

## MILPERSMAN 7220-380

### DUAL COMPENSATION REGULATION APPLICABLE TO THE NAVY RESERVE

<b>Responsible Office</b>	OPNAV (N130)	Phone:	DSN COM	664-4763 (703) 604-4763
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NAVPERSCOM CUSTOMER SERVICE CENTER	Phone:	Toll Free	1-866-U ASK NPC
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<b>References</b>	(a) DoD 7000.14-R, DoD Financial Management Regulations, Volume 7A (b) DoD 7000.14-R, DoD Financial Management Regulations, Volume 7B
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#### 1. Dual Compensation Constraint and Options

a. A member of a Reserve Component who is drawing a pension, disability compensation, or military retired pay (includes Fleet Reserve and Fleet Marine Corps Reserve retainer pay) from the United States for prior military service, and who performs duty (active or inactive) for which he or she is entitled to pay, is commonly described as having a "dual compensation" constraint. Concurrent receipt of such dual compensation is not authorized.

b. Per reference (a), chapters 1, 57, and 58, a member of the Reserve Component who (because of earlier military service) is entitled to a pension, military retired pay (including retainer pay), or disability compensation from the United States Government by virtue of prior military service who performs active or inactive duty for which he or she is entitled to compensation for that duty, may elect to receive either

- (1) the payments for the prior military service; or
- (2) pay and allowances authorized for present duty performed.

c. Per reference (a), chapter 1, if the Reserve Component member is ordered to active duty for 30 days or more in time of war or national emergency, he or she may not receive any payments based on earlier military service, unless those payment(s) are greater than the compensation prescribed for the present duty performed.

## 2. **Waiver of Pay**

a. When a Navy reservist has a dual compensation issue due to disability pay or pension (forms of compensation paid by the Department of Veterans Affairs (VA)), and the reservist wishes to waive these payments for prior military service vice the pay and allowances for present duty, a waiver of this disability pay or pension must be completed with the VA and submitted to the VA regional office where the member's VA claim file is located. It is the responsibility of the Navy Reservist to ensure the proper paperwork is submitted to the VA in a dual compensation scenario. Further guidance may be found at the following Web address: <http://benefits.va.gov/benefits/> or by calling the VA at 1-800-827-1000.

b. When a Navy reservist has a dual compensation issue due to receipt of military retired pay (including retainer pay), and the reservist wishes to waive these payments for prior military service, vice the pay and allowances for present duty, a waiver of military retired pay must be completed with the Defense Finance and Accounting Service (DFAS), per reference (b), chapter 12, paragraphs 120403 and 120404, from the member via the Navy Reserve activity (NRA), and submitted to the NRA no later than 1 month prior to the beginning of each fiscal year. It is the responsibility of the Navy reservist to ensure the proper paperwork is submitted to DFAS in a dual compensation scenario. The waiver must be submitted in the following format:

From: LCDR Joe Sailor, USN  
To: Defense Finance and Accounting Service, Retired and  
Annuitant Pay  
Via: Commanding Officer, Navy Operational Support Center XXXX  
Subj: Waiver of Military Retired Pay for FY 20XX  
Ref: (a) DoD Financial Management Regulation, Volume 7B,  
Chapter 12, Sections 120403 and 120404

1. Per reference (a), I hereby request a waiver of military retired pay as a member of the Reserve Component electing to receive compensation for periods of inactive duty training (IDT) and annual training/active duty for training (AT/ADT). I understand that I must waive 1 day of retired pay for each calendar day on which Reserve training is performed, and that performance of more than one drill in 1 calendar day requires the withholding of only 1 day of retired pay for that calendar day.

2. During fiscal year 20XX, the following IDT dates are anticipated:

3. The anticipated inclusive dates of AT/ADT for fiscal year 20XX are:

4. I understand that a supplemental certificate of waiver is required when I perform active or inactive duty not covered by this first declaration.

5. I understand that I must submit a certificate of recoupment to recover previously waived benefits that exceed active or inactive duty training that is performed. I understand that the request for recoupment must be signed by my unit commander and may not be submitted earlier than the last day of the fiscal year involved, and that the schedule for both active and inactive duty for training may be shown on the same waiver form or certificate.

\_\_\_\_\_  
(Signature)

FIRST ENDORSEMENT

From: Commanding Officer, Navy Operational Support Center XXXX  
To: Defense Finance and Accounting Service, Retired and  
Annuitant Pay

Subj: Waiver of Military Retired Pay for FY 20XX

Ref: (a) LCDR Sailor ltr of DD MMM YYYY

1. Reference (a) is forwarded recommending approval. NOSC XXXX will ensure any required supplemental or recoupment certificates are submitted.

2. My point of contact is .

\_\_\_\_\_  
(Signature)

In addition, NAVPERS 1070/613 Administrative Remarks entry will be made in the following format:

I understand that as a retired Service member eligible for retired pay, and as a member of the Reserve Component electing to receive compensation for periods of inactive duty training (IDT) and annual training/active duty for training (AT/ADT), that I must waive 1 day of retired pay for each calendar day on which Reserve training is performed, and that performance of more than one drill in 1 calendar day requires the withholding of only 1 day of retired pay for that calendar day.

I understand that prior to the beginning of each fiscal year, I, in coordination with my NOSC, must submit the schedule of projected IDT dates including the month and number of IDT periods to be performed.

I understand that prior to the beginning of each fiscal year, I, in coordination with my NOSC, must submit the anticipated inclusive dates of my AT/ADT period.

I understand that a supplemental certificate of waiver is required when I perform active or inactive duty not covered by the first declaration.

I understand that I must submit a certificate of recoupment to recover previously waived benefits that exceed active or inactive duty training that is performed. I understand that the request for recoupment must be signed by my unit commander and may not be submitted earlier than the last day of the fiscal year involved, and that the schedule for both active and inactive duty for training may be shown on the same waiver form or certificate.

\_\_\_\_\_  
(Member's Signature and Date)

\_\_\_\_\_  
(Witnessed and Date)

3. **Retired Pay and Active Service.** For further details on the scenarios described in paragraphs 3a-3b below, please consult reference (b), chapter 7.

a. A retired member who subsequently serves on active duty (other than for training) is generally entitled to have retired pay recomputed upon release from that active duty in order to take into account the additional service.

b. A retired member who subsequently serves in an active status in the Selected Reserve may be entitled to have retirement pay recomputed if certain criteria are met.