

**SUMMARY OF MAJOR CHANGES TO  
DOD 7000.14-R, VOLUME 7B, CHAPTER 49  
"SURVIVOR BENEFIT PLAN (SBP) – COST-OF-LIVING ADJUSTMENT"**

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 December 2010.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
4901	Added a hyperlinked reference to cost of living adjustments.	Add

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## CHAPTER 49

**SURVIVOR BENEFIT PLAN (SBP) – COST-OF-LIVING ADJUSTMENT****\*4901 BASE AMOUNTS**

All Survivor Benefit Plan (SBP) base amounts are increased by cost-of-living adjustments (COLA). The adjustment to the base amount is made at the same time and by the same total percentage that retired or retainer pay is increased. See [section 540201](#) for information pertaining to the computation of the Reserve Component Survivor Benefit Plan (RC-SBP) and [Chapter 8](#), Table 8-1 for COLA adjustments.

**4902 PREMIUMS**

All SBP and RC-SBP premiums are increased by cost-of-living adjustments.

**4903 ANNUITIES**

490301. Normally, SBP and RC-SBP annuities increase at the same time and by the same percentage that retired pay increases by cost-of-living adjustment. However, when the payment of increased retired pay due to a cost-of-living adjustment is delayed by law, the increased annuity due to a cost-of-living adjustment is not delayed. The cost-of-living adjustment applies to the monthly gross annuity amount before any reductions, such as Dependency and Indemnity Compensation.

490302. See [paragraph 461502](#), regarding cost-of-living adjustments for minimum income widow annuities.

490303. The monthly amount of an annuity payable, if not a multiple of \$1, shall be rounded to the next lower multiple of \$1.

**BIBLIOGRAPHY**

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

4901 BASE AMOUNT

10 U.S.C. 1451(h)

4902 - THRESHOLD AND PREMIUMS

10 U.S.C. 1452(h)(1)

4903 - ANNUITIES

10 U.S.C. 1451(g)(1), (2)