



# The U.S. Uniformed Services Blended Retirement System

## At a Glance

### Saving with the New Blended Retirement System

The Fiscal Year 2016 National Defense Authorization Act provides our military force with a modernized retirement plan built for retirement savings. Beginning in 2018, our service members can get **automatic and matching Thrift Savings Plan contributions** as well as mid-career **compensation incentives** in addition to monthly **annuities for life**. All service members under the current system are grandfathered into today's retirement system.

#### Today's Retirement System:



**Annuity**

**2.5% x Years Served x Retired Pay Base**  
after completing 20 years of service

#### 1 Automatic and Matching Contributions

Automatic contributions are seen immediately



| You Contribute | DoD Auto Contribution | DoD Matches | 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%   |

The DoD automatically contributes **1%** of your basic pay to your **Thrift Savings Plan** after **60 days of service**.

You'll see matching contributions at the start of 3 through the completion of 26 years of service, and...

**You're fully vested—it's yours to keep—as of the beginning of 3 years of service and goes with you when you leave.**

#### 2 Continuation Pay

Received at the mid-career point



You may receive a **cash payment** in exchange for additional service.

#### 3 Full Retired Pay Annuity

Received after completing 20 years of service



Calculate your **retired pay base** by **averaging the highest 36 months of basic pay**. You'll gain this monthly annuity for life after completing 20 years of service.

### Options for Collecting Your Retired Pay

#### Active Component

Full retired pay annuity

#### Reserve Component

Full retired pay annuity beginning at age 60\*



#### Lump sum with reduced retired pay

50% or 25% of monthly retired pay annuity bumps back up to 100% at full retirement age (67 in most cases).

\*Could be earlier based on credited active service



### Effective Date of the New System

#### Your Retirement System

If you joined the service...

- ▶ **After December 31, 2017**  
You'll be automatically enrolled in the Blended Retirement System.
- ▶ **After December 31, 2005 but before January 1, 2018**  
You'll have the choice to enroll in the Blended Retirement System or remain in today's current retirement system.
- ▶ **Before January 1, 2006**  
You'll be grandfathered and remain in today's current retirement system.

Additional information coming soon.

Sources: Sections 631, 632, 633, 634, and 635 of the Fiscal Year 2016 National Defense Authorization Act.

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