

## **Retirees Get 5.8% COLA for 2009**

Each year military retirement pay is adjusted to meet the increased cost of living. This Cost-of-Living-Adjustment (COLA) varies from year to year based on the previous year's Consumer Price Index (CPI).

2009 Update: The 2009 military retired pay cost-of-living adjustment (COLA) will be 5.8%. This increase, which goes into effect on December 1, 2008, also applies to SBP annuities, Social Security checks, and VA disability and survivor benefits. Retirees will see the increase in their January 2009 checks.

Note: This annual Cost-of-Living-Adjustment is NOT in anyway related to the annual military pay raise for active duty and reserve service members. In fact, this years COLA increase is larger than the 2009 military pay raise of 3.9%.

All retirees who retired before January 1, 2008 will receive the 5.8 percent Cost-of-Living-Adjustment.

Retirees who first became a member of the uniformed services before Sept. 8, 1980 and retired on or after January 1, 2008 will receive the 5.0 percent Cost-of-Living-Adjustment.

Retirees who first became a member of the uniformed services on or after Sept. 8, 1980, and retired in 2008 will receive a Partial COLA on a prorated basis as follows:

Jan. 1, 2008 - March 31, 2008, will receive 5.0%

April 1 - June 30, 2008 will receive 3.8%

July 1 - Sept. 30, 2008 will receive 1.2%

Those who retired after Oct. 1, 2008, will see no COLA this year.

Retirees who first entered the military after Sept. 8, 1980 and retired before Jan. 1, 2008 will also receive the 5.8 percent COLA.

Retirees who first became members of the uniformed services on or after Aug. 1, 1986 and elected to receive a Career Status Bonus at 15 years, and retired on or before Jan. 1, 2008, will receive an increase of only 4.8 percent.