



OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
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WASHINGTON, D.C. 20301- 1500

MAY 26 2017

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
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
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE

SUBJECT: Blended Retirement System Lump-sum Government Discount Rate for 2018

Members of the Uniformed Services enrolled in the Blended Retirement System (BRS) may elect to receive a lump sum of a portion of their retired pay upon retirement. In accordance with section 1415 of Title 10, United States Code (U.S.C.), the amount of the lump sum is to be determined using a discount rate. The formula for determining that discount rate is published in Attachment 2 to the Deputy Secretary of Defense memo "Implementation of the Blended Retirement System" dated January 27, 2017.

According to the published formula, the Government Discount Rate (GDR) for lump-sum elections occurring in calendar year 2018 is **6.99%**, as calculated by the DoD Office of the Actuary. This rate is in effect for any retirement for which a member is eligible to begin receiving retired pay during the period from January 1, 2018, through December 31, 2018.

In accordance with the Deputy Secretary of Defense Memorandum, the GDR is promulgated on June 1 to go into effect on January 1 of the following year. The next update to the GDR will be published in June 2018 to be applied to lump-sum elections occurring in calendar year 2019.

A handwritten signature in blue ink, appearing to read "L. Hebert".

Lernes J. Hebert
Acting Deputy Assistant Secretary
(Military Personnel Policy)