

## **Retiree Corner:**

### **Surviving Spouses' Court Victory to Stand**

By Jack Terwiel

Military Retiree Assistance Office

*“The Department of Defense (DoD) has decided not to challenge a federal court ruling that effectively allows three surviving spouses of deceased retired service members to continue collecting both Survivor Benefit Plan (SBP) and Dependency and Indemnity Compensation (DIC) benefits, even though they remarried after age 57.*

*“In the case, Sharp v. U.S., the U.S. Court of Appeals for the Federal Circuit in August upheld a district court decision that determined the three women who brought the lawsuit were entitled to both forms of compensation. Government lawyers contended that their SPB should have been offset dollar-for-dollar by the amount of tax-free DIC they receive from the Department of Veterans Affairs. Veterans' and military service organizations hailed the ruling, and DoD's decision not to appeal.*

*“This court victory ... could be the first step in an effort to eventually completely repeal the SBP/DIC offset,” the Fleet Reserve Association said in a Nov. 6 statement published on the organization's Web site.”*

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Many retirees who had the foresight and concern to enroll in SBP, to ensure their spouse would have a permanent income, also retired with a service-connected disability entitling them to disability pay from the Department of Veterans Affairs. If the retiree's death is determined to be related to the VA-claimed disability, the surviving spouse is entitled to DIC. The dollar-for-dollar offset of SBP by the DIC leaves the survivors with a lower income. One real-life example is the Osan area widow who receives both DIC and SBP. The DIC is \$1,154 and the SBP is \$1,157, of which all but \$3 is offset by the DIC. Being over 57 years of age and **only** if she remarries is she able to receive both annuities.