

# THE MILITARY'S LEGACY RETIREMENT SYSTEM

## KEY POINTS:

- » For service members who first entered active duty after September 8, 1980, but before January 1, 2018.
- » Typically requires 20 years of service to qualify for retirement pay.
- » Thrift Savings Plan is available and is funded only by service member contributions (if they elect to do so).

## CALCULATING THE PENSION:



### EXAMPLE: E-7 RETIRING TODAY.

$$20 \text{ YEARS} \times 2.5\% \times \$4,700 = \$2,350$$

### EXAMPLE: O-5 RETIRING TODAY.

$$20 \text{ YEARS} \times 2.5\% \times \$8,900 = \$4,450$$

## “WINNING” WITH THE LEGACY SYSTEM

### STICK AROUND

You typically need to serve 20 years to receive the pension portion of the Legacy Retirement System.

### INVEST IN THE THRIFT SAVINGS PLAN (TSP)

After 20 years of service, your pension under the Legacy System will only be about 50% of your basic pay. Investing in the TSP can help supplement your military pension in retirement. A good rule of thumb is to save 10% - 15% toward retirement.

### GET SMART ABOUT THE TSP

Take control of your retirement savings by learning more about the investment choices offered by the TSP.