



National Association for Uniformed Services®

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The Servicemember's Voice in Government

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NEWS RELEASE

NAUS Urges Repeal of the Unfair “Widow’s Tax”

Springfield, Virginia (5/5/09) – Bill Matz, President of the National Association for Uniformed Services® (NAUS) and Administrator of the Society of Military Widows (SMW), joined Rep. Steve Buyer (R-IN) and Rep. Tim Walz (D-MN) at a news conference on Capitol Hill supporting the Surviving Spouses Benefit Improvement Act of 2009.

The bill eliminates the so-called “widow’s tax:” reduction of payments from the Survivor Benefit Plan (SBP) equal to the amount of any Dependency and Indemnity Compensation (DIC) a surviving spouse is entitled to receive. SBP is an insurance-like benefit paid for by the servicemember. DIC is a benefit payable to surviving spouses and other dependents of a servicemember who dies while on active duty or dies as a result of a service connected injury. More than 50,000 survivors are affected by this offset, some by as much as \$1,154 a month. The bill would also increase the rates of DIC by twelve percent.

“We have long recognized the distinctly separate purposes of these programs and the need to eliminate the offset,” Matz said. “Even the presidentially appointed Veterans Disability Benefits Commission, of which I was honored to be a member, came to the same conclusion that this offset is not appropriate and should be discontinued,” he added.

NAUS and SMW, along with their National Military and Veterans Alliance and Military Coalition partners, including the Gold Star Wives and Military Officers Association of America, which also participated in the news conference, have long recognized the separate purposes of the SBP and DIC programs and supported efforts to eliminate the offset. In his statement at the news conference, Matz noted that the SBP/DIC offset leaves many surviving spouses in a precarious financial position, particularly those of junior enlisted servicemembers. He commended Congressmen Buyer and Walz for their leadership on this issue, urged every other member in the House to join in this worthy effort, and pledged to work with Congress to pass this important legislation.

NAUS is a nonprofit, non-partisan association dedicated to protecting the interests of - and benefits earned by - members of the uniformed services for themselves, their families and survivors. NAUS provides administrative support to the Society of Military Widows. For more information please contact Steve Hein, Director of Marketing, at 703-750-1342, x1009, or at shein@naus.org, or visit the Association’s web site at www.naus.org.

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