

How Service Members Can Stay Financially Fit During Deployment

Overview

Ways to stay financially fit before, during, and after a deployment.

- [Your deployment entitlements](#)
 - [Getting into a savings routine during deployment](#)
 - [Homecoming and overspending](#)
 - [Other resources](#)
-

Unusual expenses and special pays and entitlement before, during, and after a deployment can make it hard to budget. But if you take the time to make sure you understand your finances and plan your family's spending, you can stay financially fit during deployment. The following information can help.

[Return to the Top](#)

Your deployment entitlements

If you know and understand your deployment pays and entitlements, you'll be in a much better position to budget and to stay financially fit. Remember to use these extra pays wisely -- for instance, to pay down debt, and to save with the Savings Deposit Program available during combat deployments. And be sure to check with your unit's administrative section to confirm what you will be receiving.

If you're deployed for more than 30 days, you are eligible for certain entitlements. If it is a combat deployment, short or long, depending on your unit, you will receive other compensation for your hardships.

Here are the entitlements:

- Family Separation Allowance (FSA). This entitlement is given to any service member deployed away from their family for more than 30 days. Service members with dependents assigned away from their permanent duty station will receive this \$250 allowance every month.. It ends when you come home.
- Combat Zone Tax Exclusions. If you're receiving hostile fire pay because of assignment to a combat zone, the pay will be tax exempt. Although this means an additional amount in your paycheck, be mindful that this change in income may affect your taxes the following year.
- Hostile Fire/Imminent Danger Pays. Depending on where you're deployed, if you're eligible you may receive this pay of \$225 per month.
- Per Diem. This is money paid out for each day you're deployed if the deployment is longer than 30 days. This pay will usually show up when you get home.
- Hardship Duty Pay. This is a monthly payment for specific missions at full monthly rate whenever any part of the month is served fulfilling a specific mission.

If you're in a special operations or rapid deployment unit

In these types of units, where deployments can happen literally overnight, your entitlements can fluctuate quickly. Be careful not to overspend. The following tips can help you stay on track financially:

- Check your Leave and Earning Statements regularly. Go to <https://mypay.dfas.mil/mypay.aspx> or make sure that your spouse or another trusted family member checks your statements to make sure that you're receiving what you should be receiving.

- You may be entitled to other special duty pays. Your special duty pays, such as jump pay or other special pays, should continue during the deployment. Be sure to check on this each month.
- Be careful if you are accidentally overpaid. In some units, pay may change dramatically and quickly, so it's possible that you may be overpaid at some time. If this happens, be sure to report it to your administrative section. Don't spend the extra money until you have confirmed that it's truly yours. If there is an overpayment, the error will be noticed eventually and you will be required to pay back the extra amount. Depending on the circumstances, the repayment may be taken in a lump sum, or it may be taken over several paychecks.
- Live off of your usual financial plan. Don't think of extra pays as extra money. Save as much as possible and set up payments to pay down credit cards and debt.
- Before deployments, set up an automatic payment to special savings/or investments. Money you don't see is money you won't spend. Make sure your family member can view these accounts, and make sure your money is going to the right place.
- Make sure you always know how to handle the bills. With rapid deployments, it's especially important for you to make sure your trusted family member has a full understanding of all of your household bills and access to the necessary accounts. Make sure you:
 - Make a detailed list of your bills and when they are due.
 - Set up automatic allotments for any bill that is recurring, like car payments or mortgage payments.
 - Sign up for electronic bills if you will have Internet access.
 - Make sure your family knows if there are other bills that need to be handled differently.
- Through the deployment, if possible, keep in contact with your family member and make that sure your bills are being paid.
- Communicate with your family member before you leave. Make sure you agree on your budget, and make sure that you're honest about your expenses.

[Return to the Top](#)

Getting into a savings routine during deployment

Juggling bills during deployment can be nerve-racking. New expenses that can pop up before and during a deployment can make your finances seem unpredictable. These ideas can help you put things in order before you go:

- Sit down with your spouse or family member before you leave. Keep a list of all of your combined bills. Are any bills paid through automatic checking? Which ones need to have checks mailed out? Figure out when all bills are due. Also make sure that you have the necessary Powers of Attorney in place if your spouse has to make a purchase on your behalf. (Your Legal Assistance Office can help with this.)
- Don't overspend before the deployment. Make a budget for deployment spending. Be sure not to go overboard with electronics and equipment that you don't need.
- Keep an ongoing checklist of your bills. Have your family member keep a running list of dates when payments clear.
- Always keep some extra money in savings. Make sure you keep some extra savings for emergencies, even if it's just a few dollars from each paycheck. The Military Saves program at www.militarysaves.com can help you set savings goals, put them in writing, and stick to them.
- Live off of your pre-deployment income. Sometimes extra pays mean that you and your spouse will have more income than you did before your deployment, and may be tempted to spend more. If this is your situation, talk with your spouse about the importance of living off the usual pre-deployment combined income, and using extra income to pay down debt or to put more into savings.
- Don't overspend while you're deployed. In some deployment areas, you will have the opportunity to buy electronics, books, food, and specialty items, just like you do at home. Keep your bills at home in mind, and be careful not to overspend. Be sure to:
 - Make a budget for yourself before you go.
 - Set up a separate account for deployment spending. This way you're less likely to jeopardize your needs or your family's needs.

- Keep communication open with your spouse. Be honest about what you're spending.

Take advantage of extra savings during deployment

The Department of Defense (DoD) offers unique savings plans during deployment. If you take advantage of these higher-rate savings you can build a nice nest egg. Here are a few options:

- Savings Deposit Program. At a very high rate of 10 percent, this is an excellent option for service members deployed in a combat zone. It is only available during deployment. Go to <http://www.dfas.mil/militarymembers/payentitlements/sdp.html> to find out more. You can also talk to a financial advisor on your installation to learn about the program.
- Thrift Savings Plan (TSP). If you don't invest regularly in this DoD safety net, definitely do so during deployment. You're not likely to miss the money coming out every month and you'll enjoy the benefits later on. Go to the TSP site at www.tsp.gov for more information.
- Your Military Star Card offers special lower interest rates during deployment. Make sure you or your spouse contacts your Exchange Credit Services before the deployment. If you have other credit cards with a very high interest rate, look at the Servicemembers Civil Relief Act at www.defenselink.mil/specials/Relief_Act_Revision/ to see if you're eligible for reduced rates.

[Return to the Top](#)

Homecoming and overspending

Homecoming is an exciting time, and it can be tempting to overspend when you celebrate. So be careful -- otherwise you're likely to be paying the price for a long time. Here are some ways to keep your homecoming debt free:

- During the deployment, take some of your savings and set it aside for a special occasion. Even \$50 a month adds up.
- If you want to plan a vacation, go to your installation travel office for special post-deployment deals. Also, if you're going to a family resort, be sure to ask whether special rates are available for service members returning from deployment and their families.
- Shop at your installation Exchange and Commissary for post-deployment celebrations. The tax break and special sales can save you a bundle.
- Put some of your money where you can't get to it. If you have some extra money each month, ask your financial institution about the possibility of investing a small amount each month. This is your best option for "hiding" your money so you won't be tempted to spend it, and means that you'll have some extra cash later on.

[Return to the Top](#)

Other resources

Defense Finance and Accounting Services

www.dfas.mil

Everything you need to know about military finances.

Military Pay

www.military.com/benefits/military-pay

Understanding military pay and benefits.

Military Money

www.militarymoney.com

Strategies for keeping more money in your account, including tips on new resources and programs for service members and their families.

Your military support services

Each service branch sponsors information and support programs for service members and their families. You can call or visit any installation Army Community Service Center, Marine Corps Community Services, Fleet and Family Support Center, or Airman and Family Readiness Center regardless of your branch affiliation.

If you aren't near an installation, National Guard Family Assistance Centers are available in every state. The Local Community Resource Finder on the National Guard Family Program at www.jointservicesupport.org will identify your closest center.

Military OneSource

This free 24-hour service is available to all active duty, Guard, and Reserve members (regardless of activation status) and their families. Consultants provide information and make referrals on a wide range of issues, including help with issues related to transitioning from the military. Free face-to-face counseling sessions (and their equivalent by phone or online) are also available. Call 1-800-342-9647 or go to www.MilitaryOneSource.com to learn more.

[Return to the Top](#)

no data found