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.

### Automatic and Matching Contributions

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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.

### 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

### 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.

### Effective Date of the New System

- **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

### 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.