# 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 a monthly **annuity 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 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

**2%** x **Years Served** x **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.

## *Options for Collecting Your Retired Pay*

**Active Component**

**Full retired pay annuity**

**Reserve Component**

**Full retired pay annuity beginning at age 60***

**or**

**Lump sum with reduced retired pay**

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

** Could be earlier based on credited active/inactive service*

## *Effective Date of the New System*

January 1 2018

**Your Retirement System**

***If you joined the service...***

- **After January 1, 2018**
  You'll be automatically enrolled in the Blended Retirement System.
- **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.

***Additional information coming soon.***

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