



The U.S. Uniformed Services Blended Retirement System

Active Component



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, service members can get **automatic and matching Thrift Savings Plan contributions**, as well as a mid-career compensation incentive, in addition to **monthly retired pay for life**. All service members under the current system are grandfathered into today's retirement system, but some will be eligible to opt into the new Blended Retirement System.

Pre-2018 Retirement System:



Annuity

$2.5\% \times \text{Years Served} \times \text{Retired Pay Base}$
after completing 20 years of service

Blended Retirement System Components

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 years through the completion of 26 years of service, and...

You're fully vested—it's yours to keep—after completing 2 years of service and it 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

Received after completing 20 years of service

$$2\% \times \text{Years Served} \times \text{Retired Pay Base}$$

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.

Your Retirement System

Options for Collecting Your Retired Pay



Full retired pay as a monthly annuity

or



Lump sum

+



Reduced retired pay as a monthly annuity

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

If you joined the service or signed a contract to serve:

BEFORE
January 1, 2006

You'll be grandfathered into the pre-2018 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 the pre-2018 retirement system.

AFTER
December 31, 2017

You'll be automatically enrolled in the Blended Retirement System.

You can find additional information at <http://militarypay.defense.gov/BlendedRetirement>

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

Revised: 9/2016