



DEFENSE FINANCE AND ACCOUNTING SERVICE

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Deployment Entitlements Fact Sheet

1. Purpose. To provide Soldiers assigned to the National Training Center (NTC) with information regarding authorized pay entitlements associated with deployments in support of contingency operations and the Global War on Terrorism (GWOT).

2. Discussion. Deployments provide Soldiers opportunities to benefit from several financial entitlements. The following summarizes each benefit.

a. Hostile Fire/Imminent Danger Pay (HFP/IDP) HFP is authorized in designated HFP countries. The entitlement is \$225.00 per month for each month a Soldier is in the HFP area (one day in theatre, Soldier receives entire \$225.00).

b. Combat Zone Tax Exclusion (CZTE) Any official presence in a location designated for CZTE, no matter how brief, qualifies a Soldier for CZTE for the entire month. CZTE applies to Federal and State income tax withholding of all base pay and allowances. FICA and MEDICARE will continue to be withheld while in a CZTE status. Enlisted Soldiers and Warrant officers serving in a CZTE area during any part of the month may exclude from gross income all compensation received for active service that month. The same compensation rule applies to Commissioned Officers, but there is a monthly limit. Officer pay is tax exempt for an amount not to exceed the sum of monthly base pay for the Sergeant Major of the Army and HFP/IDP. For 2010, this amount is \$7611.30 per month. Tax accrues for any portion of pay above this ceiling, to include a payment of accrued leave.

c. Basic Allowance for Subsistence (BAS) All Soldiers deployed in support of OIF/OEF will receive the BAS/Separate Rations entitlement. Meal deductions will not be charged during a deployment. Meal card holders will stop having meal deductions collected effective the day of departure.

d. Basic Allowance for Housing (BAH) Whether married or single, Soldiers entitled to BAH at their Permanent Duty Station (PDS) continue drawing BAH during deployment. There is no change to the BAH rate in connection with a deployment.

e. Family Separation Allowance (FSA Type II) FSA is \$8.33 per day (tax exempt), not to exceed \$250.00 per month. The entitlement starts on the 31st day of deployment and is retroactive to the first day of eligibility. This entitlement is payable to Soldiers who are, by orders, separated from their dependents. The following rules apply:

(1) Effective October 1, 2008, FSA is payable to both married members when they reside together with their dependents immediately before being simultaneously assigned to duty assignments prescribed in subparagraphs 270103.A.1 through 3. The dual allowance shall continue until one of the members is no longer assigned to one of those duty assignments. The other member shall continue to receive the allowance until no longer assigned to one of those duty assignments.

(2) A member is not considered "a member with dependents" for FSA entitlement when: the member has been awarded joint legal and physical custody of the child(ren) as a result of a court ordered custody agreement or finalized divorce decree, which provides that the child(ren) physically reside with the member less than 14 days during the month.

f. Hardship Duty Pay – Location (HDP-L) This entitlement is payable in increments up to \$100.00 per month (paid at a daily rate of up to \$3.33/day) depending on location of deployment. HDP-L is payable to enlisted and officers, but not all countries qualify for HDP-L. The entitlement starts on the 31st day of the deployment and is retroactive to the first day of eligibility. Soldiers deployed fewer than 31 days are not eligible for this entitlement. HDP-L shows up on the LES as “HDP-L”.

g. Assignment Incentive Pay Program for Involuntary Extensions - The PDUSD (P&R) issued a November 13, 2008 memo authorizing the payment of \$1,000 for AIP effective on and after December 1, 2008. The AIP program is an incentive pay program for involuntary extensions beyond 12-months BoG in Iraq, Afghanistan, or certain theater units identified by the Combatant Commander, as having been required to remain in-country beyond the normal 12-month rotation return date. Additionally, the individual member must have been deployed to Iraq (including staging time in Kuwait) and/or Afghanistan for 12-months within a 15-month period (365 days out of 450 days).

Payment will not be prorated for partial months, but rather will be paid in full for any partial month of qualification. This is an exception to the usual practice of prorating AIP.

h. Involuntary Extension of Duty Hardship Duty Pay - Hardship Duty Pay for involuntary extension of duty is payable at a monthly rate of \$200. It is not to be prorated for partial months, but will be payable in the full \$200 amount for any month during which the member meets qualifying criteria.

i. Per Diem - Deployed Soldiers may receive incidental per diem at \$3.50 per day (tax exempt), not to exceed \$105.00 per month. Soldiers deployed over 30 days may submit accrual vouchers (DD 1351-2). Soldiers filing accruals will receive \$80.00 per month. The balance of the per diem is paid upon settlement of the final travel voucher.

j. Selective Re-Enlistment Bonus (SRB) - The SRB is entirely tax-exempt when a Soldier re-enlists during deployment.

k. Accrued Leave - Leave sold by Enlisted Soldiers while in a CZTE area, whether earned in that area or not, is tax exempt. Leave accrued by a Soldier while serving in a CZTE area, which remains unused at separation, is tax exempt. Also, Soldiers deployed in support of OIF/OEF over 120 days are entitled to Special Leave Accrual (SLA) and can carry a leave balance that exceeds the 60-day annual limit. Once SLA is approved by Human Resources Command (HRC), Soldiers have two years to use accumulated leave before a “lost leave” situation occurs. See AR 600-8-10 for specifics on SLA.

l. U.S. Savings Deposit Program (USSDP) - All Soldiers deployed at least 30 consecutive days to a designated country may contribute to this risk free program. Soldiers may make any number of deposits in any amount each month, provided the total deposit does not exceed the Soldier's monthly net pay and allowances. Total contributions, including interest earned, may not exceed \$10,000.00. Interest is paid at the rate of 10% per annum, compounded quarterly (calendar quarter). Interest will continue to accrue up to 90 days after the Soldier redeploy home. Soldiers may withdraw principle as desired or interest on balances exceeding \$10,000.00. The interest earned is taxable and the Soldier will receive a 1099-INT for tax reporting purposes. Example: \$1,000.00 invested on 1 January is worth \$1,025.00 ($\$1,000.00 \times 10\% / 4 \text{ quarters}$) on 1 April, and \$1,050.63 ($\$1,025.00 \times 10\% / 4 \text{ quarters}$) on 1 July.

m. Tax Season - Note: Soldiers deployed to a CZTE area during the 2008 tax season receive an automatic filing delay of 180 days. Soldiers deployed overseas, but not in a CZ/QHDA during the tax season have until 15 June to complete all tax actions.