

**Formula for calculating government indebtedness
if you choose to waive VA Compensation**

		Amount of monthly VA Compensation Payment
÷ 30		Divide by 30 (average number of days per month)
		Equals approximate daily VA Compensation payment
x		Multiply by number of days for which military pay is received
		Equals amount of VA compensation that will be withheld from future VA compensation payments

Example:

		Amount of monthly VA Compensation Payment
÷ 30		Divide by 30 (average number of days per month)
		Equals approximate daily VA Compensation payment
x	63	Multiply by number of days for which military pay is received
		Equals amount of VA compensation that will be withheld from future VA compensation payments

Things to remember:

VA Compensation is not subject to taxes.

VA Compensation *is* subject to annual review. Unless your determination rating states that the disability is permanent, it is subject to being reduced upon your conditions getting better and being re-evaluated.

If you choose to waive military pay, you are choosing to have **all** of your military pay for the past year recouped. If you are still in the National Guard, this means that two-thirds of your military pay for the coming year can be withheld until the amount of your government indebtedness is satisfied. If you have retired or have discontinued membership in the National Guard, your government indebtedness can be paid by you to the U.S. government in a lump sum, or it can be recovered through other governmental agencies, i.e.) IRS.