

CRSC, Concurrent Receipt may offset reductions in military pay

Combat Related Special Compensation and Concurrent Receipt are two Veteran Administration benefits that can help some military retirees overcome the obstacle of offsetting reductions to their retirement pay by the amount of their VA benefit.

Combat Related Special Compensation (CRSC) is a program created for military retirees with combat-related disabilities. It is a tax free entitlement paid each month, along with any retired pay you may already be receiving.

To qualify, you must:

- be entitled to and/or receiving military retired pay. Reservists must be at least 60 or retired under the Temporary Early Retirement Authorization program.
- be rated at least 10 percent for a disability by the Department of Veteran's Affairs. Disabilities that may be considered combat related include injuries incurred as a direct result of armed conflict, hazardous duty, an instrumentality of war, or simulated war.
- file a CRSC application with your branch of service

A prime example, and the most common these days, is exposure to Agent Orange while serving in Vietnam. A retired veteran with a disability caused by exposure to Agent Orange is eligible for this special compensation on top of their retirement.

This comes in handy when a retiree is given a rating for Agent Orange-related illnesses at below the 50 percent level. Normally the compensation from the VA would be subtracted from their retirement pay. For example, if a non-married Vietnam Veteran had a 40 percent rating for diabetes and complications, he/she would receive \$569 a month from the VA. This same amount would be deducted from their retirement as an offset.

Being this is a combat-related condition, the veteran could apply for CRSC and be awarded a third stream of funding from the Department of Defense for \$569. In essence, CRSC makes them whole by being able to receive their entire retirement pay and the additional compensation for their combat-related disability.

Qualifying veterans need to file form DD2860 with the service they retired from to get this benefit. It does not come automatically. Our office can assist with this process. There are other qualifying circumstances for combat-related conditions. Check out <http://www.military.com/benefits/military-pay/special-pay/combat-related-special-compensation.html> or call 800-321-1080 to learn more about these circumstances.

Concurrent Receipt means to receive both military retirement benefits and VA disability compensation, and up until 2004 this was forbidden by law. Previously, to receive VA disability compensation, disabled military retirees had to waive all or part of their military pay. Qualified disabled military retirees will now get paid both their full military retirement pay and their VA disability compensation.

This recently passed law phases out (over 9 years) the VA disability offset, which means military retirees with 20 or more years of service and a 50 percent (or higher) VA rated disability will no longer have their military retirement pay reduced by the amount of their VA disability compensation.

To qualify for concurrent receipt you must be a military retiree with 20 or more years of service, or a National Guard or Reserve veteran with 20 or more good years. (Once they turn 60 and begin drawing a retirement check). TERA retirees may also be eligible. All of the aforementioned must have a 50 percent or higher VA disability rating.

Unfortunately, veterans who are retired with 20 years and have disability ratings at less than 50 percent still have the retirement offset. Their retirement will be reduced by the amount of the disability payment from the VA. There's still a financial advantage. The VA payment that replaces the military retirement offset is tax free, so there are some tax benefits.

It is very important for retirees who have a less than a 50 percent rating to be sure that, if their disability condition worsens, to come into our office and start the re-evaluation process.

Ted Puntillo is director of Veteran Services for Solano County. Reach him at 784-6590 or TEPuntillo@SolanoCounty.com. The Solano County Veteran Services Office, 675 Texas St. in Fairfield, is open from 9 a.m. to noon and 1 to 4 p.m. Monday through Friday.