Blended Retirement System Continuation Pay (BRS-CP) Frequently Asked Questions Current as of 11 Aug 2023

<u>Eligibility</u>

Q1: Am I eligible to sign up for BRS-CP?

A1: Airmen and Guardians who have elected the Blended Retirement System and are approaching their 12-year pay date are potentially eligible for BRS-CP. Members who are potentially eligible are notified of their eligibility for BRS-CP via myFSS email approximately 90 to 120 days prior to the 12-year pay date.

Q2: Does BRS-CP apply to US Space Force Guardians too?

A2: Yes.

Q3: Am I still eligible for BRS-CP, if part of my 12 years of service was in the Reserves, Guard or in a sister service?

A3: Yes.

Q4: If I take a special duty assignment, will my BRS-CP be recouped?

A4: No.

Q5: Can I request BRS-CP at 12 years if I am undergoing a Medical Evaluation Board?

A5: Yes, you may request BRS-CP even if you are in MEB status. If you are paid BRS-CP and then you do not fulfill the four years of service associated with the pay, you could potentially be subject to recoupment of any unearned portion, including recoupment of the taxes which were withheld on your behalf. Whether money is recouped will depend on the type of your separation.

Q6: Can I be paid BRS-CP once I am approved for participation in the Career Intermission Program (CIP)?

A6: Yes. Airmen/Guardians who have been approved for participation in the Career Intermission Program (CIP) can still apply for and be paid BRS-CP. The lump-sum payment is also an option. Current DoD bonus recoupment rules do not require recoupment due to entry into/participation in CIP. Post CIP, members must fulfill the remainder of the four-year active duty commitment; failure to do so may result in recoupment.

Q7: Can I receive the BRS-CP as well as the Aviation Bonus?

A7: Yes. You may be paid the BRS-CP and the AvB simultaneously. The four-year BRS-CP ADSC runs concurrently (at the same time as) with the Aviation Bonus ADSC, not consecutively.

Q8: I would like to extend so I have the four years retainability for BRS-CP, but will this have any effect on my Palace Chase approval status?

A8: Adjudication of Palace Chase packages is based on the best interest of the Air Force.

Q9: Will I receive an assignment limitation code (ALC) when accepting BRS-CP? A9: No.

Q10: Will the BRS-CP ADSC run concurrently or consecutively with other ADSCs? A10: Concurrently.

EXAMPLE: If TSgt Waldrop has an ADSC for transferring my Post 9/11 GI Bill benefits that runs from 3 Jun 2023 to 2 Jun 2027. She applies for BRS-CP, which becomes effective on her 12 year pay anniversary, 14 Jul 2023. TSgt Waldrop's BRS-CP ADSC will begin 14 Jul 2023 and end 13 Jul 2027. Both ADSCs run at the same time. Once her GI Bill benefits ADSC ends, she will fulfill the remaining month and a half of her BRS-CP ADSC.

Q11: If I separate to enter a commissioning programs, will I still be eligible for my remaining BRS-CP payments?

A11: It depends. If you separate to accept a direct commission or warrant then you will continue to receive the remaining payments. If you separate to go to an officer commissioning program, you will not continue to receive the payments. However, in either case you will not be subject to recoupment of unearned portions of the bonus. The determination of continued receipt of the bonus and potential recoupment is tied to the separation program designator (SPD) code received at time of separation.

Timing of BRS-CP

Q12: Why haven't I received the BRS-CP email notification?

A12: You will not be in the window to receive the BRS-CP email notification with Statement of Understanding (SOU) until you have elected Blended Retirement System and until approximately 3 - 4 months prior to your 12-year pay date. You will receive a myFSS email notification directing you to update your myFSS BRS-CP case, which is found in myFSS, on the Welcome page, when you first log in to myFSS, by clicking the carrot beneath "OPEN" my FSS cases. Notifications are sent at 90 to 120 days prior to the 12-year pay date. Please ensure your myFSS login credentials and email address are up to date to ensure you receive all BRS-CP email communications.

Q13: What do I do if I did not receive a myFSS email notifying me that I am eligible?

A13: Contact the TFSC, option 2, and ask for a ticket to be opened on your behalf and ask them to put the ticket in the DP1-M Continuation Pay queue or use the "Ask a Question" option in myFSS. To button to ask a question is at the bottom of the myFSS BRS-CP page that this Ask a Question document is attached to.

Q14: When can I expect to receive the BRS-CP payment?

A14: Members who are enrolled in the Blended Retirement System will receive an automated notification email (via myFSS) approximately 90 to 120 days prior to the 12-year pay date. After the member completes required actions, the AFPC processes the member's BRS-CP at the 12-

year pay date. Members can expect to see the BRS-CP payment within 30 days after the 12-year pay date. If payment is not received within 2 months after the 12-year pay date, please contact the Total Force Service Center, Military Pay section (option 1) to inquire about the status of your pay.

BRS-CP Process

Q15: Is there anything I must do to receive BRS-CP?

A15: Required actions include: member updates the myFSS BRS-CP case by: acknowledging the 4-year service commitment associated with BRS-CP; signing a Statement of Understanding (within myFSS) prior to the 12- year pay date; obtaining unit commander's signature; obtaining 4 years retainability from the 12-year pay date (if member does not already have 4 years retainability) and then notifying the AFPC team (by updating the BRS-CP case in myFSS) that the member has obtained the requisite retainability. Finally, the member must complete the 4-year commitment from the 12-year pay date through the 16-year pay date, in order to keep the pay.

Q16: What is the process for signing up for BRS-CP?

A16: Members who are potentially eligible are notified of their eligibility for BRS-CP via myFSS email approximately 90 to 120 days prior to the 12-year pay date. Once the member receives this email, the member must complete all actions within prescribed timelines by accomplishing the following actions within the myFSS BRS-CP case by: acknowledging the 4-year service commitment associated with BRS-CP; signing a Statement of Understanding (within myFSS) prior to the 12- year pay date; obtaining unit commander's signature; obtaining 4 years retainability from the 12-year pay date (if member does not already have 4 years retainability) and then notifying the AFPC team (by updating the BRS-CP case in myFSS) that the member has obtained the requisite retainability.

Q17: Now that I have completed the BRS-CP Statement of Understanding, what is the next step?

A17: After completing the Statement of Understanding (SOU) in myFSS and referring it to your commander, your unit commander will approve (or disapprove) and sign the SOU within myFSS. The next step is for you to obtain 4 years of retainability (through the 16-year pay date) and to notify the AFPC team you have obtained the retainability. As long as you have completed all of these actions, at the 12-year pay date, AFPC will update MilPDS, which will update your Active Duty Service Commitment (code 55 for BRS-CP) and initiate payment.

Q18: Does a commander on G-Series orders need to sign the SOU?

A18: Yes, your unit commander on G-series orders must sign the SOU.

Q19: Who has to obtain 4 years of retainability?

A19: Enlisted members with a date of separation prior to the 16-year pay date mark must obtain retainability through 16 years of service. Officers with an indefinite DOS do not need to take any action; they have the requisite retainability. RegAF officers with an established DOS are ineligible for BRS-CP, until/unless the DOS is removed.

Q20: My extension paperwork has been processed and completed. What happens next?

A20: Once the member signs the Statement of Understanding, obtains unit commander signature on the SOU, obtains four years of retainability and notifies the AFPC team (through the myFSS BRS-CP case communication) that the member obtained retainability, the member's required actions are complete. The next step is: on/about your 12-year pay date, AFPC will update MilPDS which will start BRS-CP payment(s).

Q21: How does my BRS-CP get updated?

A21: Prior to BRS-CP update in MilPDS, members must sign the Statement of Understanding, ensure their commander signs the SOU and then obtain 4 years of retainability, if the member does not already have retainability. After all BRS-CP actions are complete and after the 12-year pay date, AFPC updates MilPDS with the BRS-CP election information.

Q22: I missed my window to apply for BRS-CP; what are my options?

A22: By law, the Airman/Guardian must sign the Statement of Understanding on or prior to the 12-year pay date. If the reason you did not sign the SOU prior to the 12-year pay date is due to an alleged error or injustice, Airmen/Guardians may request correction of errors or removal of injustices by submitting an application with justification to the Air Force Board for Correction of Military Records (BCMR). The AFBCMR is the highest administrative level of appeal within the Air Force. At this website, you will find an eligibility checklist and instructions on how to apply. You can also find resources regarding the AFBCMR on myFSS at https://myfss.us.af.mil/USAFCommunity/s/knowledge-detail?pid=kA08300000018SCAQ

Payment/How to Calculate

Q23: I just received myBRS-CP and it doesn't look right. How is the pay calculated and who can verify it was calculated correctly?

A23: If you think the BRS-CP payment amount is incorrect, please contact the Total Force Service Center, Military Pay section (option 1). Keep in mind, DFAS calculates BRS-CP based upon the monthly pay rate, multiplied by the correct multiplier, then withholds 22% in Federal taxes and applicable State taxes for one-time payments. *EXAMPLE:* An O3E (tax state: TX) with 12 years X 2.5 = \$16,570. DFAS deposits only \$12,924.99, which is 78% of the total (22% withheld for Federal taxes and \$0 for State taxes).

Q24: How is the multiplier determined?

A24: For RegAF Airmen/Guardians, the multiplier is 2.5 times the monthly base pay, (normally) based on the >12-year column on the military pay chart. For Air Reserve Component Airmen, the multiplier is 0.5 times the monthly base pay.

Q25: Does the date the SOU is signed impact the BRS-CP payment amount?

A25: No, the date the SOU is signed does not impact the payment amount. The payment amount is determined by the multiplier, the >12-year column on the military pay chart and the payment schedule elected by the member: lump sum; two installments of equal payments or four installments of equal payments.

Q26: How can I qualify for the BRS-CP lump sum?

A26: Airmen/Guardians must first enroll in the Blended Retirement System to be eligible for the BRS-CP lump sum. Once enrolled in BRS, Airmen/Guardians approaching their 12-year pay date will be sent an email (myFSS) notification with instructions on how to proceed, which includes the opportunity to elect a lump sum or four, annual payments.

Q27: Does my AFSC impact the BRS-CP payment amount?

A27: No, AFSC is not a factor in determining BRS-CP payment amounts. BRS-CP is calculated based upon your base pay and the multiplier (2.5 for active component; 0.5 for Guard/Reserves)

Q28: I've seen on the internet that the bonus can be offered at the 8-year service mark and up to x13 multiplier. How can I get the bonus at the 8-year mark with a x13 multiplier?

A28: The law allows Service Secretaries to determine when the BRS-CP bonus is offered and at what multiplier. In the Department of the Air Force, the BRS-CP is offered at the 12-year pay date with the 2.5 multiplier for active component members and the 0.5 multiplier for reserve component members.

Q29: Is the BRS-CP amount calculated based on the latest base pay or average over the last 12 years?

A29: BRS-CP eligibility is (normally) based on the 12-year pay date. The payment amount is based on the multiplier, the >12-year monthly pay rate on the current pay tables and the pay schedule selected by the member.

Tax Exemption

Q30: If a member signs to receive their BRS-CP in a combat zone tax exclusion (CZTE) zone, is it tax exempt?

A30: The tax exemption rules depend on whether you are an officer or an enlisted member and when you're in the CZTE zone. If you are enlisted, the exclusion is unlimited; this means as long as you are in the CZTE zone when you hit your 12-year pay date, the entire lump sum is tax exempt; or each of the annual installments are tax exempt. This is true even if the payment hits your account after you leave the combat zone.

If you are an officer, the same rules apply, except there are limits on the amount that is tax exempt. The tax exclusion is limited to the total of the monthly basic pay for the senior E-9 of each branch (in 2023, it is \$8989) plus the monthly hostile fire pay amount (in 2023, \$225), if applicable.

EXAMPLE 1: SSgt Smith deploys to a combat zone. Just before departing the combat zone, the member reaches 11 years, 10 months of service and signs an agreement for an additional four years of service in return for BRS-CP. The Secretary concerned has established that to be eligible for BRS-CP, the member must have 12 years of service. The member reaches 12 years of service two months after returning from the combat zone and receives a lump sum payment of \$8,000.

SSgt Smith's \$8,000 BRS-CP is *not* eligible for CZTE and must be included in the member's gross income for the year in which received. It is not eligible for CZTE because it was not earned in a combat zone. The member did not become entitled to the BRS-CP until two months after returning from the combat zone, when the member met the eligibility requirements for BRS-CP.

EXAMPLE 2: SSgt Jones is deployed in a combat zone. While in the combat zone, the member enters into an agreement for BRS-CP in exchange for an additional 4 YOS. The member also elects to receive BRS-CP in annual installment payments. The Secretary concerned has established that to be eligible for BRS-CP, the member must have 12 years of service. SSgt Jones reaches 12 years of service just before departure from the combat zone. The member receives each of the subsequent annual installment payments of \$2,000 outside of a combat zone. Each of SSgt Jones' \$2,000 annual installment payments for BRS-CP are eligible for the CZTE and are not included in the member's gross income for the year in which received. SSgt Jones became entitled to the BRS-CP while serving in a combat zone. Each of the annual payments relates back to the member's service in the combat zone, and thus retains the CZTE.

Q31: I was deployed to a tax exemption zone when the BRS-CP was supposed to be paid, however, it was still taxed. How can I get the taxed portion returned?

A31: Refer to A30 for additional information about tax exclusion rules. If you think the amount of taxes withheld is incorrect, please contact the Total Force Service Center, Military Pay section (option 1), which can assist you in correcting the tax withholding.

Q32: I was informed that BRS-CP would be taxed. If I choose more than one installment, would the installments be taxed every year or would the whole amount be taxed?

A32: The payment/installments are taxed when received. They are taxed at 22% for Federal taxes and any applicable State taxes for one-time payments. You would *not* be required to pay the entire tax bill upfront for all four years of payments.

<u>Other</u>

Q33: If I accept BRS-CP and incur a service obligation of four years, does that prevent a member from voluntarily separating? Also, would the obligation prevent a member from becoming a Reservist or Guardsman? Under either situation, would recoupment apply? A33: Accepting the BRS-CP does not preclude a member from doing a voluntary separation. However, under most voluntary separations, the member will then be subject to recoupment of the BRS-CP. If the member transitions to the Guard or Reserve without a break in service (i.e., PALACE CHASE) then the member would not be subject to recoupment of BRS-CP, unless the member fails to fulfill the PALACE CHASE contract.

Q34: If I am no longer eligible for BRS-CP but believe there was an error or injustice, is there another avenue I can submit a request?

A34: If you think there was an error or injustice, you may submit an application to the Air Force Board for Correction of Military Records (AFBCMR). The AFBCMR is the highest administrative level of appeal within the Air Force. At this website, you will find an eligibility checklist and complete instructions on how to apply.

Q35: Where do I look to find my "pay date?"

A35: You can locate your pay date by either logging into the Assignment Management System (AMS) or Virtual Military Personnel Flight (vMPF):

- 1. To locate your pay date via AMS, follow the steps below after logging into AMS:
 - Under Personnel Information select My Career Brief
 - Select Choose View drop-down and select Service Dates
 - Select Go
 - Locate "PAY"
- 2. To locate your pay date via vMPF, follow the steps below after logging into vMPF:
 - Select Self-Service Actions
 - Select Personal Data
 - Select Career Data Brief
 - Select View CDB
 - Locate "PAYDT" under Service Dates section

If you have any issues locating your pay date, please contact your servicing MPF/CSS for assistance.

https://afrba-portal.cce.af.mil/#board-info/bcmr/navbar

You can also find resources regarding the AFBCMR on myFSS at https://myfss.us.af.mil/USAFCommunity/s/knowledge-detail?pid=kA0t00000010wbeCAA