

ASSEMBLY MILITARY AND VETERANS' AFFAIRS
COMMITTEE

STATEMENT TO

ASSEMBLY RESOLUTION No. 262

STATE OF NEW JERSEY

DATED: JUNE 9, 2021

The Assembly Military and Veterans' Affairs Committee reports favorably Assembly Resolution No. 262.

This Assembly resolution urges the President and Congress of the United State to pass and enact the federal "Disabled Veterans Tax Termination Act."

Under current federal law, a military veteran with a service-connected disability can only claim concurrent retirement and disability pay if the veteran with a service-connected disability has a disability rating of 50 percent or higher. Concurrent retirement and disability pay allows military veterans to claim military retirement pay without having the retirement pay offset by the amount of disability compensation. Under current federal law, a military veteran not receiving concurrent retirement and disability pay has their military retirement pay reduced dollar for dollar by the amount received from veteran disability compensation. The "Disabled Veterans Tax Termination Act" would allow military veterans with a disability rating of less than 50 percent to claim concurrent retirement and disability pay.

Under current federal law, a military veteran under Chapter 61 can only receive concurrent retirement and disability pay if the retiree has at least 20 years of service. A Chapter 61 military veteran is one who retires from the military due to a service-connected disability and whose disability rating is 30 percent or higher. The "Disabled Veterans Tax Termination Act" would allow military veterans under Chapter 61 to receive concurrent retirement and disability pay even if the veteran has less than 20 years of service.