



Congressional Budget Office

Supplemental Data for *The Budget and Economic Outlook: 2021 to 2031*

Baseline Projections

Military Retirement

The Department of Defense's military retirement program pays monthly benefits to service members who qualify for retirement based on years of service or a disability resulting from sustaining an injury or incurring or aggravating a medical condition while on active military duty. In some cases, the program also pays benefits to surviving spouses and dependents of deceased service members. Benefit amounts are based on final salary, years of service or disability rating, and a multiplier; the formula differs depending on the retirement law under which a member retired. Military retirement is not means-tested, but receipt of veterans' disability compensation can offset military retirement payments dollar for dollar. In certain circumstances, those offsets are restored by supplemental payments.



Baseline Projections
Military Retirement

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2022-2026	2022-2031
BUDGET INFORMATION													
Billions of dollars, by fiscal year													
Budget Authority	64	66	68	70	72	74	76	79	81	84	85	350	755
Estimated Outlays	63	71	68	64	72	74	76	84	75	84	85	349	753
Components of the Military Retirement Program													
Excluding Effects of Payday Shift	63	66	68	70	72	74	76	78	81	84	85	350	754
Adjustment for Payday Shift ^a	0	5	0	-5	0	0	0	6	-6	0	0	0	0
PARTICIPATION AND BENEFIT INFORMATION													
By fiscal year													
Average Monthly Participation (Thousands of people)													
Retirees	2,190	2,204	2,218	2,230	2,241	2,251	2,260	2,267	2,273	2,277	2,280	n.a.	n.a.
Survivors	277	279	280	281	281	282	282	281	281	281	281	n.a.	n.a.
Average Monthly Benefit Per Participant (Dollars)													
Retirees	2,275	2,323	2,375	2,432	2,491	2,550	2,611	2,710	2,772	2,874	2,907	n.a.	n.a.
Survivors	1,266	1,360	1,424	1,462	1,487	1,513	1,539	1,566	1,594	1,622	1,621	n.a.	n.a.

Components may not sum to totals because of rounding; n.a. = not applicable.

a. Section 632 of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 (Public Law 111-383) requires the Department of Defense to make retirement payments on the first day of each month. If the first day of the month occurs on a holiday or a weekend, payments are instead made on the preceding business day. That will result in one additional paycheck in fiscal years 2022 and 2028 and one fewer paycheck in fiscal years 2024 and 2029. Section 632 does not affect the timing of survivor benefit payments.