



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.

Military Retirement

By Fiscal Year, Billions of Dollars

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024- 2028	2024- 2033
BUDGET INFORMATION													
Budget Authority	74,400	79,600	83,300	86,200	88,800	91,200	93,600	96,200	98,900	101,700	104,400	429,100	923,900
Estimated Outlays	74,000	73,900	83,000	86,000	88,600	97,000	87,400	96,000	98,700	101,500	111,200	428,500	923,300
Components of the Military Retirement Program													
Excluding Effects of Payday Shift	73,800	79,200	83,000	86,000	88,600	91,000	93,400	96,000	98,700	101,500	104,200	427,800	921,600
Adjustment for Payday Shift ^a	200	-5,300	0	0	0	6,000	-6,000	0	0	0	7,000	700	1,700
PARTICIPATION AND BENEFIT INFORMATION													
Average Monthly Participation (Thousands of people)													
Retirees	2,247	2,264	2,279	2,292	2,304	2,316	2,326	2,336	2,346	2,357	2,368	n.a.	n.a.
Survivors	298	299	299	299	298	297	296	294	292	290	279	n.a.	n.a.
Average Monthly Benefit Per Participant (Dollars)													
Retirees	2,570	2,730	2,840	2,920	3,000	3,060	3,130	3,210	3,280	3,360	3,450	n.a.	n.a.
Survivors	1,420	1,520	1,580	1,620	1,660	1,700	1,740	1,790	1,830	1,880	1,920	n.a.	n.a.

n.a. = not applicable.

- a. Section 632 of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 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 2028 and 2033 and one fewer paycheck in fiscal years 2024 and 2029. Section 632 does not affect the timing of survivor benefit payments.