



THE MILITARY'S BLENDED RETIREMENT SYSTEM (BRS)

MILSPOUSE MONEY MISSION

EDUCATE ♦ EMPOWER ♦ ELEVATE

- » For Service members who first entered active duty after January 1, 2018, or those who joined between January 1, 2006 and December 31, 2017 and decided to opt-in.
- » Offers automatic and matching contributions to your spouse's Thrift Savings Plan.
- » Offers Continuation Pay.
- » Typically requires 20 years of service to qualify for retirement pay (pension is smaller than Legacy System pension).

ELIGIBILITY

Effective January 1, 2018, all new Service members fall under the Blended Retirement System. One exception is those individuals who were attending a Service academy as of December 31, 2017 or who were in ROTC with a signed contract as of December 31, 2017. These individuals are allowed to stay under the Legacy Retirement System with the option to opt into BRS within 30 days after commissioning (or being placed in pay status).

Your spouse's branch of Service automatically contributes 1% of his or her basic pay to their TSP after 60 days of service. Those contributions become fully vested (the money becomes the property of your spouse, and they can take it with them when they leave the military) when his or her third year of service begins. Matching contributions also begin at that point.

AUTOMATIC AND MATCHING CONTRIBUTIONS

Defined Contribution Thrift Savings Plan (TSP)			
Service member's Contribution	DoD Automatic Contribution (Traditional)	Service Matching Contribution (Traditional)	Total
0%	1%	0%	1%
1%	1%	1%	3%
2%	1%	2%	5%
3%	1%	3%	7%
4%	1%	3.5%	8.5%
5%	1%	4%	10%

For Service members who opted in to the BRS, matching contributions were immediately vested. However, the 1% automatic contribution required a minimum of two years of service for vesting to occur.

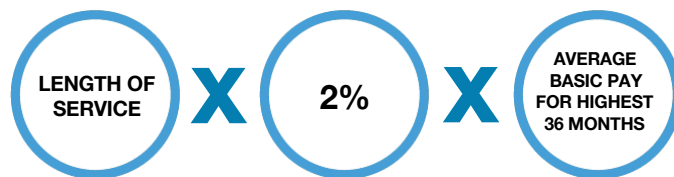
CONTINUATION PAY

Service members enrolled in the BRS may be eligible to receive a mid-career cash payment in exchange for an agreement to perform additional obligated service. This one-time payment is in addition to any other career field-specific incentives or retention bonuses.

On an annual basis, each service will publish the upcoming year's Continuation Pay multiplier, the years of service needed to be eligible, and the additional service obligation required for its Active and Reserve Components.

For more information about Continuation Pay, visit militarypay.defense.gov/BlendedRetirement.

CALCULATING THE PENSION:



EXAMPLE: ENLISTED MEMBER RETIRING TODAY

$$20 \text{ YEARS} \times 2\% \times \$4,700 = \$1,880$$

EXAMPLE: OFFICER RETIRING TODAY

$$20 \text{ YEARS} \times 2\% \times \$8,900 = \$3,560$$