

112TH CONGRESS
1ST SESSION

H. R. 333

To amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability rated less than 50 percent to receive concurrent payment of both retired pay and veterans' disability compensation, to eliminate the phase-in period for concurrent receipt, to extend eligibility for concurrent receipt to chapter 61 disability retirees with less than 20 years of service, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 19, 2011

Mr. BISHOP of Georgia (for himself, Mr. ROSS of Arkansas, Ms. BERKLEY, Mr. LOEBSACK, Mr. REYES, Mr. BARTLETT, Mr. MCGOVERN, Mr. CONNOLLY of Virginia, Ms. BROWN of Florida, Mr. WESTMORELAND, Ms. CASTOR of Florida, Mr. BRALEY of Iowa, Mr. BRADY of Pennsylvania, Mr. SCHIFF, Mr. HOLDEN, Mr. HOLT, Mr. DAVID SCOTT of Georgia, Mr. FILNER, Mr. DONNELLY of Indiana, Mr. MCINTYRE, Mr. TIERNEY, Mr. WALZ of Minnesota, Mr. DEFazio, Ms. BORDALLO, Mr. BOSWELL, Mr. COURTNEY, Mrs. BLACKBURN, Mr. BACHUS, Mr. CRITZ, Mr. MORAN, Ms. SLAUGHTER, Mr. MICHAUD, Mr. WOLF, Mr. WU, Mr. KISSELL, Mr. GARAMENDI, Mr. BOREN, Ms. TSONGAS, Mr. PRICE of North Carolina, Mr. JOHNSON of Georgia, Mrs. MALONEY, Mr. YARMUTH, Mr. GRIJALVA, Mr. FRANK of Massachusetts, Mr. SHULER, Mrs. DAVIS of California, Mr. CARNAHAN, Ms. FOXX, Mr. WITTMAN, Mr. RAHALL, Ms. NORTON, Mr. PETERSON, Mr. KILDEE, Mr. MEEKS, Mr. ROGERS of Alabama, Mr. AL GREEN of Texas, Mr. ALEXANDER, Mr. KUCINICH, Ms. KAPTUR, Mr. ENGEL, Mr. GUTIERREZ, Ms. LORETTA SANCHEZ of California, Mr. BERMAN, Ms. PINGREE of Maine, Mr. LONG, Mr. HIGGINS, Mr. BARROW, Mr. SHUSTER, Ms. SUTTON, Mr. CICILLINE, Mr. PETERS, Mr. MARKEY, and Mr. BUTTERFIELD) introduced the following bill; which was referred to the Committee on Armed Services, and in addition to the Committee on Veterans' Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability rated less than 50 percent to receive concurrent payment of both retired pay and veterans' disability compensation, to eliminate the phase-in period for concurrent receipt, to extend eligibility for concurrent receipt to chapter 61 disability retirees with less than 20 years of service, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Disabled Veterans Tax
 5 Termination Act”.

6 **SEC. 2. CONCURRENT RECEIPT OF BOTH RETIRED PAY AND**
 7 **VETERANS' DISABILITY COMPENSATION FOR**
 8 **MILITARY RETIREES WITH COMPENSABLE**
 9 **SERVICE-CONNECTED DISABILITIES.**

10 (a) INCLUSION OF RETIREES WITH SERVICE-CON-
 11 NECTED DISABILITIES RATED LESS THAN 50 PER-
 12 CENT.—Subsection (a) of section 1414 of title 10, United
 13 States Code, is amended—

14 (1) by striking “COMPENSATION” in the sub-
 15 section heading and all that follows through “Sub-
 16 ject” and inserting “COMPENSATION.—Subject”;

1 (2) by striking “qualifying service-connected
2 disability” and inserting “service-connected dis-
3 ability”; and

4 (3) by striking paragraph (2).

5 (b) REPEAL OF PHASE-IN OF CONCURRENT RECEIPT
6 OF RETIRED PAY AND VETERANS’ DISABILITY COM-
7 PENSATION.—Such section is further amended—

8 (1) in subsection (a), as amended by subsection
9 (a) of this section, by striking the final sentence;

10 (2) by striking subsection (c) and redesignating
11 subsections (d) and (e) as subsections (c) and (d),
12 respectively; and

13 (3) in subsection (d), as so redesignated, by
14 striking paragraphs (3) and (4).

15 (c) INCLUSION OF DISABILITY RETIREES WITH LESS
16 THAN 20 YEARS OF SERVICE.—Subsection (b) of such
17 section is amended—

18 (1) in paragraph (1), by striking “member re-
19 tired” and inserting “qualified retiree who is re-
20 tired”; and

21 (2) by striking paragraph (2) and inserting the
22 following new paragraph:

23 “(2) DISABILITY RETIREES WITH LESS THAN 20
24 YEARS OF SERVICE.—The retired pay of a qualified
25 retiree who is retired under chapter 61 of this title

1 with fewer than 20 years of creditable service is sub-
 2 ject to reduction under sections 5304 and 5305 of
 3 title 38, but only by the amount (if any) by which
 4 the amount of the member's retired pay under such
 5 chapter exceeds the amount equal to 2½ percent of
 6 the member's years of creditable service multiplied
 7 by the member's retired pay base under section
 8 1406(b)(1) or 1407 of this title, whichever is appli-
 9 cable to the member.”.

10 (d) CLERICAL AMENDMENTS.—

11 (1) SECTION HEADING.—The heading for such
 12 section is amended to read as follows:

13 **“§ 1414. Members eligible for retired pay who are also**
 14 **eligible for veterans' disability compensa-**
 15 **tion: concurrent payment of retired pay**
 16 **and disability compensation”.**

17 (2) TABLE OF SECTIONS.—The item relating to
 18 such section in the table of sections at the beginning
 19 of chapter 71 of such title is amended to read as fol-
 20 lows:

“1414. Members eligible for retired pay who are also eligible for veterans' dis-
 ability compensation: concurrent payment of retired pay and
 disability compensation.”.

21 (e) CONFORMING AMENDMENT.—Section 1413a(f) of
 22 such title is amended by striking “Subsection (d)” and
 23 inserting “Subsection (c)”.

1 (f) EFFECTIVE DATE.—The amendments made by
2 this section shall take effect on the first day of the first
3 month beginning after the date of the enactment of this
4 Act and shall apply to payments for months beginning on
5 or after that date.

6 **SEC. 3. COMBAT-RELATED SPECIAL COMPENSATION TECH-**
7 **NICAL CORRECTIONS REGARDING AMOUNT**
8 **OF MONTHLY PAYMENTS FOR CHAPTER 61**
9 **DISABILITY RETIREES.**

10 (a) TECHNICAL CORRECTIONS.—Section 1413a(b)(3)
11 of title 10, United States Code, is amended—

12 (1) in subparagraph (A), by striking “shall be
13 reduced” and all that follows through “exceeds” and
14 inserting “may not, when combined with the amount
15 of retired pay payable to the retiree after any reduc-
16 tion under sections 5304 and 5305 of title 38, cause
17 the total of such combined payment to exceed”; and

18 (2) in subparagraph (B), by striking “shall be
19 reduced” and all that follows through “exceeds” and
20 inserting “may not, when combined with the amount
21 of retired pay payable to the retiree after any reduc-
22 tion under sections 5304 and 5305 of title 38, cause
23 the total of such combined payment to exceed”.

24 (b) EFFECTIVE DATE.—The amendments made by
25 this section shall take effect on the first day of the first

1 month beginning after the date of the enactment of this
2 Act and shall apply to payments for months beginning on
3 or after that date.

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