DEFENSE FINANCE AND ACCOUNTING SERVICE
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DFAS-DOP

JAN 20 2005

MEMORANDUM FOR DIRECTOR, CONTINUING GOVERNMENT OPERATIONS, DEFENSE FINANCE AND ACCOUNTING SERVICE (PD/CL)

SUBJECT: Interim Change to the DoDFMR, Volume 7B, Regarding Funeral Honors Duty Payments For Retirees (DFAS Item N-18)

The attached Interim Change **R01-05** adds Chapter 65 of the Department of Defense Financial Management Regulation (DoDFMR), Volume 7B. This change provides for the new daily stipend which retired members may receive in addition to retired or retainer pay or other compensation for performing funeral honors duty.

We have evaluated your comments on the proposed change and included the comments where appropriate. Assignment of the interim change number is your authority to initiate procedural modification to implement this change. Use the attached to initiate the formal change to the DoDFMR, Volume 7B.

Lydia Moschkin
Director, Policy and
Requirements Management

Attachment:
As stated

cc:
ODGC(F)
ODUSD(MPP)(Comp)
OUSD(C)(ODCFO)(FP)
DFAS-GA/CL
Service Liaisons
USCG/NOAA/PHS Liaisons

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CHAPTER 65

FUNERAL HONORS DUTY PAYMENTS FOR RETIREES

6501 AUTHORITY

Title 10, United States Code 1491(d) authorizes the Secretary of a military department to provide support for persons participating in a funeral honors detail, including members in a retired status. With the enactment of Public Law 107-314, Section 571, the Secretary concerned may provide transportation (or reimbursement for transportation) and expenses or a daily stipend to retired members performing funeral honors duty. Pursuant to Section 1491(d)(2), the Secretary of Defense is required to annually prescribe a flat rate daily stipend for certain individuals who volunteer to assist the active military in the delivery of funeral honors. The stipend must be set at a single rate that is designed to defray the typical costs of transportation and other miscellaneous expenses for persons participating in a funeral honors detail who are members of the armed forces in a retired status or others who are not members of the armed forces or employees of the United States.

650101. Entitlement. Effective March 11, 2004, a member of the armed forces in a retired status, including a member of the Retired Reserves without pay, may receive a daily stipend payment, in addition to any payment of retired or retainer pay or other compensation to which they are entitled for performing funeral honors duty. Secretaries of Military Departments are asked to authorize stipend payments for retirees under Section 1491(d) of Title 10, United States Code, in lieu of authorizing an allowance under Section 435(a) of Title 37, United States Code. Compensating retirees under Section 1491(d) and not under Section 435(a) will ensure a uniform payment to all volunteers who assist in the delivery of military funeral honors. Only one daily stipend may be earned and paid in one calendar day. See subparagraph 650102 below for the amount payable.

650102. Amount Payable. Effective March 11, 2004, the daily stipend payable to a member receiving retired or retainer pay or Retired Reserves without pay is $50.

650103. Taxability. As a reimbursement of expenses, payments under Section 1491(d) of Title 10, United States Code, will not be reported as taxable income.

650104. Funding. Payments under this chapter must be funded by the approving military service from O&M funds for the fiscal year in which the payment is made.

CHAPTER 65—FUNERAL HONORS DUTY PAYMENTS

6501—AUTHORITY

650101—Entitlement 10 U.S.C. 1491(d)

	OUSD(P&R) memorandum, March 11, 2004 OUSD(P&R) memorandum, December 6, 2004
650102—Amount Payable	37 U.S.C. 435(b) Public Law 106-398, section 575, October 30, 2000 OUSD(P&R) memorandum, March 11, 2004 OUSD(P&R) memorandum, December 6, 2004