



December 2011

What Documents Will I Get This Year?

This year you may receive some documents you are not expecting. Please carefully review each of them. They'll help you manage your pay through tax season and beyond. Here's a description of each document:

- 1. This newsletter** - includes updates from DFAS Retired and Annuitant Pay and advice for managing your retired pay account year round.
- 2. Your 1099R(s)** - reflects all 2011 payments. Due to the pay date change approved by Congress earlier this year, your 1099R includes 13 payments. Read the [13 Pay Dates](#) article in this newsletter for more information.
- 3. Account statement dated Dec. 2** - shows your new payment amount as of Dec. 30, 2011, including the 2012 Cost of Living Adjustment.
- 4. Account statement dated Dec. 12** - shows your new payment as of Feb. 1, 2012, including any Federal Income Tax Withholding adjustments caused by changes to the 2012 tax tables.

Helpful links:

[Internal Revenue Service](#)
[myPay](#)

Are you using your eRAS?

Did you know you can view, print or save an electronic Retiree Account Statement (eRAS) on [myPay](#) every month?

The eRAS is a complete summary of your pay, deductions and benefits. It includes information about allotments, income tax withholdings, direct deposit and a Survivor Benefit Plan (SBP) counter that shows plan members how much longer they have to pay premiums.

Previously, we only issued an annual RAS each December or when your pay, benefits or other account information changed. While these statements will continue, the new eRAS was created in response to your requests for more frequent communication about your accounts.



Now that eRAS is available on *myPay*, you can really take control of your account by reviewing your eRAS each month to verify that your pay and benefits are accurate and up to date!

If you find something that needs to be updated while viewing your eRAS, in most cases you can simply update your account while you're already logged in to *myPay*. The system is available 24/7, and changes take effect in just 3 to 5 business days when you make them in *myPay*!

If you're having trouble getting in to your *myPay* account, see the [login instructions](#).

Cost of Living Adjustment for 2012

Based on the increase in the Consumer Price Index, there will be a 3.6 percent Cost of Living Adjustment (COLA) for retired pay and Survivor Benefit Plan annuities effective Dec. 1, 2011. Retirees will see the change on their Dec. 30 payment, and annuitants will receive it Jan. 3, 2012.

Retirees who received a Career Status Bonus (CSB) will receive a 2.6 percent increase. Those who retired between Jan. 1, 2011 and Sept. 30, 2011 will receive a partial COLA based on the quarter they retired.

13 Payments May Affect Your Taxes

Your 1099R tax statement includes 13 payments this year. This isn't a mistake. The pay schedule for retirees was adjusted in mid-2011 to comply with the 2011 National Defense Authorization Act.

Military retired pay is now processed on the first day of the month. When that day falls on a weekend or national holiday, the pay date is moved to the previous business day. This means your payment normally scheduled for Jan. 3, 2012 was issued Dec. 30, 2011.

As a result of the second payment in December, you received a total of 13 pay checks instead of the normal 12 in the 2011 tax year, which may increase your tax liability.



Please contact your tax advisor or the [IRS](#) with questions on this subject. Our Customer Service Representatives cannot provide tax advice.

Because Jan. 1 is always a federal holiday, going forward you'll always receive your January pay the previous December. So in 2012 and beyond, you will receive the normal 12 pay checks.

The following entitlements are affected by this change:

- Retired Pay
- Concurrent Retirement Disability Pay (CRDP)
- Combat Related Special Compensation (CRSC)

Retirees with obligations such as garnishments, court-ordered child support payments, former spouse payments or allotments will see the associated deduction applied to all 13 payments this year. Annuity Pay is NOT affected by this change in monthly payments.

1099 Requests

1099Rs are now available on *myPay*. Retirees and annuitants who normally get a print copy in the mail, can expect it by the end of January. If it doesn't arrive or you lose it, the easiest way to get a 1099R is using *myPay*.

1. Go to <https://mypay.dfas.mil>.
2. Enter your Login ID and password on the home page.
3. Click "Go."
4. On the "Main Menu" click "Tax Statement."
5. View, print or save your tax statement. If you have trouble reading the graphic version, click the "Text Version" link.

Trouble accessing *myPay*?
[See the login instructions.](#)

If you can't use *myPay*, you can request a 1099R copy using our automated phone system:

1. Call R&A Pay at 800-321-1080.
2. Select option 1 to request a 1099-R 24 hours a day, seven days a week, without waiting to speak to a customer service representative.
3. Enter your Social Security Number using your touch-tone keypad when prompted.
4. You should receive your 1099R in 7 to 10 business days.

New Form Makes Reporting Retiree Deaths Easier

DFAS has launched a new online form to make it easier for grieving family members to report the deaths of military retirees.

Rather than calling the Customer Care Center, survivors of recently deceased military retirees should use DFAS 9221, the Notification of Death Fast Form.

The new form can be completed in minutes at the survivor's convenience, saving grieving friends and family members the trouble of waiting on hold for customer service. Once notified, DFAS will stop the retiree's pay to prevent overpayment and begin the process of establishing any benefits the survivors may be entitled to.

Survivors can find a link to the new form and instructions on the [Report a Retiree's Death](#) page.