



DEFENSE FINANCE AND ACCOUNTING SERVICE

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DFAS-HQ/FMM

MEMORANDUM FOR DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE
CLEVELAND CENTER
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE
DENVER CENTER

SUBJECT: Update to the Department of Defense Financial
Management Regulation (DoDFMR), Volume 7B, Limitations
on Deductions for Indebtedness (DFAS Item J-25)

Attached is DFAS Interim Change Number R07-00 to the
DoDFMR, Volume 7B. This change is effective immediately.

We have evaluated your comments on the draft change to the
DoDFMR, Volume 7B. The attached final version of the change
includes your comments where appropriate. Assignment of an
interim change number is your authority to initiate a procedural
modification to facilitate this change. For the Denver Center,
use the attached to initiate the formal change to the DoDFMR,
Volume 7B.

for Gloria D. Harris
Jerry S. Hinton
Acting Director for Finance

Attachment:
As stated

cc: DASD (MMP) (COMP)
OUSD (C) ODCFO (FD)
ODGC (F)
DFAS-DE/DG
Services Liaisons
USCG/NOAA/PHS Liaisons

1. Change paragraph **280701** to read the following:

"**280701.** The amount to be collected each month in order to recoup an indebtedness from a member's retired pay should be no less than \$50, or an amount reasonable to the size of the debt and the member's ability to pay as supported by financial information provided by the member. Minimum amounts do not apply where collection amounts are specified by statute.

2. Change subparagraph 280702 to read the following:

"**280702.** The maximum monthly amount that may be collected under section 2805 above, is the lesser of:

- A. Two-thirds of the member's pay less the amounts deducted in arriving at disposable pay plus amounts collected under section 2806, above, and this section, or
- B. Twenty-five percent of the gross retired pay."

3. Make the following changes to the Bibliography:

"Paragraph

Citation

Delete: 280702

Public Law 102-484, Section 643,
Oct 23, 1992

Add: 430902H

Public Law 102-484, Section 643,
Oct 23, 1992