



OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
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MANPOWER AND
RESERVE AFFAIRS

MEMORANDUM FOR DEPUTY ASSISTANT SECRETARY OF THE ARMY FOR
MILITARY PERSONNEL AND QUALITY OF LIFE
DEPUTY ASSISTANT SECRETARY OF THE NAVY FOR
MILITARY MANPOWER AND PERSONNEL
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE FOR
FORCE MANAGEMENT AND PERSONNEL
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE

SUBJECT: Adjustment to Military Retired and Retainer Pay, Survivor Annuities and
Premiums

This memorandum and attachment provide detailed guidance regarding Cost-of-Living Adjustments (COLAs) and other computational procedures applicable to military retired and retainer pay and survivor annuities. Retired pay and survivor entitlements are adjusted and computed as prescribed herein.

The attachment specifies COLAs for retired and retainer pay, survivor annuities, and premium determinations effective December 1, 2025, unless specified otherwise. These COLAs reflect the required adjustment for cost-of-living as measured by the Consumer Price Index for Urban Wage Earners and Clerical Workers for the four quarters ending with the third calendar quarter of 2025 (July, August, and September 2025).

Stephanie Miller
Deputy Assistant Secretary
(Military Personnel Policy)

12 NOV 2025

Attachment:
As stated

cc:
Deputy Chief of Staff for Personnel, U.S. Army
Deputy Chief of Naval Operations for
Manpower, Personnel, Training
and Education, U. S. Navy
Deputy Chief of Staff for Manpower, Personnel
and Services, U.S. Air Force
Deputy Commandant for Manpower and Reserve
Affairs, U.S. Marine Corps
Deputy Chief of Space Operations for Human

Capital, U.S. Space Force
Assistant Commandant for Human Resources,
U.S. Coast Guard
Director, Division of Commissioned Personnel,
U.S. Public Health Service
Director, National Oceanic and Atmospheric
Administration Corps Operations-NC
Department of War Chief Actuary
Deputy General Counsel (Fiscal)
Director, Defense Health Agency

**2026 ADJUSTMENTS TO RETIRED/RETAINER PAY,
SURVIVOR ANNUITIES AND PREMIUMS**

The following Cost-of-Living Adjustments (COLAs) are effective December 1, 2025, based on the increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) through the third quarter calendar year 2025. The term "retired pay" includes retainer pay and the term "members" includes former members. Where applicable, the appropriate section of United States Code (U.S.C.) is cited.

COLAs for Retired Pay

1. The retired pay COLA for those who first became members of a Uniformed Service before September 8, 1980, is specified according to the effective date of their retirement, as follows:

<u>Retired Pay Based on Rates of Pay Effective</u>	<u>Percent Increase</u>	<u>10 U.S.C. Authority</u>
Before January 1, 2025	2.8 percent	1401a(b)(2)
January 1 – December 31, 2025	2.6 percent	1401a(c)

2. The retired pay COLA for those who first became members of a Uniformed Service on or after September 8, 1980, including those members covered by the High-3 or Blended Retirement System (BRS), is specified according to the effective date of their retirement, as follows:

<u>Retirement Effective:</u>	<u>Percent Increase</u>	<u>10 U.S.C. Authority</u>
Before January 1, 2025	2.8 percent	1401a(b)(2)
January 1 - March 31, 2025	2.6 percent	1401a(d)
April 1 - June 30, 2025	1.6 percent	1401a(d)
July 1 - September 30, 2025	0.7 percent	1401a(d)
October 1 - December 31, 2025	0.0 percent	1401a(d)

3. The retired pay COLA for those who first became members of a Uniformed Service on or after August 1, 1986, and also elected to receive a career status bonus under the provisions of Sections 322 (as in effect before January 28, 2008) or 354 of Title 37 U.S.C. is specified according to the date of their retirement, as follows:

<u>Retirement Effective</u>	<u>Percent Increase</u>	<u>10 U.S.C. Authority</u>
Before January 1, 2025	1.8 percent	1401a(e)
January 1 - March 31, 2025	1.8 percent	1401a(e)
April 1 - June 30, 2025	1.1 percent	1401a(e)
July 1 - September 30, 2025	0.5 percent	1401a(e)
October 1 - December 31, 2025	0.0 percent	1401a(e)

COLAs for Survivor Annuities

4. Retired Serviceman's Family Protection Plan annuities payable on December 1, 2025, under the provisions of Subchapter I of Chapter 73, Title 10, U.S.C., to the spouse or child of a member who died on or before March 20, 1974, will be increased by **2.8 percent** (ref: 10 U.S.C. 1434 (e)).
5. Annuities under the Survivor Benefit Plan (SBP) and Reserve Component Survivor Benefit Plan (RCSBP) under the provisions of Subchapter II of Chapter 73, Title 10, U.S.C., will be increased by the same percentage specified in paragraphs 1, 2, or 3 above by which the retired pay of the person providing the annuity would have been increased at such time if the person were alive and otherwise entitled to such pay. (ref: 10 U.S.C. 1451 (g)).
6. COLAs for supplemental annuities paid to certain low-income widows of members who were deceased before November 1, 1953, will be increased **2.8 percent** (ref: Public Law (P.L.) 100-456, section 653(c), as amended; see 10 U.S.C. 1448 note).
7. Annuities for Certain Military Surviving Spouses (ACMSS) payable monthly under the provisions of section 644, P.L. 105-85, November 18, 1997 (as amended), will be increased **2.8 percent** from \$329.56 to **\$338.79** effective December 1, 2025. (ref: P.L. 105-85, sec 644, as amended; see 10 U.S.C. 1448 note).

Increase in the SBP Low-Cost Premium Threshold

8. Previous amounts with respect to which the 2.5 percent factor of the SBP premium (cost) formula apply will be adjusted effective December 1, 2025, in conjunction with the adjustments in retired pay made under the provisions of Section 1401a of Title 10, U.S.C. (ref: 10 U.S.C. 1452(a)(4)(B)). The Defense Finance and Accounting Service will perform necessary calculations to determine actual premiums based on the individual circumstances of each case.
9. The amount with respect to which the 2.5 percent factor of the SBP premium (cost) is applied will be increased ***3.8 percent effective January 1, 2025**, from \$1,056 to **\$1,096**. The threshold premium is **\$27.40**. Therefore, the Low-Cost Threshold premium is **\$27.40** plus 10% of the difference between retired pay and the threshold amount. The breakeven base amount is **\$2,348.57**. (ref: 10 U.S.C. 1452(a)(4)(A))

*3.8 percent is assumed based upon the President's FY2026 budget request.