

**SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 7B, CHAPTER 29
“FORMER SPOUSE PAYMENTS FROM RETIRED PAY”**

All changes are denoted by blue font

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

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

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
290215	Added the definition of notarized statements.	Add
290219	Edited the standard retired pay multiplier definition.	Update
290405	Added “Conditional Preapproval” conditions.	Add
290503	Added a requirement to notify the member when former spouse payments are established.	Add
290608	Retired pay hypothetical awards edited for clarity.	Update
290611	Retired pay conflicting awards edited for clarity.	Update
290612	Added the requirement to implement court orders modifying retired pay awards.	Add
290902	Clarified Cost of Living Allowance adjustments.	Update

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CHAPTER 29

FORMER SPOUSE PAYMENTS FROM RETIRED PAY2901 **PURPOSE**

This chapter explains how a former spouse can apply for payments from a military member's military retired pay and how the former spouse's payments will be administered.

2902 **DEFINITIONS**

290201. **Alimony.** Alimony is a legal obligation where a member is ordered to pay an amount for the support and maintenance of a spouse or former spouse. This definition includes attorney's fees, interest, and court costs. Alimony does not include child support, property settlement, equitable distribution of property, or any other division of property.

290202. **Child Support.** Child support is a legal obligation where a member is ordered to pay an amount for the support and maintenance of a child. This definition includes costs for health care, arrearages, attorney's fees, interest, penalties, and other related relief.

290203. **Court.** Court means any court of competent jurisdiction of any state (in the United States), the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands and any court of the United States, as defined in **[Title 28, United States Code \(U.S.C.\), section 451](#)**. Court also includes a court of a foreign country with which the United States has an agreement requiring the United States to honor any court order of such country.

290204. **Court Order.** Court order means a final decree of divorce, dissolution, annulment, or legal separation issued by a court, or a property settlement incorporated into such an order. Court order also includes orders issued incident to a divorce, such as an order dividing military retired pay or a qualified domestic relations order (QDRO) that divides military retired pay. (NOTE: A QDRO is not required but will be accepted.) A court order also includes a support order as defined in section 453(p) of the Social Security Act (**[Title 42 U.S.C section 653\(p\)](#)**).

290205. **Creditable Service.** Creditable service means **[years and full months of military service creditable for the purpose of computing a member's retired pay entitlement. See Title 10, U.S.C. section 1405, Chapter 1, subchapter 0103, and see Chapter 3, subparagraph 030101.B.1.](#)** of this volume.

290206. **Designated Agent.** Designated agent is the agent authorized to review applications for direct payment made under this Regulation. See paragraph 290403 for specific designations.

290207. **Disposable Retired Pay.** Disposable retired pay is defined in paragraph 290701.

290208. Entitlement. Entitlement is the legal right of a military member to receive military retired pay. [As used in this chapter, the term refers to members who actually receive retired pay rather than those who qualify by completing the required years of service.](#)

290209. Final Decree. A final decree is an order from which no appeal may be taken or from which no appeal has been taken within the time allowed for taking such appeals under the laws applicable to such appeals, or a decree from which timely appeal has been taken and such appeal has been finally decided under the laws applicable to such appeals.

290210. Former Spouse. Former spouse is the former husband or wife, or if the parties are legally separated, the current husband or wife, of a military member.

290211. Formula Award

A. For members [qualifying for an active duty \(i.e., regular service\) retirement](#), a formula award is an award expressed in terms of a marital or coverture fraction, where the numerator is the number of months the parties were married while the member was performing creditable military service and the denominator is the number of months of the member's total creditable military service.

B. For members [qualifying for a reserve \(i.e., non-regular service\) retirement](#), the fraction must be expressed in Reserve points rather than months, i.e., the numerator is the Reserve points earned during the months the parties were married while the member was in the Reserves.

290212. Garnishment Order. A garnishment order is an order directing an employer to issue payments from a member's pay to satisfy a legal obligation for child support, alimony, or division of property other than a division of military retired pay.

290213. Hypothetical Retired Pay Award. Hypothetical retired pay award is an award based on a percentage of a retired pay amount calculated using variables different from the member's actual retirement variables. This retired pay amount is called the member's hypothetical retired pay. It is usually calculated as if the member had retired at the time the court divided the member's military retired pay. Thus, the former spouse does not benefit from the member's pay increases due to promotions or increased service time after the divorce.

290214. Member. Member is an individual who is on active duty, who is a reservist, or who is retired from military service.

* 290215. Notarized Statements. [Notarized statements may be used only to clarify retired pay awards that are defective because they cannot be computed. A notarized statement signed by both parties may be used to clarify a defective retired pay award in lieu of a clarifying court order. A notarized statement may be used with formula awards and hypothetical awards if both parties can agree what formula award should be used, what hypothetical award should be used, what missing element\(s\) should be included, or what percentage or fixed amount should be used. Notarized statements may not be used to modify awards that can be computed.](#)

290216. Renounced Pay. Renounced pay is military retired pay to which a member is entitled, but which the member has waived receipt.

290217. Retired Pay. Retired pay is the statutory entitlement due a member based on conditions of the retirement law, pay grade, years of service, and the date of retirement. Retired pay includes “retainer pay.”

290218. Retired Pay Award. Retired pay award is a portion of **disposable** military retired pay awarded to a former spouse or current spouse as a property division.

* 290219. Standard Retired Pay Multiplier. The standard retired pay multiplier used to compute retired pay is the product of two and one-half percent and the member’s years of creditable service. See Chapter 3, subparagraph 030101.B.1., of this volume.

290220. USFSPA. USFSPA is the Uniformed Services Former Spouses’ Protection Act. Public Law 97-252, enacted on September 8, 1982, states that the section of Title 10 addressing former spouse protection, may be cited as the "Uniformed Services Former Spouses' Protection Act." Therefore, USFSPA is used throughout this chapter and refers to the provisions of Title 10, USC, section 1408.

2903 AWARDS THAT CAN BE COLLECTED UNDER THE USFSPA

290301. Child Support. A former spouse can collect child support if there is a court order that awards child support, and the former spouse and military member have ever been married to each other.

290302. Child Support Arrearages. To collect child support arrearages, a former spouse must submit a recent court order that lists the total arrearages. The order cannot be older than two years from the date the Defense Finance and Accounting Service (DFAS) receives it.

290303. Alimony. A former spouse can collect current alimony under the USFSPA, but not alimony arrearages.

290304. Retired Pay Award. A former spouse can collect current retired pay award payments, but not retired pay award arrearages.

290305. Property Other Than a Division of Retired Pay. A former spouse can collect a property division, other than a retired pay award, by garnishment if the order awards it to the former spouse and if the former spouse was also awarded alimony, child support, or a division of retired pay. See subparagraph 290401.B for more information.

2904 APPLICATION BY FORMER SPOUSE

290401. Application Process

A. The former spouse must submit a completed DD Form 2293 (Request for Former Spouse Payments From Retired Pay) and a copy of the court order awarding alimony, child support, or military retired pay. A court order for child support arrearages cannot be older than 2 years from the date the designated agent receives it. The court order must be certified by the clerk of the court that issued the order.

B. If the former spouse is applying for a property division other than a retired pay award, then the former spouse must submit a garnishment order in addition to the DD Form 2293 and the court order.

C. The former spouse may mail the application to the appropriate designated agent given in paragraph 290403, or may fax it if a fax number is provided. Please read the instructions and certification on the DD Form 2293 carefully.

290402. Additional Documentation. A former spouse may need to provide additional documentation if the designated agent cannot determine whether the former spouse is eligible for USFSPA payments based solely on the DD Form 2293 and the court order.

290403. Where to Send an Application for USFSPA Payments. The former spouse should send all application documents to the following designated agent for the appropriate Uniformed Service:

A. Army, Navy, Air Force, Marine Corps.
DFAS-Cleveland Site
DFAS-HGA/CL
P.O. Box 998002
Cleveland, OH 44199-8002

Fax: 877-622-5930 or 216-522-6960

B. United States Coast Guard
Commanding Officer (L)
Pay and Personnel Center
444 Quincy Street
Topeka, KS 66683-3591

C. Public Health Service
Office of General Counsel
Department of Health and
Human Service, Room 5362
330 Independence Avenue, SW
Washington, D.C. 20201

D. National Oceanic and Atmospheric Administration
Submit to Coast Guard address

290404. When to Apply for USFSPA Payments. A former spouse may apply for payments anytime after the court has issued a court order enforceable under the USFSPA. Although payments won't start under the USFSPA until after the member becomes eligible to receive military retired pay, the designated agent can approve a former spouse's application prior to that, and retain the application pending the member's retirement.

* 290405. Conditional Preapproval

A. If the former spouse applies prior to the member's receiving retired pay, the designated agent will perform a legal review of the application, and may conditionally approve it based on information available at the time of the review concerning the member's duty status (active or reserve).

B. At the time the member begins to receive retired pay, the designated agent will perform a second review prior to establishing the former spouse's direct payments. If the former spouse's award was based on a formula or hypothetical retired pay amount, and the member's duty status has changed since the initial legal review, it may be necessary to reject the application, and require the former spouse to submit a clarifying order or notarized agreement providing the necessary information. (Note: See paragraph 290607 concerning formula awards, and paragraph 290608 concerning hypothetical retired pay awards.)

2905 NOTICE

290501. Notification to Former Spouse of Approval or Disapproval of an Application. Within 30 days of the date of receipt of a former spouse's application, the designated agent will notify the former spouse if his or her application has been approved or disapproved. If approved, then the designated agent will state the month the former spouse's payments will tentatively begin. If the designated agent cannot approve the application, then the notice will include an explanation regarding the reason(s) why.

290502. Notification to the Member of Approval of an Application. If a former spouse's application is approved, the designated agent will notify the member affected within 30 days of the date of receipt of the application. The member will not be notified if the application is not approved.

* 290503. Notification to the Member When Former Spouse's Payments Begin. If the designated agent notified the member as part of a conditional preapproval more than 90 days prior to the member's becoming entitled to receive retired pay, the designated agent will provide a second notice to the member when the designated agent establishes the former spouse's payments at the time the member begins to receive retired pay.

290504. Contents of Notice to Member

A. The notice will explain that payments issued under the USFSPA cannot exceed 50 percent of the member's disposable retired pay, and will contain the month that the payments will tentatively begin.

B. The notice will inform the member that he/she must notify the designated agent if the court order has been amended, superseded, or set aside.

C. The notice will inform the member that if he/she submits information in response to this notice, he/she consents to the disclosure of that information.

D. The notice will include a copy of the court order.

E. The notice will advise that the member's failure to respond within 30 days of the date that the notification is mailed may result in the payment of retired pay as set out in the notice to the member.

290505. How to Prevent the USFSPA Payments from Starting. The member must provide documentary evidence that a former spouse's court order is legally defective or has been appealed, amended, or set aside. If the designated agent determines that the documentary evidence is sufficient to bar payments to a former spouse, then the designated agent will not start the payments. The designated agent will then inform the former spouse that payments will not start, and provide copies of the documentary evidence to the former spouse.

2906 COURT ORDERS

290601. Contents of Court Order

A. The court order must be regular on its face. This means that a court of competent jurisdiction issued the order and nothing on its face provides reasonable notice that it was issued without authority of law.

B. The court order must award former spouse alimony, child support, or a retired pay award.

C. If the order contains a retired pay award, then that award must be expressed as a fixed dollar amount or as a percentage. A retired pay award expressed as percentage will automatically receive a proportionate share of the member's cost-of-living adjustments, while one expressed as a fixed amount will not.

D. The designated agent will construe all percentage awards (such as a percentage of gross retired pay) as a percentage of disposable retired pay, regardless of the language in the order.

E. If the former spouse and the member were divorced before the member became **entitled** to receive military retired pay, then the retired pay award may be expressed as a formula or hypothetical **retired pay** award in accordance with paragraphs 290607 and 290608.

290602. Divorces Finalized While the Member is Still on Active Duty

A. For court orders issued prior to December 19, 2003, the court order must show that the member's rights under the *Soldiers' and Sailors' Civil Relief Act of 1940* (50 U.S.C. Appendix § 501 et. seq.) were complied with.

B. For court orders issued on or after December 19, 2003, the court order must show that the member's rights under the *Servicemembers Civil Relief Act* (50 U.S.C. Appendix § 501 et. seq.) were complied with.

290603. Qualified Domestic Relations Orders. There is no requirement in the USFSPA that a former spouse submit a qualified domestic relations order, but the designated agent will accept one if it is submitted and if it meets the requirements of the USFSPA.

290604. Requirements That Apply to a Retired Pay Award But Do Not Apply to Enforcement of Child Support or Alimony Obligations

A. In the case of a retired pay award, the designated agent must be able to determine from the application that the court dividing military retired pay had jurisdiction over the member by reason of one of the following:

1. The member resided in the territorial jurisdiction of the court at the time of the legal proceeding due to other than military assignment;

2. The **court finds that** member's domicile was in the territorial jurisdiction of the court at the time of the legal proceeding; or

3. The member consented to the jurisdiction of the court. If the court does not specifically state in the court order that the member consented to the court's jurisdiction, it will be assumed that the member consented if he or she participated in the legal proceedings in any way.

B. Also, in the case of a retired pay award, the designated agent must be able to determine from the application that the former spouse and the member were married for at least 10 years during which the member performed 10 years or more of creditable military service (the "10/10" requirement). There is no "10/10" requirement for payment of alimony or child support awards under the USFSPA.

290605. State Law Jurisdiction. The satisfaction of state law jurisdictional requirements is not sufficient alone to satisfy the additional jurisdictional requirement stated in paragraph 290604. If the court states that it has USFSPA jurisdiction, then it must state the basis for the finding, i.e., member's residence, member's domicile or member's consent.

290606. Member's Consent to a Separation Agreement. If the member signed a separation agreement, then the designated agent will presume that the member consented to the jurisdiction of any court that at any time incorporates the agreement into a court order.

290607. Acceptable Formula Awards

A. The method of calculating the formula must be set forth in the court order.

B. For members [qualifying for an active duty \(i.e., regular service\) retirement](#), the numerator of the fraction expressed in terms of whole months of marriage during military service must be provided in the court order. For members [qualifying for a reserve \(i.e., non-regular service\) retirement](#), retiring from Reserve duty, the numerator expressed in terms of Reserve retirement points earned during the marriage must be provided in the court order. If the numerator is not provided in the court order, then either the court will have to clarify the award or the parties will have to agree on the numerator and provide it to the designated agent in a notarized statement signed by both parties. See the sample Military Retired Pay Division Order (Appendix A) for examples of acceptable formula award language.

C. The designated agent will provide the denominator. For members [qualifying for an active duty retirement](#), this will be the member's total months of [credible service](#). Any days or partial months of service will be dropped. For members qualifying for a reserve retirement, this will be the member's total Reserve retirement points. All [percentages derived from formulas](#) will be carried out to 4 decimal places. See Appendix A (Figure 1) for examples of acceptable formula award language.

D. Example: The court order awarded the former spouse a percentage of the member's disposable retired pay calculated by multiplying $\frac{1}{2}$ times a fraction, where the numerator is 144 months of marriage during military service, and the denominator is the member's total months of active duty service. The member later retired after 20 years (or 240 months) of service. The former spouse's award is 30.0000 percent of the member's disposable retired pay ($\frac{1}{2} \times \frac{144}{240}$).

* 290608. Acceptable Hypothetical Retired Pay Awards

A. [A hypothetical retired pay award is a percentage of a retired pay amount calculated using the standard method to compute retired pay, but using variables different from those used to calculate the member's actual retired pay. It is usually calculated as if the member had become entitled to receive retired pay at the time the court divided the member's retired pay.](#)

B. [To calculate a hypothetical retired pay award, the designated agent must first calculate the hypothetical retired pay amount. The hypothetical retired pay amount is calculated by multiplying the hypothetical retired pay multiplier times the hypothetical retired pay base. See \[Chapter 3, paragraph 030101\]\(#\), of this volume. If the initial retired pay computation is not a multiple of \\$1, it is rounded down to the next lower multiple of \\$1. See Chapter 3, subparagraph 030109.A. of this volume.](#)

C. [Hypothetical retired pay multiplier.](#)

1. The [standard retired pay multiplier](#) is 2-1/2 percent times the member's years of creditable service. See Chapter 3, subparagraph 030101.B.1. of this volume.

In the case of a hypothetical retired pay award, the hypothetical retired pay multiplier is determined by multiplying 2-1/2 percent times the hypothetical years of creditable service provided in the court order. The resulting percentage is rounded to two decimal places. See [Chapter 3, subparagraph 030108.D.](#), of this volume.

2. A hypothetical retired pay award for a reservist must be expressed in terms of reserve retirement points rather than years of creditable service. The reserve retirement points are converted into years of creditable service by dividing the reserve retirement points on which the award is based by 360. The resultant figure is carried to three decimal places, and then rounded to two. See Chapter 3, subparagraph 030105.B. of this volume. This resultant figure is used to compute the hypothetical retired pay multiplier.

D. Retired Pay Base.

1. For members entering military service before September 8, 1980, the retired pay base is the member's basic pay at retirement. See Chapter 3, subparagraph 030101.A.1. of this volume. For these members, their hypothetical retired pay base would usually be their basic pay as of the hypothetical retirement date.

2. For members entering military service on or after September 8, 1980, the retired pay base is the average of the member's highest 36 months of basic pay at retirement. See [Chapter 3, subparagraph 030101.A.2.](#), of this volume. For these members, their hypothetical retired pay base would usually be their average basic pay for the most recent 36 months prior to the hypothetical retirement date.

E. Required Variables. In order to enable the designated agent to calculate the hypothetical retired pay amount, the court order must provide:

1. The percentage the former spouse was awarded;
2. The hypothetical years of creditable service, or, in the case of a reservist, the reserve retirement points on which the hypothetical retired pay is to be based;
3. The hypothetical retired pay base. In the case of members entering military service before September 8, 1980, the court order may provide either the member's hypothetical retired pay base or the member's hypothetical rank and years of service for basic pay purposes; and
4. The hypothetical retirement date.

F. If the court intends that the hypothetical retired pay be calculated based on the pay tables in effect at the time the member becomes entitled to receive military retired pay, then the designated agent will use the basic pay for the hypothetical rank and years of service as the retired pay base. The court order must provide:

1. The percentage the former spouse is awarded;

2. The hypothetical years of creditable service, or, in the case of a reservist, the reserve retirement points on which the hypothetical retired pay is to be based and the member's years of service for basic pay purposes;

3. The member's hypothetical rank; and

4. A statement that the calculation is to be made as of the member's actual retirement date.

G. If the award language is missing any necessary variables, then either the court will have to clarify the award or the parties will have to agree on any missing variables and provide them to the designated agent in a notarized statement signed by both parties. See the sample [Military Retired Pay Division Order \(Appendix A\)](#) for examples of acceptable hypothetical retired pay award language.

H. All percentage hypothetical retired pay awards will be converted into a percentage of a member's actual disposable retired pay according to the following procedure:

Example: The court order awarded the former spouse 50 percent of the disposable retired pay the member would have received had the member retired with 17 years of creditable service, a retired pay base of \$2,200.00 per month, and a hypothetical retirement date of June 1, 1999. The member actually retired on June 1, 2002, with 20 years of creditable service, a retired pay base of \$2,400.00 per month, and an initial gross retired pay of \$1,200.00 per month ($.025 \times 20 = .50$; $.50 \times \$2,400.00 = \$1,200.00$).

1. First, the designated agent will calculate the member's hypothetical retired pay multiplier, which in this example is $.425$ ($.025 \times 17$).

2. Next, the designated agent will calculate the hypothetical retired pay amount, which in this example is \$935.00 per month ($.425 \times \$2,200.00$).

3. Then, the designated agent will apply retired pay cost-of-living adjustments (COLAs) to the hypothetical retired pay amount from the hypothetical retirement date to the date the member became eligible to receive retired pay, unless the court order directs otherwise.

a. This calculation will determine the present value of the hypothetical retired pay as of the member's actual retirement date. In this case, if the member had become eligible to receive retired pay on June 1, 1999, his hypothetical retirement date, then his hypothetical retired pay would have been \$1,008 per month on June 1, 2002, his actual retirement date.

b. In this example, the COLAs would be as follows: Note cents are dropped. (See [Chapter 8, subparagraph 080313.B.](#) of this volume.)

12/1/1999	1.7%	$\$935.00 \times 1.017 = \$ 950.00$
12/1/2000	3.5%	$\$950.00 \times 1.035 = \$ 983.00$

$$12/1/2001 \quad 2.6\% \quad \$983.00 \times 1.026 = \$1,008.00$$

4. Finally, the designated agent will convert the former spouse's percentage of hypothetical retired pay to a percentage of the member's actual disposable retired pay as follows:

$$50\% \times \$1,008.00/\$1,200.00 = 42\%.$$

This is the percentage the designated agent will establish in the retired pay system.

I. The military retired pay of a post-July 1986 member who has accepted a Career Status Bonus (CSB) is calculated using a reduced multiplier. See Chapter 3, subparagraph 030101.B.2. of this volume. However, the CSB member's hypothetical retired pay will be calculated using the standard multiplier. The CSB member's retired pay will be recomputed using a standard multiplier effective the first day of the month after the member attains age 62. The former spouse's percentage will also be adjusted at the same time in accordance with subparagraph 290608.F.4. using the member's recomputed retired pay in the denominator of the conversion fraction.

290609. Decrees of Divorce, Dissolution, Annulment, or Legal Separation Issued Before June 26, 1981 That Did Not Divide the Member's Military Retired Pay. Any court order that contains a retired pay award, which was issued before June 26, 1981 will be honored if it otherwise satisfies the requirements and conditions shown in this chapter. If the pre-June 26, 1981, decree or property settlement incident to the decree did not divide the member's military retired pay, and did not reserve jurisdiction to divide it, then we cannot honor an application for payment based on an order issued on or after June 26, 1981, dividing retired pay as property.

290610. Survivor Benefit Plan (SBP) Premium. Pursuant to [10 U.S.C. 1452](#), the SBP premium must be deducted from the member's retired pay. The SBP premium cannot be deducted from the former spouse's portion of the member's retired pay. Any provision in a court order stating that the premium should be deducted from the former spouse's portion is unenforceable. The former spouse and the member will have to work out this issue between them.

* 290611. Conflicting Retired Pay Awards

A. If the designated agent is served with court orders issued by different jurisdictions which contain conflicting retired pay awards, the designated agent will deduct an amount equal to the largest amount required to be paid to the former spouse by either order, but pay to the former spouse the least amount required to be paid. The designated agent will retain the difference until served with an order certified by the member and former spouse to be valid, and then pay the retained funds in accordance with the order.

B. If the designated agent is served with a court order containing conflicting retired pay award language within the same court order, then the designated agent will pay the

former spouse the lower award amount. If one of the parties disagrees with the amount being paid, that party must provide the designated agent with a new court order stating the correct amount.

* 290612. Court Orders Modifying Retired Pay Awards

A. If the designated agent is served with a court order modifying or clarifying a retired pay award, the designated agent will implement the order issued most recently. The order issued most recently supersedes all prior orders.

B. If the designated agent is served with a court order modifying or clarifying a retired pay award that was issued by a court of a State other than the State that issued the prior court order, the designated agent may implement the new order only if the court issuing this order had jurisdiction over both the member and former spouse in the manner specified in subparagraph 290604.A.

290613. Conditional Awards. The designated agent cannot honor a court order that makes the former spouse's payments conditional on the occurrence of some other event. There is no authority for the designated agent to ascertain whether a condition in a court order has been satisfied. The former spouse will need to obtain a modified court order without the condition.

290614. Awards of a Percentage of the Retired Pay Accrued by the Member During the Marriage. The designated agent cannot honor awards based on the value of what has accrued because military retired pay does not accrue over time. Military retired pay is not a pension. Rather, it is a statutory entitlement computed at the time the member retires and it is based on the member's rank and total years of service at the time of retirement.

290615. Awards of a Percentage of the Marital Portion. The designated agent cannot honor an award of a percentage of the marital portion of a member's retired pay unless the court order also provides instructions on how to calculate the marital portion, and all variables necessary for the calculation.

290616. Factual Errors in Court Orders. If a party submits documentary evidence that shows a factual error in a court order, this will not be sufficient to modify or stop payments being made pursuant to the court order. The party asserting the error must move the court to correct the order. The designated agent does not have the authority to correct errors in court orders.

2907 DISPOSABLE RETIRED PAY DEDUCTIONS

290701. Disposable Retired Pay. Disposable retired pay is defined by the USFSPA as a member's total monthly retired pay entitlement minus authorized deductions.

A. If the former spouse and member were divorced on or before February 2, 1991, then the USFSPA authorizes the following deductions:

1. Amounts owed to the United States.
2. Amounts withheld as Federal and State income tax withholding, consistent with the member's current actual tax liability.
3. Fines and forfeitures ordered by a court-martial.
4. Amounts waived in order to receive compensation under Titles 5 or 38 of the United States Code.
5. SBP premiums paid, but only if the former spouse applying for a retired pay award payment under the USFSPA is the beneficiary of the SBP.
6. The amount of retired pay for a member retired under Title 10, Chapter 61 computed based on percentage of disability.

B. If the former spouse and member were divorced on or after February 3, 1991, then the USFSPA authorizes the following deductions:

1. Amounts owed to the United States due to the overpayment of retired pay, or amounts required to be recouped due to the member's entitlement to retired pay.
2. Fines and forfeitures ordered by a court-martial.
3. Amounts waived in order to receive compensation under Titles 5 or 38 of the United States Code.
4. SBP premiums paid but only if the former spouse applying for a retired pay award payment under the USFSPA is the beneficiary of the SBP.
5. The amount of retired pay for a member retired under Title 10, Chapter 61 computed based on percentage of disability.

290702. Other Deductions Included in Court Order. If a court order directs the use of deductions other than those authorized above to compute the former spouse's award, then that provision of the court order is unenforceable. The designated agent will use only the deductions authorized above.

2908 STARTING PAYMENTS

290801. Starting Payments. If the former spouse's application is approved, then payments will start no later than 90 days after the date the designated agent received the former spouse's complete application, or no later than 90 days after the date the member becomes **entitled** to receive military retired pay, whichever is later.

290802. Timing of Payments. Payments will be issued in conformity with normal pay and disbursement cycles, which means payments will be issued monthly. Payments will be deducted from the month's pay and paid on the first business day of the following month. For example, a payment issued for the month of March would be sent at the beginning of April.

2909 PAYMENT AMOUNT

290901. Limitations

A. If the former spouse applies for payments under the USFSPA only, then the maximum amount a former spouse can receive is 50 percent of the member's disposable retired pay.

B. If the former spouse applies for payments under the USFSPA and there is also a garnishment order for support, then the maximum amount that can be paid toward both obligations is 65 percent of the member's disposable earnings calculated in accordance with [42 U.S.C. 659](#) (child and spousal support statute) and its implementing regulation.

C. For garnishments for property other than a retired pay award, the maximum amount payable is 25 percent of disposable earnings in accordance with [15 U.S.C. 1673](#).

* 290902. Cost-of-Living Adjustments. If a retired pay award is expressed as a percentage, then the former spouse [will automatically receive a proportionate share of the member's cost-of-living adjustments \(COLAs\) unless the court order states otherwise. Formula and hypothetical retired pay awards are considered a type of percentage award, and thus will automatically include a proportionate share of the member's COLAs.](#) If the retired pay award is a fixed amount, then COLAs cannot be added and the former spouse's payment will remain fixed.

290903. Offset of Former Spouse's Payment for Garnishment or Other Obligation. A former spouse's payment cannot be offset or garnished for any legal obligation, including child support owed to the member.

2910 PRIORITY OF PAYMENTS

291001. Multiple Awards. If a court order includes multiple types of awards to a former spouse, then the former spouse may designate the priority of payment. If the former spouse does not specify otherwise, then the designated agent will pay the retired pay award first, child support second, and spousal support third.

291002. Multiple Former Spouses. If the designated agent is served with applications from more than one former spouse, then the designated agent will honor the applications on a first-come, first-served basis.

291003. Garnishment Orders for Support and Applications Under the USFSPA. If the designated agent is served with both a garnishment for support and an application under the USFSPA, then the designated agent will pay whichever is served first. If the garnishment is served first and is payable directly to the former spouse, then the former spouse may reverse the priority of payments by instructing the designated agent to terminate deductions pursuant to the garnishment, and then later requesting that garnishment deductions be reestablished.

2911 STOPPING PAYMENTS

291101. Erroneous Payment Information From Former Spouse. The former spouse has a continuing duty to provide the designated agent with correct payment instructions. If a former spouse's payments are returned due to erroneous payment instructions (i.e., **invalid** address or incorrect account number for direct deposit payments), then the designated agent will send notice to the last known correspondence address that, unless new payment instructions are received within 30 days of the date of the notice, payments will stop. If the former spouse submits new payment instructions after the payments have terminated, then the designated agent will restart the payments on a current basis, and will not make up any missed payments.

291102. Termination and Suspension of Retired Pay Award Payments

A. Unless the court order specifies otherwise, payments will stop upon the designated agent's receipt of notice of the death of either party. Payments will be prorated for the month of the death of either party.

B. Unless the court order specifies otherwise, retired pay award payments will not stop upon the designated agent's receipt of notice of the former spouse's remarriage.

C. If the designated agent is served with an order staying payments, then the designated agent will stop the payments until served with an order indicating that the former spouse's payments are to resume.

D. If the designated agent has already started payments and is served with documentation showing that an appeal of the order has been filed within the forum State's appeal timeframe, then payments will stop. The designated agent will not recoup any payments already issued.

291103. Termination of Child Support Payments Under the USFSPA. Child support payments will stop in accordance with the provisions of the court order. If the court order is silent as to when the payments should stop, then payments will stop in accordance with the law of the State that issued the court order. The member has the burden of providing sufficient documentation to justify stopping payments on or before a child's age of majority. The former spouse has the burden of providing sufficient documentation to justify continuing payments after a child's age of majority.

291104. Termination of Alimony Payments Under the USFSPA. Alimony payments will stop in accordance with the provisions of the court order. If the court order is

silent as to when the payments should stop, then payments will stop in accordance with the law of the State that issued the court order. If the designated agent does not already have sufficient documentation to stop payments, then additional evidence such as a marriage certificate will be required.

291105. Payments and Bankruptcy. Absent a court order, there is no authority to stop a former spouse's retired pay award, current and arrearage payments toward child support, and current spousal support payments if a member files bankruptcy.

291106. Certification of Eligibility. The designated agent may request that a former spouse submit a signed certification of continued eligibility. The certificate of eligibility should include notice of a change in status or circumstance that affects eligibility, if any such change exists. If the former spouse fails or refuses to comply with the certification requirement, then the designated agent may stop the payments after notice to the former spouse.

2912 ADMINISTRATIVE APPEAL PROCESS

291201. If either party disagrees with a determination by the designated agent, then that party may request reconsideration by writing to the designated agent. If the party requesting reconsideration asserts that the designated agent has erroneously overpaid the other party, then the request for reconsideration will be considered a claim against the designated agent. An attorney will review the request and issue a decision in writing.

291202. If the party requesting reconsideration disagrees with the attorney's determination, then that party may submit an appeal to the designated agent, which must be received within 30 days of the date of the initial determination. The designated agent will forward the appeal to the Defense Office of Hearings and Appeals for their decision.

291203. Parties are referred to Department of Defense Instruction Number 1340.21 (available at <http://www.dtic.mil/whs/directives/corres/ins1.html>) for additional information concerning the submission of claims and appeals.

2913 LIABILITY

291301. Neither the United States nor any employee of the United States shall be liable regarding any payment made from retired pay to a retiree or former spouse pursuant to a court order that is regular on its face, if such payment is made in accordance with the USFSPA.

291302. If the designated agent processes a former spouse's application properly based on all documentation in its files at that time, then the designated agent is not liable for payments issued or missed.

291303. If the court order awarding child support or alimony appears on its face to conform with the laws of the jurisdiction from which it was issued, then the designated agent will not be required to ascertain whether the court had obtained personal jurisdiction over the member.

STATE OF _____
COUNTY OF _____

COURT OF _____
Case No. _____

Petitioner

MILITARY RETIRED PAY DIVISION ORDER

Respondent

This cause came before the undersigned judge upon the petitioner/respondent's claim for a distribution of the respondent/petitioner's military retired pay benefits. The court makes the following:

FINDINGS OF FACT:

1. The Petitioner's Social Security Number is _____ and current address is _____.
2. The Respondent's Social Security Number is _____ and current address is _____.
3. The Parties were married on _____. Their marital status was terminated on _____ pursuant to a(n) _____ entered in _____ County, State of _____. This current order is entered incident to the aforementioned order.
4. The parties were married for a period of ten or more years during which time the Petitioner/Respondent performed at least ten years of **service** creditable for retirement eligibility purposes.
5. If the military member was on active duty at the time of this order, Respondent/Petitioner's rights under the Servicemembers' Civil Relief Act, 50 U.S.C App. 501-548 and 560-591, have been observed and honored.
6. This court has jurisdiction over the Respondent/Petitioner by reason of [choose those that apply] (A) his or her residence, other than because of military assignment, in the territorial jurisdiction of the court, during the [divorce, dissolution, annulment, or legal separation] proceeding, (B) his or her domicile in the territorial jurisdiction of the court during the [divorce, dissolution, annulment, or legal separation] proceeding, or (C) his or her consent to the jurisdiction of the court.

CONCLUSIONS OF LAW:

1. This court has jurisdiction over the subject matter of this action and the parties hereto.
2. Petitioner/Respondent is entitled to a portion of Respondent/Petitioner's United States military retired pay as set forth herein.

Figure 1. Appendix A

IT IS THEREFORE ORDERED THAT:

[Choose and complete one of the following. Please note that all awards expressed as a percentage of disposable retired pay, including hypothetical awards, will automatically include a proportionate share of the member's cost-of-living adjustments (COLAs) unless this order states otherwise. Also, hypothetical retired pay amounts will be adjusted for all retired pay COLAS from the hypothetical retirement date to the member's actual retirement date, unless this order states otherwise.]

[Retired member] **“The former spouse is awarded ___ percent [or dollar amount] of the member’s disposable military retired pay.”**

[Active duty formula] **“The former spouse is awarded a percentage of the member’s disposable military retired pay, to be computed by multiplying 50% times a fraction, the numerator of which is _____ months of marriage during the member’s creditable military service, divided by the member’s total number of months of creditable military service.”**

[Reservist formula] **“The former spouse is awarded a percentage of the member’s disposable military retired pay, to be computed by multiplying 50% times a fraction, the numerator of which is _____ Reserve retirement points earned during the period of the marriage, divided by the member’s total number of Reserve retirement points earned.”**

[Active duty hypothetical calculated as of time of division, for all members regardless of service entry date] **“The former spouse is awarded _____% of the disposable military retired pay the member would have received had the member retired with a retired pay base of _____ and with _____ years of creditable service on _____.”**

[Active duty hypothetical calculated as of time of division; may only be used for members entering service before 9/1/80] **“The former spouse is awarded _____% of the disposable military retired pay the member would have received had the member retired with the rank of _____ and with _____ years of creditable service on _____.”**

[Active duty hypothetical calculated as of member’s actual retirement date] **“The former spouse is awarded _____% of the disposable military retired pay the member would have received had the member retired on his actual retirement date with the rank of _____ and with _____ years of creditable service.”**

[Reservist hypothetical calculated as of time of division, for all members regardless of service entry date] **“The former spouse is awarded _____% of the disposable military retired pay the member would have received had the member become eligible to receive military retired pay with a retired pay base of _____ and with _____ Reserve retirement points on _____.”**

[Reservist hypothetical calculated as of time of division; may be used for members entering service before 9/1/80] **“The former spouse is awarded _____% of the disposable military retired pay the member would have received had the member become eligible to receive retired pay on _____, with the rank of _____, with _____ Reserve retirement points, and with _____ years of service for basic pay purposes.”**

[Reservist hypothetical calculated as of the date the member becomes eligible to receive retired pay] **“The former spouse is awarded _____% of the disposable military retired pay the member would have received had the member become eligible to receive retired pay on the date he [or she] attained age 60, with the rank of _____, with _____ Reserve retirement points, and with _____ years of service for basic pay purposes.”**

This _____ day of _____, 200__.

JUDGE

Figure 1 (Continued)

BIBLIOGRAPHY

CHAPTER 29 – FORMER SPOUSE PAYMENTS FROM RETIRED PAY

Uniformed Service Former Spouses' Protection Act,
Title 10, United States Code, Section 1408

60 Fed. Reg. No. 66
April 6, 1995