processing if all requirements are met. For RAS to withhold FSPA from retired pay, marriage must have been for at least 10 years, otherwise it is the retirees responsibility to pay the former spouse. Between alimony, child support, and FSPA, the deduction cannot be more than 65% of retired pay.



Federal & State Taxes

- Federal Income Tax Withholding (FITW)
 - Deduction based on marital status & number of exemptions claimed
 - W4 Form Required
 - May elect additional tax
- State Income Tax Withholding (SITW)
 - Each State treats retired pay differently
 - SITW is not a mandatory deduction from retired pay
 - You may request SITW, if residing in one of the States with a DoD agreement (List in seminar handout)
 - Retiree must specify \$\$ dollar amount of deduction
- FICA - Retired pay is not subject to Social Security Withholding



Federal taxes will be deducted in accordance with the W4. Each time you need to change federal taxes, you will need to complete a new W4.

State taxes are voluntary and we must have an agreement with the state to withhold the taxes. You must specify the state and the amount of state tax to withhold in even dollar increments of \$10.00 or more. List of states we have an agreement with can be found on page 30 of the handout.



Retired Pay and Social Security

- Military Retired Pay is not affected by Social Security entitlements
- Once you retire, you can draw both Social Security and Retired Pay without an offset to either one



While on active duty they paid into FICA; however, it is not deducted from retired pay.

Military Retired Pay is not affected by Social Security entitlements.

Once you retire, you can draw both Social Security and Retired Pay without an offset to either one.

U.S. COAST GUARD RETIREE/ANNUITANT STATEMENT OF MONTHLY INCOME									
DEPARTMENT OF HOMELAND SECURITY U.S. COAST GUARD									
CO PSC 3330 RETIREE (REV 8-03)									
1333									
Period Covered 01-30 APR 08		Pay Grade E-7		SSN xxx-xx-6789		Pay Delivery (DIRECT DEPOSIT)			
BIRTH DATES FOR SBP PURPOSES		Beneficiary		Youngest Child		Coverage type		SBP INFORMATION	
Member 193470729		Beneficiary 19370729		N/A		SPOUSE		Base Amount Pre 62 Annuity	
ENTITLEMENTS		OLD		NEW		DEDUCTIONS		OLD	
GROSS PAY		1857.00		1922.00		FED TAX		0.00	
						ADDTL FED TAX		30.00	
						SBP SPOUSE		120.71	
TOTAL ENTITLEMENTS		1857.00		1922.00				0.00	
ALLOTMENTS		OLD		NEW					
NYLIC		65.93		63.93					
TOTAL ALLOTMENTS		65.93		63.93		TOTAL DEDUCTIONS		150.71	
YOUR NET PAY		Old Amt: 1840.35 New Amt: 1703.14		Mailing Address: JOHN B DOE 444 SE QUINCY ST TOPEKA KS 66683-3591		ROUTE NBR 89898989-8 ACCT NBR 0000000-000			
Exception 5		Mo Tax Income		Income YTD		Withheld YTD		Tax Exclusion	
M 04		0.00		8985.35		150.00		0.00	
FEDERAL TAXES		STATE TAXES							
REMARKS: ALLOTMENT (S) DECREASED PER YOUR REQUEST									
*UPON SURVIVING SPOUSE REACHING AGE 62, THE SBP ANNUITY IS SUBJECT TO RECOMPUTATION. LOG ON TO WWW.USCG.MIL/NO/PSC/RAS FOR MORE INFORMATION ON CHANGES TO THE SOCIAL SECURITY OFFSET.									
IF YOU HAVE QUESTIONS, CONTACT COMMANDING OFFICER (RAS) UNITED STATES COAST GUARD PERSONNEL SERVICE CENTER 444 SE QUINCY ST TOPEKA KS 66683-3591 PHONE: 1-800-772-8724					NOTE 1: RETIRED PAY RECORDS ARE COMPUTER MATCHED WITH OTHER FEDERAL EMPLOYMENT AND BENEFIT RECORDS FOR DUAL COMPENSATION AND DEBT PURPOSES NOTE 2: CHAMPUS/TRICARE ELIGIBILITY STOPS AT AGE 65. BE SURE TO VERIFY ALL DATES OF BIRTH LISTED ABOVE FOR DEERS PURPOSES.				

- You will not receive a statement each month
- It is sent when you receive a cost-of-living adjustment (COLA) or when you have made a change to your retired account
- Correct home mailing address is very important
- Opportunity to review dates of birth for SBP & pay information
- Remarks are provided on form to explain change

This is what your RAS will look like. Review it to ensure all information is correct. Report any errors to your pay technician. You only receive a RAS once a year when the cost of living adjustment is given unless you make a monetary change to your retired pay. If a change is made, you will receive a RAS at the end of the month the change was processed. All changes are annotated on your RAS in the remarks section.



Recall to Active Duty

- Recall Orders Issued
- Retired Pay is waived during recall
- Length of Recall
 - Less than 30 days - retired pay continues & special payment issued for active duty difference
 - More than 30 days - retired pay is suspended
- Even if immediate recall, no break in service – CG PSC-4700 must be completed & submitted to RAS
- Retired pay account is reviewed at end of recall period for possible additional service
- SBP election made at retirement is valid unless change in marital status



At the time of recall even if an immediate recall, a CG PSC-4700 has to be completed because this is the only time a SBP election will be made. You cannot change the original SBP election upon returning from recall.

Upon returning from recall, retired pay will be updated accordingly using the original pay scale if recall is less than 2 years plus COLAs or if 2 years or over using the original plus COLAs or prior year pay scale plus partial COLA. The current pay scale is never used in the calculations.

The retirement date remains the same and retirement certificates will not be reissued.

Differences in Retired & Active Duty

	<u>RETIRED PAY</u>	vs	<u>ACTIVE DUTY</u>
Pay Day	Once per month First working day of month (defaults forward if weekend)		Twice per month First Calendar day of month (defaults backward if weekend)
Notice of Account (LESSs)	Issued only when change occurs - Retired Pay Slip		Issued every month Active (LES)
Pay Change Request	Prescribed No form required		CG Form (written request)
Taxable Income	Form 1099R		Form W-2
SPO Support	PSC (RAS) 1 800 772-8724		SPO
Retiree Newsletter	Issued Quarterly & mailed to your home		None
Cost-of-Living Allowances	Partial COLA first year Full COLA thereafter		Full Pay raises each year



Read through the differences.

Pay day is 1st working day of the month.

They will receive a RAS instead of an LES.

Some pay changes can be made over the phone.

Federal tax - have to submit a W4 form.

Receive a 1099R, if not received by 31 January of following year, contact pay technician.

Let them know the COLA breakdown is on page 34 in handout.



Future of Retired Pay

- Self-Service will be available with the new retired pay system beginning 2009.
- Future updates on the new retired pay system will be provided in the Evening Colors Newsletter and on the RAS website.



Read slide.



Summary

- Submit request for retirement
- Receive HQ Approval - (Orders)
- Complete Retired Form CG PSC-4700
- Submit Form 60-90 days prior to retirement
- Keep a copy
- Call us for assistance - 1 800 772-8724



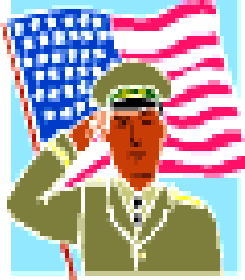
Go over slide to refresh presentation.

Go to Direct Access for a copy of approved retirement orders.

Call your pay technician to verify receipt of CG PSC-4700 before departing on terminal leave.

KEEP A COPY OF CG PSC-4700 FOR YOUR RECORDS.

WHAT HAPPENS WHEN I DIE?



ALL PAYMENTS STOP!!!

Retired Pay

All allotments

Former Spouse Payments

Payment in the form of an annuity begins
only if you have elected SBP



Read slide.

Payment in the form of an annuity begins only if you have elected SBP.

What is Survivor Benefit Plan (SBP)

- The SBP provides a monthly income in the form of an annuity for your family after your death.
- Electing the SBP is the only way your beneficiary may receive an annuity from the Coast Guard after your death.



Read slide.



When to make your SBP election

- Election must be made before retirement
- SBP Election Form (CG PSC-4700, page 3)
- Spouse must concur with election. If not, coverage is full.
- Effective 1 May 2008, SBP elections must be notarized if less than full or declines election.
- Election is irrevocable; however, effective 17 May 1998, may withdraw from SBP between 2nd and 3rd Anniversary of receiving retired pay.
- Open Season may allow for changes.



Election has to be made prior to date of retirement. If CG PSC-4700 form not received prior to DOR, retiree is placed on full SBP coverage. RAS does not have the authority to change automatic SBP coverage.

If you choose not to participate in SBP and have eligible beneficiaries, you cannot make an election until an open season, which occurs approximately every 10 yrs.

Any SBP election less than full coverage requires spousal concurrence. Beginning 1 May 2008 the form must be signed by a notary.

If you choose to opt out of SBP between the 2nd and 3rd anniversary of your retirement, it is a permanent decision and you cannot opt back into the plan.

Frequent problems with SBP election

- Form not signed where required
- Form not witnessed or notarized where required
- Not signed & witnessed on same day
- Witnessed by relative



Read slide.

SBP election form has to be clean – no mark ups, or edits. If a change is made must submit new form.

What are my options with SBP

Who may be insured under SBP?

How much coverage may I have?

How much will it cost?

What's the annuity?



This is what we will cover in this section.
Read slide.

When is SBP an involuntary election

- If you elect no SBP, or less than than full SBP, and your spouse does not concur.
- You may be required to provide SBP for your former spouse as a result of divorce.
- If you remarry after retirement, and have been enrolled in SBP, you must make a new election within a year, or your new spouse will automatically be enrolled in SBP at the level previously held. Costs will accumulate at the time of remarriage.



Read Slide.

Additionally – the SBP has to be provided for in the divorce decree and you have one year from the date of divorce to request it for your former spouse. If the retiree does not voluntarily elect to continue SBP coverage, the former spouse can ask that it be deemed through our legal department.



Who may be insured under SBP

- Spouse
- Spouse & children
- Child(ren) Only
- Incapacitated Child
 - Prior to age 18
 - Before age 22 if pursuing a full-time course of study
- Former Spouse
- Former Spouse & Child(ren)
- Insurable Interest Person
 - Grandfather, Uncle, Business Partner



Read slide.

To provide coverage for an incapacitated child, the retiree must provide a current physician's statement dated within 90 days of the date of retirement describing the medical condition, whether it is temporary or permanent and why the condition is considered incapacitating (e.g. the dependent is unable to take care of basic activities of daily living).



How much coverage may I have

- Determined by the SBP Base Amount
 - \$300.00 to full amount of retired pay
- You select SBP Base Amount
- Full SBP Base = Full Retired Pay
- Reduced SBP Base
 - From \$300.00 to less than full retired pay



The minimum base amount you can elect is \$300.00. This is considered a reduced base amount.

The maximum base amount you can elect is your full gross retired pay.

If the bonus was chosen at 15 years, you can elect full coverage (50%) or reduced (40%). If reduced base is elected (40%), spousal concurrence is required.

Whatever the election amount is determines the amount the annuitant will receive at 55 percent of the elected base amount.

Things to consider in making a decision



- SBP is government subsidized
- Monthly SBP costs increase with annual COLA
- SBP cost reduces taxable retired pay
- SBP cost is suspended when no eligible beneficiary
 - Divorce, Death, Child reaches age 18/22
- Monthly annuity increases with annual COLA



Read the slide.

SBP is government subsidized.

Monthly SBP costs increase with annual COLA.

SBP cost reduces taxable retired pay.

SBP cost is suspended when no eligible beneficiary. (i.e. Divorce, Death, Child reaches age 18/22)

Monthly annuity increases with annual COLA.



Elimination of the SSO

- Effective April 2008, the SSO will be eliminated
 - All SBP annuitants will receive 55% of the base amount elected



Effective April 2008 there will be no reduction to the SBP annuity when the annuitant draws social security benefits. Both SBP and Social Security Benefits can be drawn in full.



SBP Spouse Only

- Annuity is 55% of Base amount elected effective April 2008
- Annuity is increased with annual cost-of-living adjustments
- Annuity is suspended if spouse remarries prior to age 55



Read the slide.

Additionally, if an annuitant receiving pay remarries prior to age 55, the annuity is suspended pending outcome of second marriage.

Understanding SBP cost calculation

- The calculation for SBP costs is based on a formula set by law
- A threshold amount, which changes each year, is used to keep costs as low as possible



Read over the slide.

There are several different ways we use to calculate your SBP cost depending on the base amount elected.

The bottom line is we use the formula that provides the retiree with the most benefit for their money.



Examples of Cost Calculation

- SBP Spouse only coverage - Full base amount of \$1,500.00
 - SBP Base amount $\$1,500.00 \times 6.5\% = \97.50 per month
 - Annuity @ 55% = \$825.00
- SBP Spouse only coverage - Minimum base amount of \$300.00
 - SBP Base amount $\$300.00 \times 2.5\% = \7.50 per month
 - Annuity @ 55% = \$165.00



These are the two basic examples, the third involves using the threshold amount and can be very confusing.

Read over slide.



SBP Child coverage

- Coverage for child or children only is inexpensive and covers all children
- Annuity is divided equally and has no offset
- Annuity for child or children continues until child reaches age 18 or 22 if attending school
- Annuity for incapacitated child continues as long as child remains incapacitated



Additionally, an incapacitated child can live on their own; however, may not be able to meet their financial needs without the annuity.

They cannot be married.

Cost calculation (child coverage only)

- Cost is based on the the age difference between the member & the member's youngest child
- Actuarial tables are used to compute costs

E-8 age 39/child 9

\$2,153.00

x .0023

\$ 4.95

\$1,184.00

SBP Child Cost
Annuity

CWO3 age 40/child 5

\$3,280.00

x .0039

\$ 12.79

\$1,804.00



Read over slide –

Cost is based on the age difference between the member and the member's youngest child.

Actuarial tables are used to compute costs.





SBP vs Insurance

SBP

vs

Insurance

No cash value	Cash value to borrow against
Government subsidized	Full cost
SBP annuities rise with inflation	Insurance distributions do not rise with inflation
Premiums exempt from taxes	Insurance premiums not exempt
Annuities paid out are taxable income	Proceeds are generally not taxable
 Cannot be denied due to health or age	Coverage can be denied 

Read slide.



SBP vs Insurance

- Information on the value of SBP; an Actuarial Analysis, and the things to consider when comparing SBP and Insurance may be found at the following web sites:
 - <http://www.uscg.mil/hq/psc/ras/sbp.asp>
 - <http://www.afpc.randolph.af.mil/SBP/actuary1.htm>
 - <http://www.odcsper.army.mil/directorates/retire/retire1.asp>



These are websites that can provide you with additional SBP details.



Summary

- Must complete SBP Election before retirement
- Spouse must concur
- Form must be witnessed
- Opportunity to elect out of SBP 2 years after retirement
- Can insure spouse and children
- Cost reduces taxable retired pay
- Annuity increases with COLAs



CONSIDER YOUR OPTIONS CAREFULLY



Read over slide.