

# Navy Pay and Benefits Guide



**NAVY PERSONNEL  
COMMAND**



**MISSION FIRST...SAILORS ALWAYS**

# Navy Pay and Benefits Guide

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The Navy pay and benefits guide is meant to provide a brief overview of many of the benefits a Navy member may receive throughout their career. We have focused on what we believe to be the most important aspects of each of the programs. For additional information on each of the benefits, please consult the links provided at the end of each section.

## 1 PAY AND ALLOWANCES

### 1.1 Basic Pay

This main component of your military pay is based on your grade and time in service. It is computed using your “pay date.” Military members can find their pay date located in the top line of their Leave and Earnings Statement (LES). The LES may be accessed by logging on to myPay at <https://mypay.dfas.mil/mypay.aspx>. Current and past basic pay information may be found at <http://militarypay.defense.gov/Pay/basicpay.html>. Navigate to the appropriate pay tables for Active Duty or Reserve drill pay.

### 1.2 Basic Allowance for Housing (BAH)/Overseas Housing Allowance (OHA)

The purpose of the Basic Allowance for Housing (BAH) program is to provide fair housing allowances to service members. This non-taxable allowance is intended to cover rent, utilities, and renter’s insurance for adequate housing. Since the goal is to help members cover the costs of housing in the private sector, rental-housing costs in the private sector are the basis for the allowance. The allowance is set based on geographic duty location, pay grade, and dependent status for Active Duty service members and Reserve component members on active duty orders. Reserve members who are on active duty for less than 30 days will receive BAH-Transit which is based solely on pay grade and dependency status. The DoD housing standards establish BAH rates that correlate to what civilians who earn comparable amounts would pay for housing. The BAH rates are adjusted annually to reflect changes in housing costs for service members. BAH is not intended to cover the cost of mortgage payments. The purchase of a home is a personal financial decision made by the service member. For more information on BAH rates and how they are calculated, visit <http://www.defensetravel.dod.mil/perdiem/bah.html> and <http://www.defensetravel.dod.mil/perdiem/BAH-Primer.pdf>

Overseas Housing Allowance (OHA) is a cost-reimbursement based allowance paid for housing outside the United States. OHA compensates members for the majority of housing expenses while stationed overseas. The service member is reimbursed their actual rental costs not to exceed the maximum OHA rate for each locality and pay grade of the member. The maximum OHA rates are established based on surveys conducted of members’ actual rental costs in these locations. It is comprised of three components: rental ceiling, utility/recurring maintenance allowance, and move-in housing allowance (MIHA). For details on how information is collected and current rates please visit <http://www.defensetravel.dod.mil/perdiem/allooha.html>.

### 1.3 Basic Allowance for Subsistence (BAS)

Except as otherwise provided by law, each member of a uniformed service is entitled to BAS subject to the conditions set forth in DoDFMR, Volume 7A, Chapter 25.

BAS is intended to defray a portion of the cost of subsistence. There are situations (sea duty, field duty, group travel, etc) when members may be required to pay for government-provided meals through mandatory pay account collection. The installation CO (ashore) or the shipboard CO (afloat) provide the authority to mess separately. Enlisted sailors on board ship normally have BAS automatically collected for all meals due to the availability of messing onboard the ship.

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BAS rates are evaluated annually and adjusted based on the cost of food. For details on current rates please visit <http://militarypay.defense.gov/pay/bas/index.html>

## 1.4 Combat Zone Tax Exclusion (CZTE)

Members performing duty in, or in “direct support” of a combat zone (any area the President of the United States designates by Executive Order as an area in which the U.S. Armed Forces are engaging or have engaged in combat), are able to exclude portions of their income from federal and state taxation. Presidential Executive Order determines combat zones and the applicable dates. Earnings received while performing duties in, or in direct support of areas designated as a combat zone are excluded from taxable income. This exclusion is unlimited for enlisted members and warrant officers but for commissioned officers the amount is limited to the maximum CZTE in effect for a qualifying month (the sum of the highest rate of enlisted basic pay and the amount of hostile fire/imminent danger pay actually payable to the officer for the qualifying month). For details on current rates and information please visit [http://militarypay.defense.gov/pay/tax/10\\_combatzone\\_05.html](http://militarypay.defense.gov/pay/tax/10_combatzone_05.html) and DoD Financial Management Regulation (DoDFMR) Volume 7A, Chapter 44 at [http://comptroller.defense.gov/fmr/07a/07a\\_44.pdf](http://comptroller.defense.gov/fmr/07a/07a_44.pdf)

## 1.5 Savings Deposit Program (SDP)

Active duty and Reserve component members may be authorized to participate in the SDP during assignments and deployments to specified locations in support of contingency operations. The program provides an interest rate of 10% and allows service members to contribute any portion of their un-allotted current pay and allowances up to a maximum amount of \$10,000. Interest paid on the amounts deposited into the SDP is taxable. Specific rules and limitations apply. Contact your local finance office prior to deployment. For details, see DoD FMR Volume 7A, Chapter 51 at [http://comptroller.defense.gov/fmr/07a/07a\\_51.pdf](http://comptroller.defense.gov/fmr/07a/07a_51.pdf)

## 1.6 Family Subsistence Supplemental Allowance (FSSA in addition to BAS)

Family Subsistence Supplemental Allowance (FSSA) program is a voluntary financial benefits program for military families, intended to increase a service member’s income in order to remove their household from eligibility for SNAP benefits (formerly the food stamp program). FSSA is an additional food allowance some large military families may qualify for and is based on a member’s household size and household income. Active Component and Reserve Component members on active duty with multiple family members meeting the income-eligibility requirements may participate in the FSSA Program. Members can be eligible for up to \$1,000 per month. Contact your Fleet and Family Support Center (FFSC) or your Command Financial Specialist for assistance in determining eligibility. For details on current rates please visit the following web site: <https://www.dmdc.osd.mil/fssa> A logon is required to access this site. The DoD Instruction may be accessed at <http://www.dtic.mil/whs/directives/corres/pdf/134111p.pdf>

## 1.7 Federal Tax Advantage

Military personnel receive additional indirect compensation because some allowances are not taxable. These allowances include BAS, BAH, Overseas Housing Allowance (OHA), Cost-of-Living Allowance (COLA), and Family Separation Allowance (FSA). Members are eligible for further tax advantages of basic pay and other special pays through participation in the Uniformed Services Thrift Savings Plan (TSP). More information on tax advantages can be found on the Pay and Compensation Calculator on <http://www.npc.navy.mil/CareerInfo/StayNavyTools/> or <http://militarypay.defense.gov/pay/calc/index.html>.

## 1.8 Medical and Dental

A comprehensive medical plan is one of the benefits afforded to military members and their dependents.

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Depending upon your status, Active Duty members, Retired members, members of the Guard/Reserves, family members, and certain veterans receive free or government subsidized medical and dental care. TRICARE is the name of the Defense Department's regional managed health care program. Tricare has many different options for medical coverage. Most Active Duty military members who live and/or work near a military treatment facility are enrolled in TRICARE PRIME, which provides free medical coverage for members and their dependents when treated at a military treatment facility. Other programs offered by TRICARE are: Tricare Extra, Tricare Standard, Tricare for Life, Tricare Plus and Tricare Reserve Select.

Dental Care for Active Duty is free through the Military Dental Clinic. Tricare offers optional dental plans for family members of Active Duty, and members of the Guard/Reserves and their family members. These programs require a monthly premium. In addition to dental programs for family members and Guard/Reserve, Tricare offers a separate dental program for military retirees and retiree family members. The premiums for this program depends upon where you live, and number of family members covered. Like the other program, the Retiree Program covers 100 percent of some costs, with cost-share for other costs.

For additional information, please contact your Beneficiary Counseling and Assistance Coordinator (BACA)/Debt Collection Assistance Officer (DCAO) at your nearest Military Treatment Facility (MTF). For additional information see <http://www.tricare.mil/>.

### 1.9 Military Leave and Liberty

Active Duty members and Reserve Component members on active duty orders for greater than 30 consecutive days accumulate 2.5 days leave per month totaling 30 days of paid leave each year. While earned leave is intended for use throughout the year, members may carry forward leave not to exceed 60 days at the end of the fiscal year. (Effective 1 October 2008 through 30 September 2013 a member may carry forward a leave balance not to exceed 75 days) as long as the member remains on active duty. Some exceptions to this policy may apply in specific circumstances. There are additional opportunities for sell-back of unused leave at certain career progression points. See Military Personnel Manual (MPM) 1050 at <http://www.npc.navy.mil/ReferenceLibrary/MILPERSMAN> and navigate to section 1050 - Leave and Liberty or DOD Financial Management Regulations, Volume 7A, Chapter 35 at [http://comptroller.defense.gov/fmr/07a/07a\\_35.pdf](http://comptroller.defense.gov/fmr/07a/07a_35.pdf)

### 1.10 Military Pay Raises

Annual military pay raises are linked to the increase in private sector wages, as measured by the Employment Cost Index (ECI). In the 1990's, the annual military pay raise was capped at one-half percent below private-sector growth unless specifically granted a larger increase by Congress. The FY2000 National Defense Authorization Act directed that pay raises for 2000 through 2006 would automatically be one-half percent above the private-sector wage increases. Pay raises beginning in 2007 are equal to the increase in the ECI. Pay raises may exceed these automatic levels if authorized and funded by Congress. See [http://militarypay.defense.gov/pay/bp/05\\_annualraise.html](http://militarypay.defense.gov/pay/bp/05_annualraise.html).

### 1.11 Special and Incentive Pays

There are a variety of special and incentive pays a member may be eligible to receive including Accession Bonuses, Retention Bonuses, Assignment pays, and other special pays depending on specific qualifications. For additional information contact your local finance office or see the DoD FMR, Volume 7A at <http://comptroller.defense.gov/fmr/07a/index.html>.

### 1.12 Critical Skills Enlistment/Reenlistment and Accession Bonuses

The military has established checks and balances to ensure a complement of skills remain in military service. When any of the critical skills become scarce, the Department of Defense offers a financial incentive in the form

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of bonuses. A person who enters into military service or obligates for additional service with a designated critical skill may be eligible for a bonus. Contact your detailer or recruiter to determine the ratings/designators currently receiving a bonus, as these change based on the needs of the Navy.

### 1.13 Assignment Pay

Assignment pays are awarded to members performing duties designated by the Secretary of the Navy as extremely difficult or involving an unusual degree of responsibility. Special Duty Assignment Pay is a monthly incentive pay used to entice qualified personnel to accept designated assignments and to sustain adequate manning levels. Some examples of SDAP assignments are Combat Rescue Swimmer, Explosive Ordnance Disposal Technician, Nuclear Propulsion Plant Operator/Supervisor, and Surface Ship Independent Duty Corpsman. These billets are re-evaluated annually and released in a NAVADMIN. For more information, see <http://www.npc.navy.mil/CAREERINFO/ENLISTEDCAREERPROGRESSION/INCENTIVES/>

### 1.14 Family Separation Allowance (FSA)

The purpose of FSA is to compensate qualified members serving inside or outside the United States for added expenses incurred because of an enforced family separation. FSA has three different categories: FSA-R, FSA-S, and FSA-T. Members are eligible for FSA-R if transportation of dependents, including dependents acquired after effective date of orders, is not authorized at Government expense and the dependents do not live in the vicinity of the member's permanent duty station. FSA-S applies to members serving on ships away from the homeport continuously for more than 30 days. A member is eligible for FSA-T if the member is on TDY 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 required to perform a period of the TDY before reporting to their initial station of assignment.. See the DoD Financial Management Regulation Volume 7A, Chapter 27 at [http://comptroller.defense.gov/fmr/07a/07a\\_27.pdf](http://comptroller.defense.gov/fmr/07a/07a_27.pdf) for more information.

### 1.15 Hardship Duty Pay (HDP)

HDP is payable to members entitled to basic pay, 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 mission, when assigned to a designated location and/or, when serving a designated involuntary extension of duty. Current rates and locations are maintained in the DoD Financial Management Regulation Volume 7A, Chapter 17 at [http://comptroller.defense.gov/fmr/07a/07a\\_17.pdf](http://comptroller.defense.gov/fmr/07a/07a_17.pdf).

### 1.16 Imminent Danger Pay (IDP)/Hostile Fire Pay (HFP)

Imminent Danger Pay/Hostile Fire Pay is covered under Title 37 USC Section 310 and is paid based on qualifying under the condition of imminent danger or hostile fire. IDP is a "threat based" pay meaning it is payable for any month the member performs duty in an IDP area (designated by USD P&R). These are areas where members are subject to threat of physical harm due to civil insurrection, civil war, terrorism, etc. HFP is an "event based" pay, meaning if the member is exposed to an actual occurrence of hostile fire or an explosion of hostile mine, the member is entitled to HFP for the month in which the hostile fire happened, and up to 3 months afterwards while hospitalized. Designated areas are listed in DoD FMR, Vol 7a, Ch 10 at [http://comptroller.defense.gov/fmr/07a/07a\\_10.pdf](http://comptroller.defense.gov/fmr/07a/07a_10.pdf).

## 2 OTHER ENTITLEMENTS

### 2.1 CONUS COLA

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Members and authorized dependents may be entitled to CONUS COLA when assigned or residing in a high-cost area inside the continental United States. See the Department of Defense Per Diem, Travel and Transportation Allowance Committee website for more information at <http://www.defensetravel.dod.mil/perdiem/ccola.html>.

### 2.2 Department of the Defense (DoD) Schools

The Department of Defense Dependents Schools (DoDDS) are a network of schools, both primary and secondary, that serve dependents of United States military - and other non-US - personnel outside the United States. Because military families are often expected to live abroad in areas where quality schools may be difficult to find, the Department of Defense (DoD) is required to provide the opportunity for military dependents to get a quality education. This benefit is available for minor dependents of U.S. Active Duty military and DoD civilian personnel stationed abroad. In addition, the Department of Defense Domestic Dependent Elementary and Secondary Schools (DDESS) operates 63 schools on 16 installations located within the Continental United States. DoD schools are operated by the Department of Defense Education Activity (DoDEA). See <http://www.dodea.edu/home/index.cfm> for more information.

### 2.3 Station Allowances

When stationed outside of the Continental United States, members may be authorized certain station allowances for themselves and their command-sponsored dependents. They include Cost of Living Allowance (COLA) and Temporary Lodging Allowance. See the Department of Defense Per Diem, Travel and Transportation Allowance Committee website for more information at <http://www.defensetravel.dod.mil/perdiem/allowcol.html> and <http://www.defensetravel.dod.mil/perdiem/faqvla.html>

### 2.4 Travel Entitlements

Members may be eligible for a wide variety of travel entitlements for themselves and their authorized dependents when ordered to perform official travel for temporary duty (TDY) and/or permanent change of station (PCS). Members should seek counseling from their personnel office or Travel Management Office (TMO). The following are some of the many entitlements available:

- Transportation and Per Diem and Reimbursable Expenses
- Temporary Lodging Expense and Household Goods Shipments
- Storage in Transit (S.I.T.) and Non-Temporary Storage of Household Goods
- Privately-Owned Vehicle (POV) Shipment and Storage
- Dislocation Allowance
- Evacuation/Safe Haven Entitlements
- Partial Reimbursement of Pet Quarantine Fees
- Reimbursement for Rental Car when POV Arrives Late
- Move-in Housing Allowance (MIHA) - overseas

Visit Department of Defense Per Diem, Travel and Transportation Allowance Committee website for more information at <http://www.defensetravel.dod.mil/perdiem/>.

## 3 RETIREMENT PAY AND POST-SERVICE BENEFITS

### 3.1 Retirement Pay

One of the most attractive incentives of a military career is the retirement system that provides a monthly retirement income for those who serve a minimum of twenty years. A member's retirement represents a considerable value over a life expectancy. While many civilian employees must contribute monetarily to their retirement, uniformed service members receive retirement based solely on honorable service to the military.



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For Active Duty service members, there are three retirement plans in effect -- Final Pay, High-3, and Choice of High-3 or Redux with \$30K Career Status Bonus. The retirement plan is determined by the member's Date Initially Entered Military Service (DIEMS).

Plan	Eligible (Note 1)	Retired Pay Formula (Notes 2, 3 & 4)	Cost-of-Living Adjustment (COLA) (Note 5)
Final Basic Pay	Entered service prior to 8 Sep 80	2.5% times the years of service times final basic pay	Full inflation protection; COLA based on Consumer Price Index (CPI)
High-3 (Note 6)	Entered service on or after 8 Sep 80 and before 1 Aug 86	2.5% times the years of service times the <i>average</i> of the highest 36 months of basic pay	Full inflation protection; COLA based on Consumer Price Index (CPI)
High-3 Choice -----OR----- Redux/CSB Choice: Instead of retiring under High-3, members may choose to receive a \$30,000 (Note 7) "Career Status Bonus" at 15 years of service in exchange for agreeing to serve to at least 20 years of service and then retiring under the less generous Redux plan.	Entered service on or after 1 Aug 86	High-3: 2.5% times the years of service times the <i>average</i> of the highest 36 months of basic pay -----OR----- *Redux/CSB option: 2.5% times the years of service, minus one percentage point from the product for each year less than 30 years, times the <i>average</i> of the highest 36 months of basic pay. At age 62, retired pay is recalculated without deducting the one percentage point for each year less than 30, which allows it to catch up to what it would have been without the Redux penalty.	High-3: Full inflation protection; COLA based on Consumer Price Index (CPI) -----OR----- *Redux/CSB option: Partial inflation protection; COLA based on Consumer Price Index (CPI) minus 1 percent. At age 62, retired pay is adjusted to reflect full COLA since retirement. Partial COLA then resumes after age 62.

**NOTES:**

1. Date initially entered military service (DIEMS) refers to the fixed date the member was first enlisted, appointed, or inducted. This includes cadets at the Service Academies, students enrolled in a Reserve component as part of the Services' senior ROTC programs or ROTC financial assistance programs, students in the Uniformed Services University of the Health Sciences, participants in the Armed Forces Health Professions Scholarship program, officer candidates attending Officer Training School, and members in the Delayed Entry Program.
2. For retirements prior to 08 Sept 1980, the maximum multiplier is 75 percent times basic pay for up to 30 years of service. For retirements after 08 Sept 1980, the maximum multiplier increases for each year over 30 years of service starting at 2.5% per year until retirement (i.e. After 30 years, an eligible member would receive 77.5% of basic pay for year 31, 80% of basic pay for year 32, etc.). This is effective for military retirements on or after January 1, 2007 and does not include retirements under Chapter 61 of Title 10. Refer to Public Law No 110-181, Title VI: Compensation and Other Personnel Benefits Subtitle D: Retired Pay and Survivor Benefits - (Sec. 641) of the National Defense Auth Act signed into law on January 28, 2008 and the pay charts located on myPAY website under other pay related links.
3. Members should be aware that the Uniformed Services Former Spouses Protection Act allows state courts to consider military retired pay as divisible property in divorce settlements. The law does not direct state courts to divide retired pay; it simply permits them to do so. Retired pay stops upon the death of the retiree unless he or she was enrolled in the Survivor Benefit Plan. See "Survivor Benefit Plan (SBP)" in this document for additional information on this program.
4. COLA is applied annually to retired pay.
5. High-3 is a reference to the average of the high three years or, more specifically, the high 36 months of basic pay as used in the formula.
6. Effective 28 Dec 01, members may elect one of 5 options to receive the \$30K CSB: one lump sum payment of \$30k; two annual payments of \$15K; three annual payments of \$10K; four annual payments of \$7.5K; or five annual payments of \$6K.

Reserve component members are also eligible to qualify for a non-regular (or Reserve) retirement. The basic requirements to qualify for a Reserve retirement are: (1) attaining 20 qualifying years of service (a qualifying year of service is credited for each year in which the member has earned at least 50 points during his or her anniversary year), and (2) serving the last eight years in a Reserve Component. Upon reaching age 60, a Reserve retiree may begin receiving retired pay.

There are currently two Reserve retirement systems that parallel the systems for Active Duty: the Final Basic

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Pay system and the High-Three system. To determine which retirement system a Reserve Component member is under, a member must look at the same criteria that determines the retirement system for the active force - the Date of Initial Entry to Military Service (DIEMS).

### Final Basic Pay formula

DIEMS date before 8 September 1980 — Multiply the years of satisfactory (equivalent) service by 2.5%, up to a maximum of 75%. Multiply the result by the basic pay in effect on the date the retired pay starts.

### High-3 formula

DIEMS date on or after 8 September 1980 — Multiply the years of satisfactory (equivalent) service by 2.5%, up to a maximum of 75%. Multiply the result by the average of your highest 36 months of basic pay. The highest 36 months for a member who transfers to the Retired Reserve until age 60 will normally be the 36 months before he or she turns 60. Members who request a discharge from the Retired Reserve before age 60, however, can use the basic pay only for the 36 months prior to their discharge. Think carefully before requesting a discharge from the Retired Reserve!

To view your retirement plan see:

1. <http://www.npc.navy.mil/CareerInfo/StayNavyTools/>
2. <http://www.npc.navy.mil/CareerInfo/Retirement/>
3. <http://www.npc.navy.mil/CareerInfo/ReservePersonnelManagement/ReserveRetirements/>
4. <http://militarypay.defense.gov/retirement/index.html>

### 3.2 Thrift Savings Plan (TSP)

The TSP provides military members a 401(k)-like savings plan, which allows members to contribute pre-tax dollars thereby reducing current taxes, and to accumulate long-term, tax-deferred savings and earnings, which can supplement future retirement income. Participation is painless through payroll deduction, and account management is easy via worldwide web interface. The open seasons are eliminated and members can accomplish any action at any time. The Internal Revenue Code places an annual limit on elective deferrals, including tax-deferred employee contributions to the TSP. Since 2008, the elective deferral limit has been set at \$15,500. The TSP in conjunction with the military pension and Social Security retirement benefits can provide for a great retirement. Beginning in January 2012, military members will be able to enjoy the same benefit of contributing to a Roth or pre-tax version of TSP as a civilian. Useful information can be found at the following Web site: <http://www.tsp.gov/> and <http://militarypay.defense.gov/tsp/index.html>.

### 3.3 Death and Survivor Benefits

#### 3.3.1 Servicemember's Group Life Insurance (SGLI)

SGLI is a low cost group life insurance program for Active Duty, Selected Reserves and members of the Commissioned Corps of the National Oceanic and Atmospheric Administration and the Public Health Service. The maximum current SGLI coverage is \$400,000, which is provided in \$50,000 increments. A Sailor may decline or elect less than maximum coverage. SGLI payments will be distributed to the designated beneficiaries, listed on the most current SGLI election form on file, in the Sailor's service records. For more SGLI information visit the VA website <http://www.insurance.va.gov/sglisite/sgli/sgli.htm>.

#### 3.3.2 Servicemembers' Group Life Insurance Traumatic Injury Protection (TSGLI)

TSGLI coverage is automatic for any service member covered under SGLI effective December 1, 2005. Payments range from \$25,000 to \$100,000 based on the loss suffered. Retroactive coverage from October 7,

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2001 to November 30, 2005 is available if the qualifying injury occurred while the service member was under orders outside the United States in direct support of Operations Enduring Freedom or Iraqi Freedom, regardless of SGLI coverage. TSGLI provides 24/7 (on or off duty) coverage to all service members covered under SGLI. TSGLI payments are made to the service member, a person acting on their behalf if they are determined to be incompetent, or their SGLI beneficiary if they die. For more TSGLI information visit the VA website <http://www.insurance.va.gov/sglisite/sgli/sgli.htm>.

### 3.3.3 Family Servicemembers' Group Life Insurance (FSGLI)

FSGLI is an extension of SGLI that covers spouses and dependent children of service members insured under the SGLI program. FSGLI provides up to a maximum of \$100,000 coverage for spouses and \$10,000 for dependent children. Spouse coverage can be reduced or declined by the service member. Spouse coverage is provided in increments of \$10,000. Child coverage cannot be declined or reduced and is free. Spouse premiums are based on amount of coverage and spouse's age. FSGLI payments are made to the service member or their SGLI beneficiary if the service member dies before payment is made or is implicated in the death of the insured. For more TSGLI information visit the VA website <http://www.insurance.va.gov/sglisite/sgli/sgli.htm>

### 3.3.4 Dependency and Indemnity Compensation (DIC)

Dependents of members who die on active duty (or veterans who die from service connected injuries and some 100% disabled veterans) also receive monthly DIC payments (nontaxable) for the surviving spouse and additional funds for each surviving child. DIC is adjusted annually for inflation. See the Veterans Benefits Administration web site at [www.vba.va.gov/bln/21/FactSheets/DICEG.DOC](http://www.vba.va.gov/bln/21/FactSheets/DICEG.DOC) for more information.

### 3.3.5 Death Gratuity

Payments totaling \$100,000 will be made to designated beneficiaries to meet immediate cash needs in the event of the member's death while on active duty. Death Gratuity may be paid to 1 or up to 10 designated beneficiaries with 10 percent of \$100,000 or \$10,000 paid to each beneficiary. For more information visit the Navy Personnel Command website <http://www.npc.navy.mil/CommandSupport/CasualtyAssistance/Death+Gratuity.htm>.

### 3.3.6 Survivor Benefit Plan (SBP)

When a military retiree dies, their retirement pay stops. This means that the surviving spouse will be left without a substantial income source. Retirees should consider how they can protect their spouse from the hardships caused by the loss of retirement pay. One option that is available is the Survivor Benefit Plan. The SBP is an insurance plan that will pay the surviving spouse a monthly payment (annuity) to help make up for the loss of the retirement income.

Similarly, if a sailor dies on active duty, active duty pay stops. However, if a sailor dies on active duty with 20 or more years of service, or in the line of duty with less than 20 years of service, the surviving spouse and children are automatically protected by the SBP--at no cost to the sailor.

For Active Duty deaths in the line of duty, the surviving spouse will get a monthly SBP annuity equal to the difference between the DIC payment and 55% of what the retired pay would have been if the member had been retired for total disability on the date of death. SBP will also guarantee survivors receive a portion of the retired pay if the member enrolls in SBP right before retirement. Retirees are required to pay monthly premiums. The annuity payable is 55% of the elected base amount. (There is no longer a reduction in the annuity at age 62 to 35% due to the passage of PL 108- 375, 28 Oct 04). The SBP annuity is adjusted each year by the same percentage increase given to military retired pay. See the following websites for more information:

1. <http://militarypay.defense.gov/survivor/index.html>

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2. <http://www.navymutual.org/ActiveDutyDetails.asp> (Navy Mutual Aid Association)
3. <http://www.npc.navy.mil/CommandSupport/CasualtyAssistance/SBP> (Navy Personnel Command).

### 3.4 Other substantial benefits

There are other benefits which may be available upon the death of a member. These benefits include reimbursement of some burial costs, housing for 180 days, Active Duty transitional health and dental care for 3 years, commissary and exchange privileges, and various other benefits. See the Veterans Benefits Administration web site: <http://www.vba.va.gov/VBA/>

#### 3.4.1 Federal Long Term Care Insurance Program

Members may be eligible to obtain coverage from the FLTCIP at premiums estimated to be 15-20% less than standard premiums for comparable coverage. For more information see: <http://www.opm.gov/insure/ltc/> or <http://www.ltcfeds.com/>

### 3.5 Line of Duty (LOD) investigations

#### 3.5.1 Information that could affect Active Duty and Entitlements Summary

A LOD is required in all death cases involving Active Duty personnel and Reservists performing inactive duty training (IDT). The commanding officer (CO) is required to make an LOD determination within 20 days after the date of death or discovery. SBP, DIC and MGIB benefits are payable to qualified survivors when the servicemember death is in the line of duty. A more detailed calculation of the SBP annuities is provided in the link. A not in the LOD determination will negate the payment of the DIC and MGIB. For more information see the Active Duty Casualty Benefits and Entitlements Summary table and <http://doni.daps.dla.mil/SECNAV%20Manuals1/5800.7E.pdf>.

#### Active Duty Casualty Benefits and Entitlements Summary June 2010

BENEFITS AND ENTITLEMENTS	DESCRIPTION	LOD Impact
Basic Allowance for Housing (BAH) <b>JFTR Chapter 10 par. U10424</b>	The family may elect to remain in government quarters up to 365 days or receive <b>one time lump sum payment</b> , if in civilian quarters, not to exceed 365 days of BAH or a combination of both, not to exceed 365 days. <sup>1</sup> If the beneficiary is active duty military, <b>payments will be made on a quarterly basis.</b>	No Impact
Uniform Services ID and Privilege Card <b>DoD Instruction 1000.13</b>	Continues for unmarried widow(er)s, handicapped dependent children or dependent children attending school through age 21 (may be extended to age 23 if a full-time student in a VA approved educational institution).	No Impact
Exchange, Commissary and Theater Privileges <b>DoD Instruction 1000.13</b>	Continues for unmarried widow(er)s, handicapped dependent children or dependent children attending school through age 21 (may be extended to age 23 if a full-time student in a VA approved educational institution).	No Impact

<sup>1</sup> In some instances, base commanders do authorize families to remain in government quarters beyond 365 days if circumstances warrant (i.e. to allow children to finish the school year).

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Unpaid Pay and Allowances (UPPA) <b>DODFMR 7A Chapter 36</b>	Paid to designated beneficiary. Consists of any unpaid pay and allowances, unused leave, any remaining bonus entitlements, etc. The Defense Finance and Accounting-Service-Cleveland processes final pay within 60 to 90 days.	No Impact
Montgomery GI Bill Contributions <b>BUPERSINST 1780.1A</b>	Paid to the service member's designated SGLI beneficiary	No Impact
Thrift Savings Plan Contributions <b>Federal Employees' Retirement System Act of 1986</b>	Paid to designated beneficiary. If no beneficiary form is on file, then payment will be made based on the order of precedence established by law ((1) widow(er), (2) child(ren), (3) parent(s), etc.).	No Impact
Death Gratuity <b>DODFMR 7A Chapter 36</b>	\$100,000 benefit can be paid to up to 10 designated beneficiaries with each beneficiary receiving \$10,000 or the whole \$100,000 may be paid to one beneficiary.(100% tax-free)	No Impact
Dependency Indemnity Compensation (DIC) & Spouse DIC Augment <b>38 CFR 3.312. &amp; M21-1MR, Part IV</b>	<b><u>DIC is a tax-free monthly benefit authorized for unremarried widow(er)s and eligible children of service members who died on Active Duty or died following active duty from a service-connected disability.</u></b> Must be VA approved. Current rates are \$1154 for the spouse and \$286 per each eligible child effective 1 Jan 10. A supplemental amount of \$250 per month is payable to the surviving spouse with dependent children for the first two years after member's death or until the youngest child turns 18. Additional benefits are payable if the spouse and/or child is incapacitated or in need of assistance.	Will Impact
Dependents Education Assistance (DEA) <b>Dependent's Education Assistance Pamphlet U. S. Code 38, Chapter 35</b>	DEA is payable by the VA to the spouse and each child to defray the expenses of higher education. Amounts are payable monthly. Note: Children can only receive DEA or DIC - not both. Spouse can receive both DIC and DEA concurrently.	No Impact
Headstones and Grave Markers <b>38 CFR 38.631 &amp; Public Law 110-157</b>	Provided by the Department of Veterans Affairs (VA).	No Impact
Servicemembers' Group Life Insurance (SGLI) VA <b>Insurance Handbook</b>	Up to \$400,000 coverage is available unless the service member declined or elected a lesser amount of coverage.	No Impact
Traumatic Injury SGLI <b>TSGLI Procedural Guide</b>	Payable to the designated SGLI beneficiary(ies). The service member must survive for a period of at least seven full days from the date of the traumatic injury to qualify for payment. Illnesses, except those caused by the qualifying injury, are not covered.	Will Impact
Social Security Burial Allowance <b>Social Security Survivor Benefits Publication</b>	\$255 one time lump sum death benefit, if eligible.	No Impact
Funeral Travel JFTR par. 5242	Travel is authorized for the spouse; children; parents, stepparent, or adopted parents of the service member; parents, stepparent, or adopted parents of the spouse; and any other person, including a former stepparent, who stood in loco parentis to the member at any time for a continuous period of at least five years before the service member became age 21. If none of the above, the person authorized to direct disposition of the remains (PADD) and up to two additional people closely related to the deceased, and selected by the PADD, may travel. Per	No Impact

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	diem is payable for the time necessary to travel to the location concerned, plus not to exceed two days at that location, and the time necessary to return from that location.	
Mortuary Services U. S. Code Title 10 Chapter 75	Preparation, encasement, and transportation of remains provided through a contract mortuary or government facility.	No Impact
Grave site U. S. Code Title 10 Chapter 75	Provided by Department of Veterans Affairs (VA) through the National Cemetery System.	No Impact
Survivor Benefit Plan (SBP) & Special Indemnity Allowance (SSIA) DoD Directive 1332.27 & DODFMR 7B Chapters 42 – 52	<p>Annuity computed at 55% of service member's disability retired pay (75% of basic pay) (*Note: Computation of disability retired pay predicated on member's retirement plan, i. e. final pay or high 36 month average.) Any SBP payable to the spouse is offset dollar for dollar by DIC. Child(ren) receive payment with no offset. Surviving spouses whose SBP payments have been offset (partially or totally) as a result of receiving DIC, including surviving spouses of members who died while serving on active duty, are eligible for the Special Survivor Indemnity Allowance (SSIA).</p> <p>-- SSIA will not be payable for any period prior to 1 Oct 08.</p> <p>-- Monthly SSIA payments will be paid as follows:</p> <p>--- 1 Oct 08 thru 30 Sep 09 - \$50</p> <p>--- 1 Oct 09 thru 30 Sep 10 - \$60</p> <p>--- 1 Oct 10 thru 30 Sep 11 - \$70</p> <p>--- 1 Oct 11 thru 30 Sep 12 - \$80</p> <p>--- 1 Oct 12 thru 30 Sep 13 - \$90</p> <p>--- 1 Oct 13 thru 30 Sep 14 - \$150</p> <p>--- 1 Oct 14 thru 30 Sep 15 - \$200</p> <p>--- 30 Sep 15 thru 30 Sep 16 - \$275</p> <p>--- 1 Oct 16 thru 30 Sep 17 - \$310</p> <p>-- SSIA payments terminate FY 2018</p>	Will Impact

<sup>1</sup> In some instances, base commanders do authorize families to remain in government quarters beyond 365 days if circumstances warrant (i.e. allowing children to finish the school year).

### 4 SUPPORTING BENEFITS

#### 4.1 Base Exchange

The Navy Exchange Service Command (NEXCOM) is headquarters for the worldwide Navy Exchange System that oversees 107 Navy Exchange facilities and its 344 stores worldwide; 45 Navy Lodges; Ship's Stores; Uniform Program Management Office and Navy Family Support Programs. NEXCOM's mission is to provide authorized customers quality goods and services at a savings and to support quality of life programs for Active Duty military, Retirees, Reservists and their families. The Navy Exchange enterprise operates primarily with a non-appropriated fund (NAF) business instrumentality. Revenues generated are used to support Morale, Welfare, and Recreation (MWR) programs. \$2.5 billion in sales were generated in FY06 with over \$40 million in profits provided to Navy MWR programs. Go to <https://www.navy-nex.com/> for more information.

#### 4.2 Morale Welfare and Recreation (MWR)/Base Services

Installation services programs provide conveniently located, low-cost, professionally managed activities

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and entertainment. Programs include:

- Golf course
- Auto hobby shop
- Community centers
- Enlisted Club
- Intramural sports
- Base Chapel
- Outdoor recreation
- Off-base recreation areas through Information, Ticket and Tours.
- Child development center
- Skills development center
- Swimming pool
- Library
- Bowling center
- Youth centers
- Discounts on special events

For more information see <http://www.mwr.navy.mil/>.

### 4.3 Child Care/Youth Programs

A comprehensive child and youth care and recreational program is provided at installations worldwide. Professional, accredited staff provide state-of-the-art support for all children, including child care, child development and recreational services, and school liaison support for the mobile military families. Contact any Child Development Center or Youth Center for more information on the variety of programs and services to support military families worldwide.

Child Care guiding principles and commitment to the members of the uniformed services:

- Accessibility - Navy supports Service members and families with 227 facilities and 3,000 Child Development Homes world-wide and accredited commercial partnership spaces throughout the continental United States
- Affordability – Navy is committed to the economic viability of military families, offering affordable care based on household income
- Quality - Navy Child and Youth programs are among the highest quality in the nation. Navy Child Development Centers are accredited with the National Association for the Education of Young Children (NAEYC). The Child Development Home Providers are certified by the Department of Defense, applicable state licensing agencies, and are currently accrediting with the National Association for Family Child Care (NAFCC). Navy before and after-school programs are currently accrediting with the National After School Alliance (NAA). And, the Youth programs are affiliated with the Boys and Girls Clubs of America (B&GCofA).
- Eligibility - Developmental child care and youth recreational programs are available to all Active Duty military, activated Reservists and guardsmen, DoD civilian personnel, and DoD contractors. Youth recreational programs are also available to military retirees and DoD civilian retirees.

For more information visit [www.cnmc.navy.mil/cyp](http://www.cnmc.navy.mil/cyp)

### 4.4 Commissary

The Defense Commissary Agency operates a worldwide chain of commissaries providing groceries to military personnel, retirees and their families in a safe and secure shopping environment. Authorized patrons purchase items at cost plus a 5-percent surcharge, which covers the costs of building new commissaries and modernizing existing ones. Shoppers save an average of more than 30 percent on their purchases compared to commercial prices—savings worth about \$3,000 annually for a family of four. A core military family support element, and a valued part of military pay and benefits, commissaries contribute to family readiness, enhance the quality of life for America's military and their families, and help recruit and retain the best and brightest men and women to serve their country. For more information see <http://www.commissaries.com>.

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## 4.5 Education

### 4.5.1 Montgomery GI Bill (MGIB): Title 38 USC, Chapter 30 Montgomery GI Bill Program (Active Duty)

The Montgomery GI Bill (Active Duty) Program provides education benefits to individuals who enter active duty for the first time after 30 June 1985, and received an honorable discharge. Active duty includes full time National Guard duty performed after 29 November 1989. The MGIB program provides up to 36 months of education benefits. This benefit may be used for degree and certificate programs, flight training, apprenticeship/on-the-job training and correspondence courses. Remedial, deficiency, and refresher courses may be approved under certain circumstances. Generally, benefits are payable for 10 years following release from active duty. This program is also commonly known as Chapter 30.

In order to receive the maximum benefit, the participant must meet certain prerequisites.

#### **You may be eligible if you:**

- Entered active duty for the "FIRST" time on or after 1 July 1985.
- Served 24 months on a 2-year enlistment or 36 months on a 3-year or greater enlistment.
- Receive a high school diploma, equivalency or the equivalent of 12 semester hours in a program leading to a college degree before applying for benefits.
- Did not dis-enroll from the program upon entry onto active duty.
- Contribute \$1200 into the MGIB fund.

NOTE: You must receive an "Honorable Discharge" to maintain your eligibility for educational benefits.

For more information see Veterans Administration website <http://www.gibill.va.gov/> and NPC website <http://www.npc.navy.mil/CareerInfo/Education/>.

### 4.5.2 Montgomery GI Bill-Selected Reserve (MGIB): Title 30 USC, Chapter 1606 Montgomery GI Bill-Selected Reserve Program (Selected Reserve)

The Montgomery GI Bill-Selected Reserve Program provides education benefits to individuals who are members of the Selected Reserve.

#### **You may be eligible if you:**

- Have a six-year obligation to serve in the Selected Reserve signed after June 30, 1985. If you are an officer, you must have agreed to serve six years in addition to your original obligation. For some types of training, it is necessary to have a six-year commitment that begins after September 30, 1990;
- Complete your initial active duty for training (IADT);
- Meet the requirement to receive a high school diploma or equivalency certificate before completing IADT. You may not use 12 hours toward a college degree to meet this requirement;
- Remain in good standing while serving in an active Selected Reserve unit.

For more information see Veterans Administration website <http://www.gibill.va.gov/> and NPC website <http://www.npc.navy.mil/CareerInfo/Education/>.



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### 4.5.3 Reserve Education Assistance Program (REAP): Title 30, United States Code, Chapter 1607 Reserve Education Assistance Program

REAP (Chapter 1607) is a Department of Defense/VA education benefit program designed to provide educational assistance to members of the Reserve components called or ordered to active duty in response to a war or national emergency (contingency operation)\* as declared by the President or Congress.

#### **You may be eligible if you:**

- Are a member of a **Reserve component** who served on active duty on or after September 11, 2001 under title 10 of the U.S. Code for a contingency operation and who serves at least 90 consecutive days or more is eligible for benefits provided under chapter 1607.

For more information see Veterans Administration website <http://www.gibill.va.gov/> and NPC website <http://www.npc.navy.mil/CareerInfo/Education/>.

### 4.5.4 Post-9/11 GI Bill, Title 38, United States Code , Chapter 33

Members of the Armed Forces (Active Duty and Selected Reserves) who served at least 90 days and up to 36 months of qualifying active duty time after 11 Sept 2001, are eligible for Post 9/11 GI Bill benefits. Benefits include payment of tuition and fees to the academic institution (capped at the state level), and for students attending college more than half time, BAH for E5 with dependents and up to \$1,000 per year for books and supplies. Members using the benefit while on active duty will not receive BAH or the book and supply stipend but will receive 100% of tuition and fees charged. Members with six years of service in the Armed Forces, who agree to serve an additional four years may transfer their benefit to a family member.

For more information visit the VA website: [www.gibill.va.gov](http://www.gibill.va.gov)

### 4.5.5 Tuition Assistance

Tuition Assistance (TA) is the Navy's primary educational financial assistance program. It provides Active Duty personnel and Selected Reserve enlisted personnel on active duty orders for over 120 days funding for tuition costs for courses that lead to an associates, bachelors or graduate degree, taken in an off-duty status at a college, university or vocational/technical institution, whose regional or national accreditation is recognized by the Department of Education. Courses must be offered in Semester Hours, or Quarter Hours. Navy Tuition Assistance pays up-front the tuition charged by educational institutions for course enrollments. Navy TA pays 100% of tuition costs for courses applicable to the completion of high school diploma or equivalency certificate. For other education levels, there is a fiscal year credit limit of 16 Semester Hours, or 24 Quarter Hours per individual. Other restrictions apply to the use of TA to include satisfactory complete of most recent PFA, successful completion of most recent advancement exam, recommendation for promotion or advancement, one year on board the first permanent duty station after completion of initial skills training. All participants must have an approved degree plan and only those courses that lead to degree accomplishment will be funded through TA. TA will fund only one degree at each educational level.

For more information see the Navy College Program website <https://www.navycollege.navy.mil/> and NPC website <http://www.npc.navy.mil/CareerInfo/Education/>.

### 4.5.6 Navy College Program for Afloat College Education (NCPACE)

NCPACE provides Sailors opportunity to experience challenging education while assigned to sea duty or remote locations. NCPACE covers 100 percent of the tuition costs and is not restricted by semester or

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quarter hour caps. Sailors pay for their own textbooks and other instructional materials. Restrictions to participation are the same for NCAPCE as they are for TA.

### 4.5.7 Defense Activity for Non-Traditional Education Support (DANTES)

DANTES provides Sailors the opportunity to take college level examinations (CLEP and DSST) at National Test Centers around the world. Initial exams may be taken at no cost to the Sailor. Retests must be funded by the individual. SAT, ACT, GRE and GMAT exams are also available at no cost to the Sailor.

For more information see the Navy College Program website <https://www.navycollege.navy.mil/> and NPC website <http://www.npc.navy.mil/CareerInfo/Education>

### 4.6 Fleet and Family Support Centers (FFSC)

The Fleet and Family Support Program (FFSP) provide unified, customer-focused, consistent, and efficient FFSP programs and services to support sustained mission and Navy readiness. FFSC provides the right services at the right time, to strengthen personal and family competencies to meet the unique challenges of the military lifestyle. This comprehensive program for Sailor and family readiness can be accessed through installation FFSC's, and is one of the benefits afforded the military members and their families. Programs include professional counseling services and a variety of life skills course to help with deployment readiness, career support and retention, and crisis response.

The Navy recognizes that frequent relocations can create career challenges for military spouses to assist spouses in obtaining employment and maintaining a career FFSC's offer workshops, career counseling, employment skill building, job referrals, and guidance on self employment.

FFSC transition assistance services provide separating and retiring service members and their families with the skills, tools, and self-confidence necessary to ensure successful reentry into the civilian work force. The Transition Assistance Program (required by federal law) is more than a four-day workshop, services include: Pre-Separation Counseling; Verification of Experience & Training; Post-Military Employment Preparation workshops; Veteran Benefits; Disability and Claims Assistance; One-on-One Assistance; Resume Assistance, Spouse Employment; Financial Counseling; Employer Networking and Job Fairs; and Relocation Assistance.

Stop by or call the nearest FFSC for additional information or to schedule an appointment, also visit us online at [www.ffsp.navy.mil](http://www.ffsp.navy.mil).

### 4.7 Navy and Marine Corps Relief Society

Founded in 1904, the Navy-Marine Corps Relief Society is a private non-profit charitable organization. It is sponsored by the Department of the Navy and operates nearly 250 offices ashore and afloat at Navy and Marine Corps bases throughout the world. The Society was incorporated in the District of Columbia and has its headquarters in Arlington, Virginia. It is managed by a Board of Directors whose members are Active Duty or Retired members of the Naval Services or spouses of Active Duty or Retired members of the Naval Services.

**The mission of the Navy-Marine Corps Relief Society is to provide, in partnership with the Navy and Marine Corps, financial, educational, and other assistance to members of the Naval Services of the United States, eligible family members, and survivors when in need; and to receive and manage funds to administer these programs.**

The Society provides financial assistance to eligible recipients in the form of:

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- Interest-free loans and grants to meet emergency needs
- Needs-based scholarships and interest-free loans for educational purposes.

In addition, the Society offers the following services:

- Budget Counseling Services
- Food Lockers at some locations
- Infant Layette - "junior seabags" and Budget for Baby Seminars
- Thrift Shops
- Visiting Nurse Services.

**Navy-Marine Corps Relief Society Vision: “We are a private, non-profit, volunteer, service organization. As a Center of Excellence, we are committed to ensure that all available resources are used to assist personnel of the Naval Services - active, retired, and their eligible family members - to achieve financial self-sufficiency and find solutions to emergency needs.”**

The Society can help Active duty and retired Navy and Marine Corps personnel:

- Eligible family members of the personnel listed above
- Eligible family members of Navy and Marine Corps personnel who died on active duty or in a retired status
- Reservists on extended active duty
- Indigent mothers (65 years or older) of deceased servicemembers who have limited resources and no family to provide for their welfare
- Ex-spouses who are considered "20-20-20" (unremarried former spouses whose marriage to a servicemember lasted for at least 20 years while the servicemember was on active duty)

More than 3,000 trained volunteers, both ashore and aboard ships, accomplish the major portion of the Society's work. They are supported by a small cadre of employees. The Society enjoys an active partnership with the Navy and Marine Corps and benefits extensively from the active involvement of the command structure at the bases where the Society maintains a presence. The commanders themselves, as well the senior enlisted leadership, chaplains, and family service center personnel, play an important role in the conduct of the Society's business.

Although sponsored by the Department of the Navy, the Society is a non-profit organization whose programs are totally funded by charitable contributions. The work of the Society is supported by an annual fund drive conducted by the Navy and Marine Corps, and by a direct mail campaign of the Navy and Marine Corps retired community. Both fund drives are conducted under the auspices of the Secretary of the Navy. All contributions are returned to clients in the form of relief or educational assistance. Overhead expenses are covered by proceeds from the Reserve Fund established during World War II.

Contributions to the Society are deductible under Section 170(b)(1)(a) of the IRS Code. The Society is exempt from Federal income tax under Section 501(c)(3) of the Code.

For more information visit <http://www.nmcrcs.org/about.html>.

### 4.8 Legal Assistance

The Navy JAG Corps provides legal assistance services, such as wills, power of attorney and help with consumer and family law to Active Duty Navy, Marine Corps and Coast Guard service members and their dependents, reservists on active duty for 30 days or more, and to retirees as resources permit. For more information and locations, see [http://www.jag.navy.mil/legal\\_services.htm](http://www.jag.navy.mil/legal_services.htm) or [http://www.jag.navy.mil/legal\\_services/nlso\\_map\\_global.htm](http://www.jag.navy.mil/legal_services/nlso_map_global.htm).

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### 4.9 Volunteer Income Tax Assistance (VITA) Program

The military also has a strong Volunteer Income Tax Assistance (VITA) Program. The Armed Forces Tax Council (AFTC) consists of the tax program coordinators for the Army, Air Force, Navy, Marine Corps, and Coast Guard. The AFTC oversees the operation of military tax programs worldwide and serves as the main conduit for outreach by the IRS to military personnel and their families.

Servicemembers and their families worldwide receive free tax preparation assistance at offices within their installation. These VITA sites provide free tax advice, tax preparation, and assistance to military members and their families. They are trained and equipped to address military specific tax issues, such as combat zone tax benefits (<http://www.irs.gov/newsroom/article/0,,id=107467,00.html>) and the effect of the new Earned Income Tax Credit (EITC) guidelines (<http://www.irs.gov/individuals/military/article/0,,id=118866,00.html>).

Commanders support the program by allowing command members to volunteer at tax centers, or by detailing service members on a TAD basis to prepare returns and by providing space and equipment for tax centers. The IRS supports these efforts by providing tax software and by training service members to prepare taxes at the military sites.

Most service members file their tax returns electronically at their tax centers and, by selecting direct deposit, receive their refunds in as little as one week. This combined effort ensures that service members receive free tax assistance from well-trained and equipped military tax preparers.

Contact your local Navy legal office for more information.

### 4.10 Space Available Travel

Active Duty members are eligible for travel aboard military aircraft worldwide. Retired members may fly anywhere DoD has flights operating, including the CONUS. Reserve members may fly to, from, and between Alaska, Hawaii, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the CONUS. Additionally, when on active duty, members may fly anywhere overseas that DoD has flights operating. Except Environmental and Morale Leave (EML), Emergency Travel, and Command Sponsored Category V, family members must be accompanied by the sponsor to fly Space A. Family members may also travel to/from and between overseas locations

Space available passengers travel only after all duty cargo and passengers have been accommodated. Travelers are assigned a category (1-6) upon registering for travel and compete for seats within categories based on the date and time of registration.

For additional information visit the Air Mobility Command website section on <http://www.amc.af.mil/questions/> and click on the link for Space Available Travel.

### 4.11 VA Home Loans

The main purpose of the VA home loan program is to help veterans finance the purchase of homes with favorable loan terms and at a rate of interest which is usually lower than the rate charged on other types of mortgage loans. For VA housing loan purposes, the term "veteran" includes certain members of the Selected Reserve, Active Duty service personnel and certain categories of spouses.

VA guaranteed loans are made by private lenders, such as banks, savings & loans, or mortgage companies to eligible veterans for the purchase of a home **which must be for their own personal occupancy**. To get a loan, a veteran must apply to a lender. If the loan is approved, VA will

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guarantee a portion of it to the lender. This guaranty protects the lender against loss up to the amount guaranteed and allows a veteran to obtain favorable financing terms.

### VA Loans Offer the Following Important Features:

- Equal opportunity for all qualified veterans to obtain a VA loan.
- No down payment (unless required by the lender or the purchase price is more than the reasonable value of the property).
- Buyer informed of reasonable value.
- Negotiable interest rate.
- Ability to finance the VA funding fee (plus reduced funding fees with a down payment of at least 5% and exemption for veterans receiving VA compensation).
- Closing costs are comparable with other financing types (and may be lower).
- No mortgage insurance premiums.
- An assumable mortgage.
- Right to prepay without penalty. VA assistance to veteran borrowers in default due to temporary financial difficulty.

Information on eligibility for home loans through the Veterans Administration visit the website

<http://www.homeloans.va.gov/>.

### 4.12 Homeowners Assistance Program

The Department of Defense (DOD) established the Homeowners Assistance Program (HAP) for eligible service members and federal civilians, including non-appropriated fund, employees. The program is authorized by law, and administered by the US Army Corps of Engineers (USACE) to assist eligible homeowners who face financial loss when selling their primary residence homes in areas where real estate values have declined because of a base closure or realignment announcement.

The American Recovery and Reinvestment Act of 2009 (ARRA) temporarily expands the HAP to assist service members and DOD employees who are wounded, injured or become ill when deployed, surviving spouses of service members or DOD employees killed or died of wounds while deployed, service member and civilian employees assigned to BRAC 05 organizations, and service members required to permanently relocate during the home mortgage crisis. HAP expanded eligibility has been established in the following priority order:

- a. Homeowners wounded, ill, or injured in the line of duty while deployed since September 11, 2001, who are relocating for additional medical treatment;
- b. Surviving spouse homeowners relocating within two years after the death of their spouse;
- c. Homeowners affected by the 2005 BRAC round, without the need to prove that a local housing market decline resulted from BRAC action, and;
- d. Service member homeowners who received Permanent Change of Station (PCS) orders dated on or after February 1, 2006 through December 31, 2009, for a PCS with a report-no-later-than date on or before February 28, 2010. The new duty station must be outside a 50-mile radius of the former duty station. These PCS order eligibility dates may be extended to September 30, 2012, based on future availability of funds.

Each of the four categories of personnel identified above has more specific eligibility requirements, which can be reviewed at the DoD HAP website. For information on how to apply for benefits under this program, go to <http://hap.usace.army.mil/>.

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### 4.13 Chaplains

Navy Chaplains serve all service members and their families, not just individuals or groups belonging to specific religious denominations. Chaplains are authorized representatives of a broad range of religious faith groups. They conduct divine services, officiate at command functions, and perform ceremonies such as weddings and funerals. They also facilitate the religious ministry requirements of faith groups other than their own. In addition to providing and facilitating religious ministry, Chaplains are essential members of the family support team in concert with the command, ombudsman, family readiness group and Fleet and Family Service Centers. Chaplains advise the command on critical issues while offering essential advice to other team members. Chaplains also provide liaison with fellow staff afloat and professionals ashore. Chaplains provide confidential care and are qualified to help Navy families find solutions to personal, family, marital, and spiritual dilemmas and are an excellent source of information for resources and referrals.

The Department of the Navy recognizes that religion can be as integral to a person's identity as one's race or sex (SECNAVINST 1730.8B). Therefore the Navy provides Chaplains and facilities to accommodate for the free exercise of religion. While serving in the Navy, service members and families are moved to locations, or deployed at sea or abroad, where provision of their specific faith tradition may be unavailable. Therefore, in order to meet the requirement for the free exercise of religion as set forth in the U.S. Constitution, Chaplains and facilities are made available where Sailors and their families can have their religious accommodation needs met.

General information on Chaplain Corps resources can be found at your local command or online at <http://chaplaincare.navy.mil>.