

This fact sheet provides information to help you understand the provisions of the Survivor Benefit Plan (SBP), but is not a contract document. The basic statutory provisions of the SBP law are in [Chapter 73, Title 10, United States Code](#).

Annuity Payable to a Spouse or Former Spouse

The annuity payable to a spouse or former spouse younger than age 62 is 55 percent of the base amount elected. Until passage of Public Law 108-375, dated Oct. 28, 2004, the annuity was reduced from 55 percent to 35 percent for a spouse or former spouse who was age 62 or older (see Note 2 below); however, PL 108-375 authorized the phased elimination of the age 62 reduction in the following steps below.

Phased Elimination Schedule

The law dictates that the age 62 reduction to a spouse's/former spouse's annuity will be eliminated in the following steps:

Annuity paid:	Annuity computed (See Note 1):
Any month before October 2005	35 percent of the base amount (unless grandfathered and the Social Security Offset reduction method provides a larger annuity -- see Note 2)
October 2005 through March 2006	40 percent of the base amount (unless grandfathered and the Social Security Offset reduction method provides a larger annuity -- see Note 2)
April 2006 through March 2007	45 percent of the base amount (unless grandfathered and the Social Security Offset reduction method provides a larger annuity -- see Note 2)
April 2007 through March 2008	50 percent of the base amount (unless grandfathered and the Social Security Offset reduction method provides a larger annuity -- see Note 2)
April 2008	All spouse or former spouse annuities will be 55 percent without regard to the annuitant's age.

Notes:

1.) The annuity for a spouse or former spouse who was covered by Supplemental SBP, will be increased by the appropriate amount of Supplemental SBP coverage (i.e., if the member had 5 percent SSBP, the April 1, 2006 re-computation will be at 50 percent and not 45percent; then April 1, 2007 the re-

computation will be at 55 percent and not 50 percent; thereafter it will remain at 55 percent as the annuity cannot be larger than 55 percent of the base amount).

2.) The spouse or former spouse of any member who was already retired or retirement eligible (had 20 years of active service or a Reservist/ANG who had received their 20-year letter) on or before Oct. 1, 1985, was grandfathered under the older Social Security Offset reduction method (55 percent of the base amount minus Social Security entitlement based upon the member's military service time) if that provided a larger annuity.