

# The SBP-DIC Offset Phased Elimination 2022 Changes

## Phase Two - 2022

\*Please see our SBP-DIC News webpage for FAQs: [www.dfas.mil/sbpdicnews](http://www.dfas.mil/sbpdicnews)\*

In Phase Two (2022) of the offset phased elimination, your SBP gross benefit is reduced by an amount that is equal to one-third of your DIC benefit. This does NOT affect your DIC payment, which is paid by the VA. The first payday for Phase Two is February 1, 2022 and the last payday for Phase Two is January 3, 2023.

### Monthly Payments During Phase Two:



### Example

- ◆ If **DIC** benefit (paid in full by the VA) equals = \$1437.66
- ◆ And **SBP gross** benefit (paid by DoD/DFAS) equals = \$940
- ◆ **Offset** to SBP (DIC benefit amount divided by 3) equals = \$479.22
- ◆ **SBP net** payment after offset (reduction) of \$479.22 equals = \$460.78

### Monthly Payments Based on Above Example:

Monthly payments beginning February 1, 2022 (first payday of Phase Two):

**\$1437.66** DIC from VA + **\$460.78** Net SBP from DFAS + **\$346** \*SSIA from DFAS

- ◆ **DIC benefit** (paid in full by the VA) = \$1437.66
- ◆ **SBP net** payment (paid by DoD/DFAS) = \$460.78 (before taxes)
- ◆ **\*SSIA** payment (paid by DoD/DFAS) = \$346  
(\*SSIA paid ONLY when SBP gross is reduced due to offset; up to maximum of \$346 in 2022)

Please note: a small number of spouse annuitants (approximately 12%) will NOT see an increase in their SBP net payment in 2022. This is because one-third of their DIC benefit (the offset) is more than their SBP gross benefit. This group of spouse annuitants WILL receive their full SBP gross benefit beginning February 1, 2023 (see page 2).

DIC = Dependency and Indemnity Compensation paid by the Department of Veterans Affairs (VA)  
SBP = Department of Defense (DoD) Survivor Benefit Plan  
SSIA = DoD Special Survivor Indemnity Allowance  
DFAS = Defense Finance and Accounting Service; the DoD agency that processes Survivor Benefit Plan (SBP) and SSIA payments

Note: Dec 2022 SBP payments  
will be made on Jan 3, 2023.  
Jan 2023 payments will be made  
on Feb 1, 2023.

**-See Page 2 for 2023 Changes-**



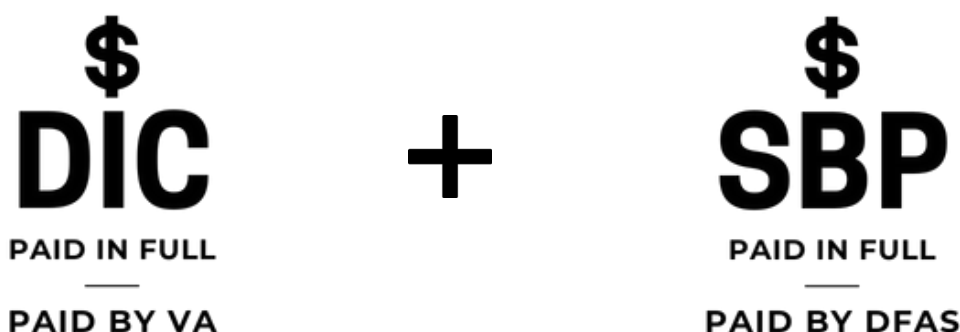
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## Phase Three - 2023

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In the third and final phase (2023), the SBP-DIC offset will be fully eliminated. That means you will begin to receive your full SBP gross benefit payments with no offset (reduction). The first payday for Phase Three is February 1, 2023. You will also continue to receive your full DIC payments from the VA. SSIA will no longer be paid.

### Monthly Payments Starting in Phase Three:



### Example

- ◆ If **DIC** benefit (paid in full by the VA) equals = \$1437.66
- ◆ And **SBP gross** benefit (paid by DoD/DFAS) equals = \$940

### Monthly Payments Based on Above Example:

Monthly payments beginning February 1, 2023 (first payday of Phase Three):

**\$1437.66** DIC from VA + **\$940** Gross SBP from DFAS

- ◆ **DIC benefit** (paid in full by the VA) = \$1437.66
- ◆ **SBP gross benefit** (paid in full by DoD/DFAS) = \$940 (before taxes)

### Helpful DFAS Webpages for Annuitants

#### SBP-DIC Offset Phased Elimination News

[www.dfas.mil/sbpdicnews](http://www.dfas.mil/sbpdicnews)

#### SBP 2023 Optional Child Annuity reversion

[www.dfas.mil/sbp2023childoptrev](http://www.dfas.mil/sbp2023childoptrev)

#### DFAS Facebook

[www.facebook.com/DFASOfficial](http://www.facebook.com/DFASOfficial)

#### Manage your SBP annuity

[www.dfas.mil/managesbp](http://www.dfas.mil/managesbp)

#### School certifications

[www.dfas.mil/schoolcerts](http://www.dfas.mil/schoolcerts)

#### myPay

<https://mypay.dfas.mil>

Note: Dec 2022 SBP payments  
will be made on Jan 3, 2023.  
Jan 2023 payments will be made  
on Feb 1, 2023.

**-See Page 1 for 2022 Changes-**

