



The U.S. Armed Forces Blended Retirement System At a Glance

Saving with the New Blended Retirement System

The FY16 National Defense Authorization Act provides our military force with a modernized retirement plan built for retirement savings. Beginning in 2018, our service members can gain **automatic and matching Thrift Savings Plan contributions** as well as mid-career **compensation incentives** plus a monthly **annuity for life**. All service members under the current system are grandfathered into today's retirement system.

Today's Retirement System:



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

1 Automatic and Matching Contributions

Seen immediately



You Contribute	DoD Auto Contribution	DoD Matches	DoD 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 adds **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 26 years of service, and...

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

2 Continuation Pay

Received once you complete 12 years of service



You'll receive a **cash payment** at the completion of **12 years of service** if you've made the choice to stay in uniform for 4 more years.

Active Component—2.5 months of basic pay
Reserve Component—0.5 month of basic pay

3 Annuity

Gained after completing 20 years of service



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

Options for Collecting Your Retirement Pay

Active Component

Full retired pay

Reserve Component

Full retired pay beginning at age 60*

or



Lump sum with reduced retired pay

on the date the service member begins receiving retired pay until reaching full retirement age.

* Could be earlier based on credited active/inactive service

Additional information coming soon.

Sources: Sections 631, 632, 633, 634, and 635 of the FY 2016 National Defense Authorization Act, passed in both chambers of Congress.



Effective Date of the New System

Your Retirement System

If you joined the service...

- ▶ **After January 1, 2018,** you'll be automatically enrolled in the Blended Retirement System (BRS)
- ▶ **After January 1, 2006, 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