

# DATA FOR PAYMENT OF RETIRED PERSONNEL

## PRIVACY ACT STATEMENT

**AUTHORITY:** 10 U.S. Code 1477 et seq (Survivor Benefit Plan), and E.O. 9397 (Social Security number).

**PRINCIPAL PURPOSE(S):** To collect information needed to establish a retired/retainer pay account.

**ROUTINE USE(S):** Information may be provided to the Internal Revenue Service to resolve matters relating to an individual's claim for tax withholding; to the Department of Justice or to state and local governments when a question of conflicting interest is raised concerning an individual's declaration; to the Department of Veterans Affairs (DVA) regarding establishments, changes, and discontinuing of DVA compensation to retirees and annuitants; and to the Office of Personnel Management when the matter of verifying the individual's certification of not being employed by another government agency is required.

**DISCLOSURE:** Voluntary; however, failure to furnish requested information will result in delays in initiating pay.

## INSTRUCTIONS

### GENERAL.

1. Read these instructions and Privacy Act Statement carefully **before completing the data form.**

2. The Defense Finance and Accounting Service (DFAS) - Cleveland will establish your retired/retainer pay account based on the data provided on the form and your retirement/transfer orders. Your personnel office, disbursing/finance office, and SBP Counselor

will assist you in the proper completion and submission of this form. You should maintain these instructions along with a copy of the form as a permanent record of pay data. Please complete the form by typing or printing in ink.

3. Ensure that you promptly advise DFAS - Cleveland of changes to your marital/family status and any changes to your correspondence address and direct deposit information (or your Reserve Component if a gray area retiree).

### SECTION I - PAY IDENTIFICATION.

ITEMS 1 and 2. Self-explanatory.

ITEM 3. If you are retiring from active duty, enter the date you transfer to the Fleet Reserve or date of retirement. If you are a Reserve member qualified to retire under 10 U.S. Code, Chapter 1223, enter either the date of your 60th birthday or, a later date on which you desire to begin receiving retired pay.

ITEMS 4 and 5. Self-explanatory.

ITEM 6. Enter the address and telephone number (include area code) where you can be contacted.

### SECTION II - DIRECT DEPOSIT/ELECTRONIC FUND TRANSFER INFORMATION.

This section must be completed. Your net retired/retainer pay must be sent to your financial institution by direct deposit/electronic fund transfer (DD/EFT).

ITEMS 7 through 10. If you are directing your retired pay to the same account number and financial institution to which you directed your active duty pay, annotate Items 7 through 10 "SAME AS ACTIVE DUTY". If you have a copy of the Direct Deposit Authorization form used to establish your DD/EFT for your active duty pay, attach a copy to this form.

If you are not currently on DD/EFT or are a Reservist, you must complete Items 7 through 10. Provide the nine digit Routing Transit Number (RTN) of your financial institution in Item 7. The RTN is the nine digit number located in the lower left-hand corner of either your checks or check deposit tickets. If you still are unable to obtain the RTN, you will have to contact your financial institution to which you want your retired/retainer pay directed and request the RTN. Also, indicate whether your account is (S) for Savings or (C) for Checking account in Item 8, your account number in Item 9, and your financial institution name and address in Item 10.

### SECTION III - SEPARATION PAYMENT INFORMATION.

ITEM 11. Complete if you are retiring from active duty or a member/former member of the Reserve Component not on active duty retiring at age 60.

11.a. through 11.c. Complete if you received any type of separation bonus. In Item 11.a, enter an X in the YES block. In Item 11.b., enter "SE" for Severance Pay, "SP" for Separation Pay, "VSI" for Voluntary Separation Incentive, and "SSB" for Special Separation Bonus. In Item 11.c., enter the lump-sum gross amount for Severance, Separation and Special Separation Bonus payments and the annual installment gross amount for Voluntary Separation Incentive payments. Be sure to attach a copy of the orders that authorized the payment and a copy of your DD Form 214.

### SECTION IV - MEMBER OF THE RESERVE COMPONENT.

ITEM 12. Complete if you are a member/former member of a Reserve Component, not on active duty, retiring at age 60.

### SECTION V - DESIGNATION OF BENEFICIARIES FOR UNPAID RETIRED PAY.

ITEM 13. Upon your death, 10 U.S. Code Section 2771 provides that any pay due and unpaid will be paid to the surviving person highest on the following list: (1) beneficiary(ies) designated in writing; (2) your spouse; (3) your children and their descendants, by representation; (4) your parents in equal parts, or if either is dead, the survivor; (5) the legal representative of your estate, and (6) person(s) entitled under the law of your domicile. Therefore, if you choose to designate a beneficiary or beneficiaries, you must complete Items 13.a. through 13.e. If you designate multiple beneficiaries, you can either provide a SHARE percentage to be paid to each person or leave the SHARE percentage blank. If you leave the SHARE percentage blank, any retired pay you are owed when you die will be divided equally among your designated beneficiaries. If you list more than one person with a 100% SHARE, the beneficiaries will be paid in the order as you list them on the form. If, for example, you designate two beneficiaries, then the SHARE percentage must either be 100% for each beneficiary, or the SHARE percentages when added together must equal 100%. If you designate more than one person, and the total percentage designated is greater than 100%, the person listed first is considered the primary beneficiary. Use the Remarks section for additional beneficiary information.

If you do not designate a beneficiary or beneficiaries in Item 13, or all designated beneficiaries have died before the date of your death, any unpaid retired pay will be paid to the living person or persons in the highest category of beneficiary listed above, as required by law.

### SECTION VI - FEDERAL INCOME TAX WITHHOLDING INFORMATION.

Complete this section after determining your allowed exemptions with the aid of your disbursing/finance office, or from the instructions available on IRS Form W-4, or other available IRS publications. Leave Items 14 through 16 blank if completing Item 17.

ITEM 14. Mark the status you desire to claim.

ITEM 15. Enter the number of exemptions claimed.

ITEM 16. Enter the dollar amount of additional Federal income tax you desire withheld from each month's pay. Leave blank if you do not desire additional withholding.

ITEM 17. Enter the word "EXEMPT" in this item only if you meet all the following criteria: (1) you had no Federal income tax liability in the prior year; (2) you anticipate no Federal income tax liability this year; and (3) you therefore desire no Federal income tax to be withheld from your retired/retainer pay.

NOTE: You must file a new exemption claim form with DFAS - Cleveland by February 15th of each year for which you claim exemption from withholding.

**INSTRUCTIONS (Continued)**

**SECTION VI (Continued)**

ITEM 18. If you are not a U.S. citizen, provide, on an additional sheet, a list of all periods of ACTIVE DUTY served in the continental U.S., Alaska, and Hawaii. Indicate periods of service by year and month only. List only service at shore activities; do not report service aboard a ship.

For example:

<u>FROM (Year/Month)</u>	<u>DUTY STATION</u>	<u>TO (Year/Month)</u>
1994/02	NAVSTA, Norfolk, VA	1995/01

NOTE: This information may affect the determination as to that portion of retired/retainer pay which is taxable in accordance with the Internal Revenue Code, if you will maintain your permanent residence outside the U.S., Alaska, or Hawaii.

**SECTION VII - VOLUNTARY STATE TAX WITHHOLDING.**

NOTE: Complete this section only if you want monthly state tax withholding. If you choose not to have a monthly deduction, you remain liable for state taxes, if applicable.

ITEM 19. Enter the name of the state for which you desire state tax withheld.

ITEM 20. Enter the dollar amount you want deducted from your monthly retired/retainer pay. This amount must not be less than \$10.00 and must be in whole dollars (Example: \$50.00, not \$50.25).

ITEM 21. Enter only if different from the address in Item 6.

**SECTION VIII - DEPENDENCY INFORMATION.**

This information is needed by DFAS to determine SBP costs, annuities and options, and to maintain your account in special circumstances at the time of death.

ITEM 22.a. Provide your spouse's name. If none, enter "N/A" and proceed to Item 25.

ITEMS 22.b. through 24. Provide the requested information about your spouse. In Item 24, if marriage occurred outside the United States, include city, province, and name of country.

ITEM 25. If you do not have dependent children, enter "N/A" in this item. If you do have dependent children, provide the requested information. Designate which children resulted from marriage to former spouse, if any, by indicating (FS) after the relationship in column d.

25.e. A disabled child is an **unmarried** child who meets one of the following conditions: a child who has become incapable of self support before the age of 18, or, a child who has become incapable of self support after the age of 18 but before age 22 while a full time student. Attach documentation. Enter Yes or No as appropriate.

**SECTION IX - SURVIVOR BENEFIT PLAN (SBP) ELECTION.**

It is very important that you are counseled and are fully aware of your options under SBP. You may discontinue your SBP participation within one year after the second anniversary of the commencement of retired/retainer pay. Termination of SBP is effective the first of the month after DFAS-Cleveland receives the SBP disenrollment request. There will be no refund of SBP costs paid for the period before the SBP disenrollment. If you make no election, maximum coverage will be established for all eligible family members (spouse and/or children). It is highly advisable to complete this part in the presence of your SBP counselor.

Members qualified to retire under 10 U.S. Code 1223 after 20 qualifying years of service, who either elected Reserve Component Survivor Benefit Plan (RCSBP) or who received automatic coverage under RCSBP must attach a copy of the RCSBP election or the notification of coverage to this form. Do not complete Items 26 through 28 as that election is permanent. However, Reserve members who declined SBP until age 60 must complete Items 26 through 28 (and Items 32 and 33 if applicable). If you elected either Immediate (Option C) or Deferred (Option B) RCSBP coverage and the elected beneficiary is no longer eligible, annotate this in the Remarks section and provide supporting documentation with this form.

ITEM 26. Complete if you are retiring from active duty or if you are a reservist (retiring under 10 U.S. Code, Chapter 1223) who declined RCSBP. You may only select one item.

**SECTION IX (Continued)**

26.a. through 26.c. Mark the applicable item that indicates the beneficiaries you desire to cover under SBP. In Items a. and c., you **MUST** indicate whether you do or do not have eligible dependents.

ITEM 26.d. Mark if you are not married and desire coverage for a person with an insurable interest in you, and provide the requested information about that person in Item 28. An election of this type must be based on your full gross retired/retainer pay. If the person is a non-relative or as distantly related as a cousin, attach evidence that the person has a financial interest in the continuance of your life. Under provisions of Public Law 103-337, you are permitted to withdraw from insurable interest coverage at any time. Such a withdrawal will be effective on the first day of the month following the month the request is received by DFAS - Cleveland. Therefore, no refund of SBP costs collected before the effective date of the withdrawal will be paid.

26.e. and 26.f. Mark Item 26.e. if you desire coverage for a former spouse. Mark Item 26.f. if you desire coverage for a former spouse and dependent child(ren) of that marriage, and provide the requested information about these children in Item 25 as appropriate. Provide a certified photocopy of final decree that includes separation agreement or property settlement which discusses SBP for former spouse coverage. The DD Form 2656-1, "Survivor Benefit Plan (SBP) Election Statement for Former Spouse Coverage," must also be completed and accompany the completed DD Form 2656 to DFAS - Cleveland.

26.g. Mark if you do not desire coverage under SBP. If married and declining coverage, Items 32 and 33 of Section XII must be completed.

ITEM 27.a. Mark if you desire the coverage to be based on your full gross retired/retainer pay.

27.b. Mark if you desire the coverage to be based on a reduced portion of your retired/retainer pay. This reduced amount may not be less than \$300.00. If your gross retired/retainer pay is less than \$300.00, the full gross pay is automatically used as the base amount. Enter the desired amount in the space provided to the right of this item. Proceed to Section XII, if married.

27.c. Used by a REDUX member who wants coverage based on actual retired pay received under REDUX. If this option is selected, proceed to Section XII, if married.

27.d. Mark if you desire the higher threshold amount in effect on the date of your retirement.

ITEM 28. Enter the information for insurable interest beneficiary.

**SECTION X - REMARKS.**

ITEM 29. Reference each entry by item number. Continue on separate sheets of paper if more space is needed.

**SECTION XI - CERTIFICATION.**

Read the statement carefully, then sign your name and indicate the date of signature. For your SBP election to be valid, you must sign and date the form prior to the effective date of your retirement/transfer. A witness cannot be named as beneficiary in Sections V, VIII, or IX.

**SECTION XII - SURVIVOR BENEFIT PLAN SPOUSE CONCURRENCE.**

Title 10 U.S. Code, Section 1448 requires that an otherwise eligible spouse concur if the member declines to elect SBP coverage, elects less than maximum coverage, or elects child only coverage. Therefore, a member with an eligible spouse upon retirement, who elects any combination other than items 26.a. or 26.b. and 27.a., must obtain the spouse's concurrence in Section XII. A Notary Public must be the witness. In addition, the witness cannot be named beneficiary in Section V, VIII, or IX. Spouse's concurrence must be obtained and dated on or after the date of the member's election, but before the retirement/transfer date. If concurrence is not obtained when required, maximum coverage will be established for your spouse and child(ren) if appropriate.

**DATA FOR PAYMENT OF RETIRED PERSONNEL**

*(Please read Instructions and Privacy Act Statement before completing form.)*

**SECTION I - PAY IDENTIFICATION**

<b>1. NAME</b> (LAST, First, Middle Initial)	<b>2. SSN</b>	<b>3. RETIREMENT/ TRANSFER DATE</b> (YYYYMMDD)	<b>4. RANK/PAY GRADE/ BRANCH OF SERVICE</b>	<b>5. DATE OF BIRTH</b> (YYYYMMDD)
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**6. CORRESPONDENCE ADDRESS** (Ensure DFAS - Cleveland Center is advised whenever your correspondence address changes.)

<b>a. STREET</b> (Include apartment number)	<b>b. CITY</b>	<b>c. STATE</b>	<b>d. ZIP CODE</b>	<b>e. TELEPHONE</b> (Incl. area code)
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**SECTION II - DIRECT DEPOSIT/ELECTRONIC FUND TRANSFER (DD/EFT) INFORMATION** (See Instructions)

<b>7. ROUTING NUMBER</b> (See Instructions)	<b>8. TYPE OF ACCOUNT</b> (Savings (S) or Checking (C))	<b>9. ACCOUNT NUMBER</b> (See Instructions)
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**10. FINANCIAL INSTITUTION**

<b>a. NAME</b>	<b>b. STREET ADDRESS</b>	<b>c. CITY</b>	<b>d. STATE</b>	<b>e. ZIP CODE</b>
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**SECTION III - SEPARATION PAYMENT INFORMATION**

**11. Complete if you have received any one of the payment types listed in 11.a.**

<b>a. DID YOU RECEIVE SEVERANCE PAY (SE), READJUSTMENT PAY (RP), SEPARATION PAY (SP), VOLUNTARY SEPARATION INCENTIVE (VSI), OR SPECIAL SEPARATION BONUS (SSB)?</b> <i>(X one. If "Yes," attach a copy of the orders which authorized the payment, and a copy of the DD Form 214.)</i>	<b>b. TYPE OF PAYMENT</b>	<b>c. GROSS AMOUNT</b>
<input type="checkbox"/> YES <input type="checkbox"/> NO		

**SECTION IV - MEMBER OF THE RESERVE COMPONENT**

**12. Complete only if a member or former member of the reserve component not on active duty retiring at age 60.**

<b>a. DO YOU RECEIVE OR WERE YOU RECEIVING ON THE DATE OF RETIREMENT ANY VA COMPENSATION FOR DISABILITY?</b> (X one)	<b>b. EFFECTIVE DATE OF PAYMENT</b> (YYYYMMDD)	<b>c. MONTHLY AMOUNT OF PAYMENT</b>
<input type="checkbox"/> YES <input type="checkbox"/> NO		

**SECTION V - DESIGNATION OF BENEFICIARIES FOR UNPAID RETIRED PAY** (See INSTRUCTIONS)

**13. Complete this section if you wish to designate a beneficiary or beneficiaries to receive any unpaid retired pay you are due at death.**  
*(Continue in Section X, "Remarks," if necessary.)*

<b>a. NAME</b> (Last, First, Middle Initial)	<b>b. SSN</b>	<b>c. ADDRESS</b> (Street, City, State, ZIP Code)	<b>d. RELATIONSHIP</b>	<b>e. SHARE</b>
				%
				%
				%
				%
				%

**SECTION VI - FEDERAL INCOME TAX WITHHOLDING INFORMATION** (Submit information in Items 14 - 17 in lieu of IRS Form W-4 for tax purposes.)

<b>14. MARITAL STATUS</b> (X one)	<b>15. TOTAL NUMBER OF EXEMPTIONS CLAIMED</b>	<b>16. ADDITIONAL WITHHOLDING</b> (Optional)	<b>17. I CLAIM EXEMPTION FROM WITHHOLDING</b> (Enter "EXEMPT")	<b>18. ARE YOU A UNITED STATES CITIZEN?</b> (X one)
<input type="checkbox"/> SINGLE <input type="checkbox"/> MARRIED				<input type="checkbox"/> YES
<input type="checkbox"/> MARRIED BUT WITHHOLD AT HIGHER SINGLE RATE				<input type="checkbox"/> NO (See Instructions)

**SECTION VII - VOLUNTARY STATE TAX WITHHOLDING INFORMATION** (Complete only if monthly withholding is desired.)

<b>19. STATE DESIGNATED TO RECEIVE TAX</b>	<b>20. MONTHLY AMOUNT</b> (Whole dollar amount not less than \$10.00)	<b>21. RESIDENCE ADDRESS</b> (If different from address listed in Item 6)		
		<b>a. STREET</b> (Include apartment number)	<b>b. CITY</b>	<b>c. STATE</b> <b>d. ZIP CODE</b>

**SECTION VIII - DEPENDENCY INFORMATION** (This section must be completed regardless of SBP Election.)

<b>22. SPOUSE</b>			<b>23. DATE OF MARRIAGE</b> (YYYYMMDD)	<b>24. PLACE OF MARRIAGE</b> (See Instructions)
<b>a. NAME</b> (Last, First, Middle Initial)	<b>b. SSN</b>	<b>c. DATE OF BIRTH</b> (YYYYMMDD)		

**25. DEPENDENT CHILDREN** (Indicate which child(ren) resulted from marriage to former spouse by entering (FS) after relationship in column d. Continue in Section X, "Remarks," if necessary.)

<b>a. NAME</b> (Last, First, Middle Initial)	<b>b. DATE OF BIRTH</b> (YYYYMMDD)	<b>c. SSN</b>	<b>d. RELATIONSHIP</b> (Son, daughter, stepson, etc.)	<b>e. DISABLED?</b> (Yes/No)

<b>MEMBER NAME</b> (LAST, First, Middle Initial)	<b>SSN</b>
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**SECTION IX - SURVIVOR BENEFIT PLAN (SBP) ELECTION**

*(It is recommended that you see your Survivor Benefit Plan counselor before making an election.)*

**26. BENEFICIARY CATEGORY(IES)** (X only one item) (See Instructions and Section XI.)

<b>a. I ELECT COVERAGE FOR SPOUSE ONLY.</b> I (X)	<b>DO</b>	<b>DO NOT HAVE DEPENDENT CHILD(REN).</b>
<b>b. I ELECT COVERAGE FOR SPOUSE AND CHILD(REN).</b>		
<b>c. I ELECT COVERAGE FOR CHILD(REN) ONLY.</b> I (X)	<b>DO</b>	<b>DO NOT HAVE A SPOUSE.</b>
<b>d. I ELECT COVERAGE FOR THE PERSON NAMED IN ITEM 28 WHO HAS AN INSURABLE INTEREST IN ME</b> (See Instructions).		
<b>e. I ELECT COVERAGE FOR MY FORMER SPOUSE</b> (See Instructions and complete DD 2656-1, "Survivor Benefit Plan (SBP) Election Statement for Former Spouse Coverage").		
<b>f. I ELECT COVERAGE FOR MY FORMER SPOUSE AND DEPENDENT CHILD(REN) OF THAT MARRIAGE</b> (See Instructions and complete DD 2656-1, "Survivor Benefit Plan (SBP) Election Statement for Former Spouse Coverage").		
<b>g. I ELECT NOT TO PARTICIPATE IN SBP.</b> I (X)	<b>DO</b>	<b>DO NOT HAVE ELIGIBLE DEPENDENTS UNDER THE PLAN.</b>

**27. LEVEL OF COVERAGE** (X one. Complete UNLESS 26.d. or 26.g. was selected above. See Instructions.)

<b>a. I ELECT COVERAGE BASED ON FULL GROSS PAY.</b> (If I elected the Career Status Bonus and REDUX, full gross pay is the amount of retired pay I would have received had I NOT elected the Career Status Bonus.)	
<b>b. I ELECT COVERAGE WITH A REDUCED BASE AMOUNT OF \$</b> (See Instructions).	
<b>c. REDUX MEMBERS ONLY: I ELECT COVERAGE BASED ON MY FULL GROSS PAY UNDER REDUX. I UNDERSTAND THAT THIS REPRESENTS A REDUCED BASE AMOUNT AND REQUIRES SPOUSE CONCURRENCE.</b> (See Instructions).	
<b>d. I ELECT COVERAGE BASED ON THE THRESHOLD AMOUNT IN EFFECT ON THE DATE OF RETIREMENT.</b>	

**28. INSURABLE INTEREST BENEFICIARY**

<b>a. NAME</b> (Last, First, Middle Initial)	<b>b. SSN</b>	<b>c. RELATIONSHIP</b>	<b>d. DATE OF BIRTH</b> (YYYYMMDD)
<b>e. STREET ADDRESS</b> (Include apartment number)		<b>f. CITY</b>	<b>g. STATE</b> <b>h. ZIP CODE</b>

**SECTION X - REMARKS**

**29. Use this section to continue an item or make additional comments. Attach separate sheets if more space is needed.**

**SECTION XI - CERTIFICATION**

**30. MEMBER.**

Under penalties of perjury, I certify that the number of withholding exemptions claimed does not exceed the number to which I am entitled, and that all statements on this form are made with full knowledge of the penalties for making false statements (18 U.S. Code 287 and 1001 provide for a penalty of not more than \$10,000 fine, or 5 years in prison, or both).

Also, I have been counseled that I can terminate SBP participation, with my spouse's written concurrence, within one year after the second anniversary of commencement of retired pay. However, if I exercise my option to terminate the SBP, future participation is barred.

<b>a. SIGNATURE</b>	<b>b. DATE SIGNED</b> (YYYYMMDD)	
<b>31.a. WITNESS NAME</b> (Last, First, Middle Initial)	<b>b. SIGNATURE</b>	<b>c. DATE SIGNED</b> (YYYYMMDD)
<b>d. UNIT OR ORGANIZATION ADDRESS</b> (Include room number)	<b>e. CITY/BASE OR POST</b>	<b>f. STATE</b> <b>g. ZIP CODE</b>

**SECTION XII - SBP SPOUSE CONCURRENCE** (Required when member is married and elects child(ren) only coverage, does not elect full spouse coverage, or declines coverage. The date of the spouse's signature in item 32.b MUST NOT be before the date of the member's signature in item 30.b, above.) The spouse's signature MUST be notarized.

**32. SPOUSE.** I hereby concur with the Survivor Benefit Plan election made by my spouse. I have received information that explains the options available and the effects of those options. I know that retired pay stops on the day the retiree dies. I have signed this statement of my free will.

<b>a. SIGNATURE</b>	<b>b. DATE SIGNED</b> (YYYYMMDD)
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**33. NOTARY WITNESS.**

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, the undersigned notary public, personally appeared (Name of spouse (block 32.a.)) \_\_\_\_\_, provided to me through satisfactory evidence of identification, which were \_\_\_\_\_, to be the person whose name is signed in block 32.a. of this document in my presence.

(Signature of Notary) \_\_\_\_\_ My commission expires: \_\_\_\_\_

**NOTARY SEAL**