FINANCIAL ASSISTANCE AND BENEFITS

GENERAL FINANCIAL ASSISTANCE

number of organizations provide monetary assistance to family members of a service member who dies on active duty. Below are descriptions of some of these types of monetary assistance.

Assistance with Immediate Needs

Death Gratuity

What is the death gratuity?

The branch of the armed services to which the deceased service member belonged will make a lump sum payment of \$12,000 to eligible beneficiaries of a service member who dies on active duty, active duty for training or inactive duty for training. The payment is intended to help surviving family members with immediate expenses, and is generally made within 24 to 72 hours after notification of the service member's death (although it could take up to 30 days for payments to minor children). The death gratuity is not subject to federal income taxes.

In early 2005, Congressional legislation was proposed to increase significantly the amount paid as the Death Gratuity, possibly even with retroactive effect. Surviving family members are encouraged to contact their CAO to determine the status of this and any other pending legislation that might have an effect on the families of deceased service members.

Who is entitled to receive the death gratuity?

The death gratuity payment is made to surviving family members of the deceased in the following order:

- (1) To the service member's lawful surviving spouse;
- (2) If there is no surviving spouse, to the service member's children, regardless of age or marital status, in equal shares (includes legitimate children, legally adopted children, stepchildren and, in certain cases, extramarital children);
- (3) If none of the above, to the relatives designated on the service member's record of emergency data. Eligible relatives are the service member's parents (including natural or adoptive par-

ents, or persons who have stood in *loco parentis* (meaning that they exercised parental control over and provided care to the service member) for at least one year prior to the service member's entry into active service), and the service member's brothers and/or sisters (including half- and adopted siblings);

- (4) If the service member did not make a designation on his or her record of emergency data, to the service member's parents in equal shares; and
- (5) If the service member did not make a designation on his or her record of emergency data and there are no surviving parents, to the service member's brothers and/or sisters (including halfand adopted siblings) in equal shares.

The death gratuity is not paid to any other person when there are no eligible surviving family members, as listed above.

What if other persons are listed in the service member's will?

The service member's will is not a legal designation for purposes of payment of the death gratuity, so it has no effect on the payment of the death gratuity.

Will surviving family members have to fill out any forms in order to receive the death gratuity?

Yes. Surviving family members will need to complete DD Form 397, Claim Certification and Voucher for Death Gratuity Payment. The Casualty Assistance Officer (CAO) will assist in preparing and submitting this form.

The Intrepid Fallen Heroes Fund

What is the Intrepid Fallen Heroes Fund?

The Intrepid Fallen Heroes Fund was created to assist the families of military personnel who have been killed in action in Operation Iraqi Freedom or Operation Enduring Freedom with immediate financial needs. The Intrepid Fallen Heroes Fund provides each dependent family with an \$11,000 grant and an additional \$5,000 grant per child, to be used for any needs the family may have. All families of U.S. troops lost in Iraq, regardless of whether they are dependents, also receive a special contribution of an additional \$1,000 grant, which is made possible by the Stamps Family Charitable Foundation.

In early 2005, Congressional legislation was proposed to increase significantly both the Death Gratuity and Servicemembers' Group Life Insurance benefits (p. 25). If this legislation becomes law, the Intrepid Fallen Heroes Fund will direct its support toward helping those severely injured in operations in Iraq and Afghanistan. For more information on the Intrepid Fallen Heroes Fund, please visit www.fallenheroesfund.org.



Who is eligible to receive the grant?

All surviving spouses and children of United States and British uniformed military personnel killed in action in Operation Iraqi Freedom or Operation Enduring Freedom, as determined by the casualty office of the service member's respective branch, are eligible to receive the grant.

What do surviving spouses and children need to do in order to receive the grant?

Eligible dependents do not need to take any action in order to receive the grant. Once the Intrepid Fallen Heroes Fund receives confirmation from a casualty office that a service member has been killed in action, it processes the grant and forwards it to the casualty office for distribution to the family.

To inquire about the status of a grant from the Intrepid Fallen Heroes Fund, contact the CAO headquarters for the relevant branch.

Funeral Expenses

See the section on Death Certificates and Burial Benefits.

Relocation Travel Expenses

Are any travel costs related to relocation reimbursable?

Yes, depending on the location of travel, surviving family members may be eligible for reimbursement of travel costs incurred in connection with relocation following the service member's death. Reimbursement may be available for travel either to the service member's home of record, the residence of the service member's dependents or another authorized location.

What are the limits on reimbursement for travel?

Limits on travel reimbursement apply depending on the deceased service member's branch of the military and other circumstances. In particular, in order to be reimbursed, travel generally must take place within one year of the service member's death.

Shipment of Personal Effects and Household Goods

What happens to the service member's personal effects and household goods?

The military generally will pay for the movement of the personal effects and household goods of the deceased service member to one of the following locations: the member's last permanent duty station; the member's home of record; the home of the member's dependents; the home of the next of kin; or to other persons legally entitled to receive custody of the service member's personal effects or household goods.

Is there a deadline for shipping the service member's personal effects and household goods?

To contact a CAO with the appropriate branch, call:

U.S. Army

(703) 325-7990

U.S. Marine Corps

(703) 784-9513

U.S. Navy

(703) 614-7613

U.S. Air Force

(800) 433-0048

U.S. Coast Guard

(202) 267-1648

The CAO can provide information and assist in making travel arrangements and submitting a claim for survivor's reimbursement for relocation expenses. If the deceased service member was a member of the Marine Corps, call the Traffic Management Branch at (703) 695-7762 or (703) 695-7765.



Yes. The items to be moved must be turned over to a transportation officer or carrier within one year of the service member's death for shipment to the desired location. An extension may be available, however, by submitting a written request to the office responsible for handling such requests, which is different for each branch of the armed services. The CAO can provide the address of the appropriate office to send the request. The request must be submitted before the expiration of the one-year time limit and must include an explanation of why an extension is necessary.

Will the armed services pay for storage of the service member's personal effects and household goods?

Both temporary and non-temporary storage may be available in connection with a shipment of personal effects and household goods. Temporary storage may be available for up to 90 days from the date of the service member's death. Non-temporary storage may be available for up to a year from the date of the service member's death. Extensions of the time limits for the storage of the service member's personal effects and household goods may be available. Surviving family members should contact their CAO for more information regarding eligibility for temporary and non-temporary storage and the availability of extensions. In many cases, the CAO will contact the personal property officer or transportation officer at the nearest military installation with any questions.

Additional information on DIC payments may be obtained by calling (800) 827-1000, or by contacting a VA Regional Veterans Benefits Administration Office, which is available in every state.

For a state-by-state listing of all VA facilities and their contact information, visit www1.va.gov/directory/guide/ allstate.asp.



Regular Monthly Assistance

Dependency and Indemnity Compensation (DIC)

What are Dependency and Indemnity Compensation payments and who is eligible to receive them?

Dependency and Indemnity Compensation (DIC) payments are tax-free, monthly payments administered by the Department of Veterans Affairs (VA).

DIC payments may be available for: (i) surviving spouses who have not remarried; (ii) unmarried children under 18; (iii) disabled children; (iv) children between the ages of 18 and 23 who are attending a VA-approved school; and (v) low-income parents of deceased service members. If the service member died while on active duty, the service member's surviving family members are probably eligible to receive DIC payments.

As mentioned above, low-income parents of deceased service members may also be eligible for DIC payments. The income limits change annually. Contact the VA to find out the current limits.

How much are DIC payments for surviving spouses?

DIC amounts paid to a surviving spouse are not based on the service member's military pay grade. However, DIC benefit amounts change annually, so contact the VA at the number provided in the sidebar, or contact a VA Regional Veterans Benefits Administration Office, to find out the current rates. The amounts paid to a surviving spouse with one or more dependent children of the deceased is increased for each child.

Effective January 1, 2005, the VA also adds a transitional benefit of \$250 to the surviving spouse's monthly DIC if there are children under age 18. The amount is based on a family unit, not the number of individual children. The transitional benefit is paid for two years from the date that entitlement to DIC commences, but is discontinued earlier when there are no longer any children under age 18 or there are no longer any children on the surviving spouse's DIC for any reason.

How long will surviving family members receive DIC payments?

DIC payments to a surviving spouse are payable for life, as long as the spouse does not remarry before the age of 57. If the surviving spouse remarries before the age of 57, the DIC payments are discontinued. However, if the marriage is later terminated by death of the new spouse, annulment or divorce, the surviving spouse may be entitled to have the DIC payments reinstated.

Are children of a deceased service member eligible to receive DIC payments?

If there is no surviving spouse, a child of a deceased service member may be eligible to receive DIC payments if the child is unmarried and either under age 18 or between the ages of 18 and 23 and attending a VA-approved school. Certain disabled adult children of deceased service members are also eligible to receive DIC payments.

Are there any additional VA monetary benefits on top of the regular DIC payments?

Yes. Surviving spouses and parents receiving DIC payments may be granted a special allowance to pay for aid and attendance by another person if they are patients in a nursing home or require the regular assistance of another person. In addition, surviving spouses receiving DIC payments may be granted a special allowance if they are permanently housebound. If any of these situations apply, please call the VA at (800) 827-1000 for more information.

Which forms are necessary to apply for DIC payments?

Surviving spouses or children should complete VA Form 21-534, Application for Dependency and Indemnity Compensation, Death Pension and Accrued Benefits by Surviving Spouse or Child, to apply for DIC payments. Parents should complete VA Form 21-535, Application for Dependency and Indemnity Compensation by Parent(s).

The CAO will generally assist in preparing and submitting applications for DIC benefits and will be able to arrange a visit to the nearest VA office to discuss VA benefits. Surviving family members may also contact the VA directly, using the information provided in the sidebar on the previous page, with any questions about the application process.



Obtaining Amounts Due to the Service Member

Unpaid Compensation

What happens to any pay that the service member was owed?

Upon the death of an active duty service member, any compensation and allowances due to the service member are paid to the designated beneficiary named on the service member's record of emergency data.

What falls under the category of unpaid compensation and allowances?

Unpaid compensation and allowances may include unpaid basic pay and basic allowance for housing, payment for up to 60 days of accrued leave, amounts due for travel, per diem expenses, transportation of eligible family members, shipment of household goods and unpaid installments of any reenlistment bonus. The deceased service member's pay record is audited by the Defense Finance and Accounting Service - Denver Center (DFAS-DE) and a check for any amount due is issued to the designated beneficiary.

If the service member did not designate a beneficiary, who will receive payments for unpaid compensation and allowances?

When no beneficiary has been designated in writing by the service member, any money due is paid to the first eligible recipient in the following order:

- (1) To the service member's lawful surviving spouse;
- (2) If there is no surviving spouse, to the child or children of the service member in equal shares, with the share of any deceased child to be distributed to such child's descendants;
- (3) If none of the above, to the parents of the service member in equal shares or, if either parent is deceased, to the surviving parent;
- (4) If none of the above, to the duly appointed legal representative of the service member's estate; or
- (5) If none of the above, to the person entitled to payment under the laws of the state in which the service member last resided.

Are any forms needed to receive payment of the deceased service member's unpaid compensation and allowances?

Yes. Surviving family members need to complete Standard Form 1174, Claim for Unpaid Compensation of Deceased Member of the Uniformed Services. The CAO can assist in preparing and submitting this form.



Refund of Service Member's Unused Montgomery GI Bill Contributions

What if the service member made a GI Bill contribution but never used it?

If the deceased service member contributed to the Montgomery GI Bill education program, the designated life insurance beneficiary or surviving spouse is entitled to a refund of any money collected through payroll deductions but not used in education benefits during the service member's lifetime.

What forms are necessary in order to receive the refund of unused Montgomery GI Bill contributions?

A refund can be obtained by submitting a letter, along with proof of relationship to the deceased service member and a copy of the DD Form 1300, Report of Casualty, to the appropriate VA Regional Office. To find out more, call the VA at (800) 827-1000.

Assistance with Housing

Basic Allowance for Housing

Can surviving family members continue to live in military housing?

Yes, for six months from the date of death of the service member. If surviving family members leave military housing before the expiration of this six-month period, they will be paid the Basic Allowance for Housing (BAH) for the remaining time.

What if the surviving family members do not live in military housing?

If surviving family members do not live in military housing, they may receive the BAH or, if applicable, overseas housing allowance for six months from the date of death of the service member.

Can a landlord evict surviving family members if the lease is only in the name of the service member?

No, a landlord cannot evict, change locks or cut off utilities without first pursuing proper legal proceedings. The legal proceedings vary by state, so if an eviction notice is received, surviving family members may need to engage a lawyer or consult the local clerk of the housing court. Notices of eviction from a landlord should not be ignored.

Surviving family members may be eligible for the protections of the Servicemembers Civil Relief Act (SCRA) as the dependent of a service member. Under the SCRA, surviving family members may be able to suspend legal proceedings relating to eviction, foreclosure, or lease termination. Unfortunately, many of the SCRA's protections terminate upon death of the service member.

For more information about the Servicemembers Civil Relief Act, contact a Legal Assistance Officer or visit usmilitary.about.com/library/ milinfo/scra/blscramenu.htm.



VA Home Loan Guarantee

Is there assistance available for mortgage payments?

Surviving family members concerned about their ability to make mortgage payments while the deceased service member's estate is being settled should contact the financial institution which holds the mortgage to discuss the situation.

A surviving spouse may also be eligible for assistance with the mort-gage through the VA home loan program. Having a VA-guaranteed home loan means that the VA Regional Loan Centers can offer financial counseling to help avoid foreclosure.

Is there any assistance available for the purchase of a home?

Surviving spouses of service members who died on active duty or as a result of a service-connected disability may be eligible to receive a VA-guaranteed home loan. In order to be eligible for the home loan guarantee, the surviving spouse must not have remarried. Children of deceased service members are not eligible for VA-guaranteed home loans.

What is a VA-guaranteed home loan?

VA-guaranteed home loans are made by private lenders (such as banks, savings and loan associations and mortgage companies) to eligible individuals for the purchase of a home. The VA's guarantee protects the lender against loss if loan payments are not made by the borrower. The guarantee is intended to encourage lenders to offer eligible individuals loans with more favorable terms than they would otherwise receive. This may include not requiring the borrower to make a down payment.

What is the amount of the VA guarantee?

The amount of the VA guarantee depends on the loan amount and whether the eligible individual has previously used the home loan benefit. The largest guarantee that the VA currently can provide is \$60,000. Lenders will generally lend up to four times the amount of the guarantee to which the surviving family member is entitled without requiring a down payment, provided that the surviving family member's income and credit qualify and the property being purchased appraises for the purchase price. A regional VA office can provide more details on the amount of guarantee.

For information about the VA home loan program and eligibility requirements, call (800) 827-1000 or visit the VA home loan program website www.homeloans.va.gov.

For a state-by-state listing of all VA facilities, visit www1.va.gov/directory/guide/allstate.asp.



Additional Monetary Assistance

State Benefits

Many states have passed laws providing certain rights, benefits and privileges to the surviving spouses and children of deceased service members. These benefits include educational assistance, employment opportunities and tax relief. Information on the laws pertaining to a particular state may be obtained from local government officials, the nearest VA office, and local veterans' organizations such as the American Legion, Veterans of Foreign Wars and Disabled American Veterans. Please see the section on State Resources for more information on the benefits provided by individual states.

Other Assistance

Other forms of monetary assistance that may be available to surviving family members are described in the sections of this handbook entitled: Life Insurance, Social Security, Education Benefits, Retirement Benefits, and Health and Dental Care Coverage.

