

Important points to consider:

Government Subsidy

SBP is subsidized by the Federal Government, reducing your premiums.

Peace of Mind

SBP gives you the assurance of potentially continuing a portion of retired pay to your eligible beneficiary.

Inflation Protection Benefits

Cost of living adjustments (COLAs) ensure the benefits to your survivors increase to keep pace with future inflation.

Tax Advantages

Tax-free premiums. Premiums paid for the coverage are deducted before taxes.

Paid Up Policy

Paid up after the retiree is age 70 years and 360 premium payments have been paid.

Other Considerations

Age, Gender, Health, and Lifestyle are not factors in either premiums or annuity payable.

Makes your other investments and assets more valuable!

Your spouse can never outlive the annuity.

WHAT DO I NEED TO DO?

EVERY retiring
Service member
must make a valid
SBP election prior
to retiring - see
your SBP
counselor.

Doris Gilligan (505) 846-5508

The Kirtland AFB Survivor Benefit Plan Counselor is located within the Airman & Family Readiness Flight (A&FRF).



To read more about SBP, please contact
Defense Finance & Accounting Service
(DFAS)

<https://www.dfas.mil/retiredmilitary/provide/sbp.html>

Survivor Benefit Plan (SBP)

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U.S. AIR FORCE

The Total Force Resource

Survivor Benefit Plan

Military retirement pay stops when a member dies. The Survivor Benefit Plan (SBP) is a Government program which makes it possible for retired members to ensure that after their death, their eligible survivor(s) receive a portion of the military retirement pay in the form of a monthly annuity. The annuity payable is 55% of the Base Amount elected. The Base Amount may be Full Gross Retired pay or any dollar amount down to \$300. The SBP election is made at the time of retirement. If SBP is voluntarily declined at the time of retirement, then no annuity can be established after the retiree dies.

Automatic Coverage Provision

A retiring military member MUST complete a DD Form 2656, Data for Payment of Retired Personnel, with their SBP Counselor. If a member fails to complete a DD Form 2656, DFAS will automatically establish MAXIMUM SBP coverage and deduct premiums for that coverage from retired pay.

SBP Premiums and Annuity

Spouse/Former Spouse

Premiums for spouse coverage are **6.5 percent** of the base amount elected. Annuity paid to the spouse is 55 percent of the base amount elected.

Child(ren)

Eligible children may be covered alone or may be included with spouse/former spouse coverage.

Premiums for including children with spouse coverage are based on your age, the age of your spouse, and the age of your youngest child at the time the coverage becomes effective.

Premiums for child only coverage are based on your age and the age of your youngest child at the time the coverage becomes effective.

The annuity payable to eligible child(ren), equal to 55 percent of the base amount, is equally divided between all eligible children.

Insurable Interest Person

See the SBP counselor for formula for computing both the premiums and annuity payable.

Disenrollment Provision

- One year window to request to terminate SBP
- One year window starts on 2nd anniversary of the date of commencement of retired pay (i.e. the 25th month of retirement). Window closes on 36th month anniversary of retirement
- Termination Request must be submitted to DFAS on a DD Form 2656-2
- If you are married, your spouse must concur with your request to terminate SBP
- No refund of SBP Premiums

FAQ's of SBP

The SBP was created by Congress to protect surviving dependents from the loss of your military retirement pay when you die.

Q. Why should I participate in the SBP?

A. Because your retired pay will stop on the date of your death.

Q. Am I eligible for the SBP?

A. If you are on active duty, you are automatically covered at the maximum level provided your death is in line of duty. Before you retire, you're given the opportunity to continue SBP at the same level, participate at a reduced level, or decline.

Q. Who can benefit from the SBP?

A. You decide. Benefits can go to your spouse, spouse and eligible children, eligible children only, former spouse, former spouse and eligible children, or if applicable, to an insurable interest person.

Q. What happens if I choose not to participate?

A. Your retired pay will stop when you die. No monthly payments will be made to your survivors.

Q. Do I have to continue to pay premiums even if my spouse dies or I get a divorce?

A. No. Your premiums can be suspended upon loss of beneficiary. In the event you remarry, your new spouse is automatically covered on the first anniversary of your remarriage unless, before that date, you notify DFAS that you do not wish to cover her/him.