

The Military Retirement Calculator System

A military retirement calculator is a special online tool designed to help people in the military plan for their retirement.

There are three types of retirement systems available for retiring military personnel and are available to those who have been on active duty for 20 years or more.

Which retirement system is applicable to an individual, is determined by what date that individual joined military service. The start date also determines whether a choice can be made or not on which retirement system applies.

The three retirement systems, all of which use a different military retirement calculator, are:-

 * Final Pay

 * High-3 Year Average

 * REDUX

Each military retirement calculator estimates eligible pay during retirement years. Information input can be varied according to different retirement expectations and current economic information.

Final Pay Calculator

The final pay retirement system applies to personnel who entered service before September 8, 1980.

The calculator works by entering - expected retirement grade, years of service and age, which then estimates retirement pay. Some variation of the results can be achieved by applying different economic assumptions such as inflation, annual active duty pay raise and tax rate.

High-3 Year Calculator

The High-3 year average retirement system applies to personnel who entered service on or after September 8, 1980 and before August 1, 1986 or to personnel who entered service on or after August 1, 1986 and chose this plan without accepting a 'career status bonus'.

The same kinds of information and variation options used in the Final Pay calculator can be entered into this calculator

REDUX Calculator

This system applies only to personnel who join the service after July 31, 1986 and offers a lump sum career status bonus in exchange for a reduced pension.

Eligible personnel are able to make a choice between this system and the High-3 year system and a military retirement calculator is available to help make the choice between the two systems.

Retirement amounts payable under the Final Pay and High 3 systems are annually increased according to the value of the consumer price index. The Redux system is also cost of living protected but at a percentage slightly lower than that available with the other two systems.

All tables and charts generated by each military retirement calculator can be permanently captured or printed out for viewing and review at a later date.

About the Author

[Money Schooling](#) is a retirement resource web site for those people who are either looking into or are at retirement age.

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