Combat-Related Special Compensation (CRSC) and Concurrent Retirement Disability Pay (CRDP)

What is CRSC?

Combat-Related Special Compensation (CRSC) provides tax-free monthly payments to eligible retired Veterans with combat-related injuries. It restores military retired pay that is offset when a military retiree accepts compensation from the U.S. Department of Veterans Affairs (VA) for a disability or condition that can be attributed to a combat-related event. This allows eligible retirees to receive both retirement pay (that is equal to or less than their length of service) and their VA disability compensation (if the injury is combat-related) at the same time.

The following are some quick notes on CRSC:

- Any Veteran with a combat-related injury and/or illness is eligible
- **Member must be entitled to military retirement pay reduced by VA compensation**
- Enrollment is not automatic; eligible members must [apply](https://www.hrc.army.mil/tagd/crsc)
- Payment is non-taxable
- Payment will not be more than Years in Service (YIS) retired pay
- Payment is made by [Defense Finance and Accounting Services (DFAS)](https://www.hrc.army.mil/tagd/crsc)

For additional information on CRSC, visit [https://www.hrc.army.mil/tagd/crsc](https://www.hrc.army.mil/tagd/crsc). If you have issues regarding CRSC claims, approvals or denials, contact the CRSC office below:

Department of the Army  
U.S. Army Human Resources Command  
ATTN: AHRC-PDR-C (CRSC), Dept 420  
1600 Spearhead Division Avenue  
Fort Knox, KY 40122-5402  

Phone: 1-888-276-9472  
Fax: 502-613-9550  
DSN: 983-9500  
Email: askhrc.army@us.army.mil

What is CRDP?

Concurrent Retirement Disability Pay (CRDP) allows military retirees with service-connected disabilities to receive both military retired pay and VA compensation. This was prohibited until the CRDP program began on January 1, 2004. CRDP is a "phase in" of benefits that gradually restores a retiree's VA disability offset. This means that an eligible retiree's retired pay will gradually increase each year until the phase in is complete effective January 2014.

CRDP is taxed in the same manner as retired pay, and it is normally considered taxable income unless the retirement orders list it as combat-related. No application is required, and eligible retirees receive CRDP automatically.

The following are some quick notes on CRDP:
- Member does not have to apply for entitlement (automatic)
- Must have a VA disability rating of 50 percent or greater and 20 years of active service for Reserve Soldiers with a 20 year letter. CRDP starts at normal retirement age (60), regardless of a medical discharge. The only exception is when the Soldier has 20 active duty years and he/she is rated at 50 percent or more from the VA
- Payment will not be more than YIS retired pay
- Payment is made by DFAS

For additional information on CRDP, visit the DFAS website.

The Difference Between CRSC and CRDP

CRDP covers all “service-related” disabilities, and the retiree’s disability must be rated by the VA at 50%. Full compensation is phased in over a period of ten years and is taxed. CRSC covers all "combat-related" disabilities that have a VA rating of 10% or higher. Full compensation begins with the first payment and is tax free. DFAS calculates the payments for both programs.

Frequently Asked Questions

Can I choose between my VA and Army retirement pay?

No, the payment a retired member receives from the military will be waived by an amount equal to the VA compensation.

Am I entitled to concurrent receipt as long as I am 100 percent or unemployable?

You are not entitled to CRDP unless you have 20 years of active service and are rated 50 percent or over.

Is the CRSC effective date the same as my retirement date?

The CRSC effective date is based on the date of retirement and VA waiver (military retired pay is reduced by VA disability payments). For example, if a Soldier retires on March 05, 2008 and the VA waiver is taken out on April 1, 2008, the CRSC entitlement effective date will be April 1, 2008.

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