

PENSION FOR LIFE: WHAT'S CHANGING?

2018

2019

Disability Award (DA)
Non-Taxable

Pain and Suffering Compensation (PSC)
Non-Taxable

UNCHANGED: eligibility, entitlement, assessment, and application requirements

If Veteran dies while receiving monthly payments, **RESIDUAL AMOUNT** is cashed out as a **LUMP SUM** to survivor/dependents

Max monthly payment: \$1150 -OR- cash out into a lump sum amount, either option indexed annually

Some who have received a DA may be eligible to receive an **Additional Monthly Amount**

Career Impact Allowance (CIA)
Taxable
(Discontinued as of March 31, 2019)

Additional Pain and Suffering Compensation (APSC)
Non-Taxable

The CIA and APSC are different:

CIA PURPOSE: to compensate when career options are limited due to a service-related illness or injury

APSC PURPOSE: to compensate for a permanent and severe service-related illness or injury causing barriers to re-establishment

2018: Career Impact Allowance:

TAXABLE lifetime monthly payment. Grade levels, indexed annually:
1. \$1868.90, 2. \$1245.95, 3. \$622.97

2019: Additional Pain and Suffering Compensation:

NON-TAXABLE lifetime monthly payment. Grade levels, indexed annually:
1. \$1500, 2. \$1000, 3. \$500

*If receiving CIA on March 31, 2019, Veterans will receive the non-taxable APSC amount at their current CIA grade level (not the taxable CIA amount).

Earnings Loss Benefit (ELB) & Extended ELB
Taxable

Retirement Income Supplementary Benefit (RISB)
Taxable

Income Replacement Benefit (IRB)
Taxable

MUST HAVE A REHABILITATION NEED for a health problem resulting primarily from service to be eligible for the IRB. The amount will remain the same: 90% pre-release salary or 90% of the minimum.

VETERANS CAN EARN UP TO \$20,000 in employment income before it becomes an offset.

MEDICALLY RELEASED VETERANS who do not have a health problem resulting primarily from service that is creating a barrier to re-establishment are **NOT ELIGIBLE** to receive the IRB (support is available from the Canadian Armed Forces Long Term Disability program).

These Veterans may be eligible for medical and psycho-social rehabilitation through VAC programs.

DIMINISHED EARNINGS CAPACITY (DEC) designation is required prior to age 65 to receive IRB at age 65 or later.

AGE 65

AT AGE 65, IRB REDUCED TO 70% of the IRB amount payable in the month Veteran turns 65, not including offsets. Offsets are then deducted each month.

Career Impact Allowance Supplement (CIAS)
Taxable
(Discontinued as of March 31, 2019)

Career Progression Factor (CPF) addition to IRB
Taxable

FOR A VETERAN WITH DEC DESIGNATION:

2018 CIAS: \$1145.36/month

2019 CPF: salary used in IRB calculation will be increased by a 1% Career Progression Factor each year until they reach the earlier of what would have been 20 years of service, or age 60.

*Note: for Veterans and survivors currently in receipt of ELB, RISB, and/or the CIAS, these amounts are protected as the new IRB amount and indexed annually.

Supplementary Retirement Benefit (SRB)
Taxable

Discontinued

Veterans and survivors who would be eligible for the SRB but for its discontinuance, will receive a one-time payment equal to 2% of the earned ELB up to March 31, 2019.