



## Defense Authorization Act reneges on concurrent receipt

### Legion stunned over National Defense Authorization Act

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'This cannot stand,' says Commander Hill

INDIANAPOLIS (Oct. 9, 2009) - Like a sequel to a bad horror movie, the Disabled Veterans' Tax has once again reared its ugly head and The American Legion is furious.

"The 2010 National Defense Authorization Act should be renamed the 'Unfinished Business Act of 2009,'" American Legion National Commander Clarence E. Hill said.

"For more than a century, disabled military retirees had to unfairly forfeit portions of their retirement pay to offset their disability, even though they were the only Americans required to do this. Finally, after way too long, Congress and the White House promised to correct the injustice. Their piecemeal approach now has service-connected military retirees in three distinct groups - those who get all, those who get some, and those who get none. The president's promise, at least for Chapter 61 medical retirees who were forced by ailments or injuries to leave service before completing 20 years of service, is now being broken."

Although there are some portions of the Defense Authorization Act that The American Legion fully supports, Hill promised to use all of The American Legion's resources to reinstate the scheduled phase-out of the Disabled Veterans' Tax, also known as concurrent receipt. The principle behind concurrent receipt is that the Department of Defense should pay retirees an annuity for total years served and VA should fully compensate them for their disabilities. For many thousands of disabled retirees, retired pay is still reduced or offset by their disability compensation.

"There are good provisions such as a 3.4 percent pay raises for active-duty, Guard and Reserve members and a freeze on TRICARE inpatient co-payment increases, so the baby does not necessarily need to be tossed with the bathwater," Hill said. "But this bathwater is pretty contaminated and must be cleansed."

Moreover, the National Defense Authorization Act dropped a previously approved Senate provision that expressed the sense of Congress that military retirement and health benefits are the primary offset to the extraordinary demands and sacrifices inherent in a military career, that career members deserve a health benefit commensurate with their sacrifices, and that the Department of Defense needs to look at other ways to reduce health care spending than shifting more costs to military beneficiaries.

"When Congress drops language that would protect military beneficiaries from more cost-shifting, it means in plain English, 'watch your wallet,'" Hill said. "These are not second-class citizens, but rather America's heroes. It is time for a new bill to be introduced - Lest We Forget Act - to address the nation's unfinished business concerning the military community. If Congress won't budge, then it's time for the Commander-in-Chief to take

care of his troops - past, present and future service members. The American Legion is not about to let this go."

Another provision that The American Legion strongly objects to is the elimination of a measure that would have ended compensation penalties for survivors of military personnel who died of service-caused casualties.

"So the Unfinished Business Act of 2009 reneges on the phase-out of the Disabled Veterans' Tax, continues the Widows' Death Tax and exposes countless military retirees and their families to massive TRICARE fee increases," Hill said. "Is Congress expressing the thanks of a grateful nation? Is this really the Year of the Military Family?"