



Lt. Gen. Dana Atkins
USAF (Ret)
President and CEO

Let's Put an End to the Widows Tax

Objective: End financial penalties for military survivors.

Under current law, survivors of deceased military members must forfeit part or all of their purchased Survivor Benefit Plan (SBP) annuity when awarded the VA's Dependency and Indemnity Compensation (DIC). The loss of any portion of the SBP annuity is known as the #WidowsTax. For more than **65,000 military survivors**, the widows tax makes SBP the only insurance-type product in the country you pay into but are legally prohibited from collecting.

Issue: Congress needs to keep widows tax repeal language in the annual defense bill.

The House included a provision to repeal the widows tax in its version of the FY 2020 National Defense Authorization Bill. The measure must now make it through conference committee before both chambers approve the final bill and send it to the president for signature.

Background: An age-old law is an injustice to military survivors.

SBP: A voluntary, member-purchased annuity provided by DoD allows for the continuation of a portion of military retired pay upon the death of the servicemember. According to DoD, the intended purpose of SBP is to "ensure that the surviving dependents of military personnel who die in retirement or after becoming eligible for retirement will continue to have a reasonable level of income." Congress later expanded coverage to personnel who die on active duty as well.

DIC: A VA-paid monetary benefit for eligible survivors whose sponsors died of a service-connected injury or disease.

These separate benefits are paid for separate reasons and should not be construed as "double dipping."



Congress: Support House language regarding elimination of the widows tax.

- **Defense bill conferees:** Support House provision Sec. 630
- **Non-conferees:** Urge members of the conference committee to support Sec. 630 and help more than 65,000 military survivors receive their earned benefits

MOAA Contact

Jamie Naughton
Associate Director,
Survivor Issues
JamieN@moaa.org
(703) 838-5807

