

CHANGES TO DEPLOYMENT ENTITLEMENTS

Announcing the following deployment pay entitlement changes:
HOSTILE FIRE PAY/IMMINENT DANGER PAY (HFP/IDP) - Public Law 108-11, Section 13-16, dated April 16, 2003, has authorized an increase to HFP/IDP from \$150 a month to \$225 a month. This change is effective 1 October 2002 through 30 September 2003. Beginning 1 October 2003 this entitlement will revert back to \$225 per month. Since IRS regulations require tax to be paid in the year income is paid this income will be included in income for 2003.

FSA-II ENTITLEMENT (FSH) - Public Law 108-11, dated April 16, 2003, has authorized an increase in FSH from \$100 per month (\$3.33 per day) to \$250 per month (\$8.33 per day). This change is effective 1 October 2002 to 30 September 2003. Beginning 1 October 2003 this entitlement will revert back to \$100 per month. Since IRS regulations require tax to be paid in the year income is paid this income will be included in income for 2003.

These rate changes were updated in the Active Component Pay System on 20 April 2003 and should reflect in the May paychecks. The date for reserve component updates is not yet determined.

The maximum excludable pay for Combat Zone Tax Exemption in 2003 will be adjusted to reflect these changes.

POC is 13th Finance Group, Finance Operations, 288-2237.