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GI Bill Transferability Rules – Transferring to Dependents

Updated June, 2011

How Do I Transfer My GI Bill?

We continue to receive a steady stream of emails asking how to transfer GI Bill benefits to dependents. In fact, even though the GI Bill transfer rules were established back in June of 2009, we still get more questions and comments about transferring GI Bill benefits than just about any other topic.

The good news is that GI Bill transferability rules have been ironed out and are, at least for the moment, relatively clear.

The bad news is that the rules for transferring Post 9/11 GI Bill benefits are so restrictive that transferability is not available for many service members.

How to Transfer GI Bill Benefits to Dependents

Not all service members are eligible for transferring GI Bill benefits to their dependents. Service members interested in allocating benefits to their spouses or children must first apply for the GI Bill education benefits transferability (TEB) program.

Who is Eligible to Transfer their GI Bill?

Any member of the armed forces (active duty or Selected Reserve, officer or enlisted) on or after August 1, 2009, who is eligible for the Post 9/11 GI Bill, and:

1. 1. Has at least six years of service in the armed forces on the date of election and agrees to serve four additional years in the armed forces from the date of election.
2. 2. Has at least 10 years of service in the armed forces (active duty and/or Selected Reserve) on the date of election, is precluded by either standard policy or statute from committing to four additional years, and agrees to serve for the maximum amount of time allowed by such policy or statute, or is or becomes retirement-eligible during the period from Aug. 1, 2009, through Aug. 1, 2013.
3. 3. Is or becomes retirement eligible during the period from August first, 2009, through August first, 2013. A service member is considered to be retirement eligible if he or she has completed 20 years of active duty or 20 qualifying years of reserve service. Additional rules regarding retirement are below:
 - For those eligible for retirement on Aug. 1, 2009, no additional service is required.
 - For those who have an approved retirement date after Aug. 1, 2009, and before July 1, 2010, no additional service is required.
 - For those eligible for retirement after Aug. 1, 2009, and before Aug. 1, 2010, one year of additional service after approval of transfer is required.
 - For those eligible for retirement on or after Aug. 1, 2010, and before Aug. 1, 2011, two years of additional service after approval of transfer are required.
 - For those eligible for retirement on or after Aug. 1, 2011, and before Aug. 1, 2012, three years of additional service after approval of transfer required.

But, being eligible for GI Bill transfer to dependents isn't quite enough, as your dependents will also need to be eligible to receive your GI Bill benefits.

Who is Eligible to Receive Transferred GI Bill Benefits?

Service members who are eligible to transfer their GI Bill benefits to dependents can give them to individuals who are:

1. The service member's spouse
2. One or more of the service member's children
3. Any combination of the service member's spouse and child

Yes, you read numbers 2 and 3 correctly, you CAN split GI Bill benefits up between multiple recipients, including between your spouse and a child, your spouse and multiple children, or multiple children.

However, the following rules also apply:

An eligible family member must be enrolled in the Defense Eligibility Enrollment Reporting System (DEERS) and be eligible for benefits, at the time of transfer to receive transferred educational benefits.

A child's subsequent marriage will not affect his or her eligibility to receive the educational benefit; however, after an individual has designated a child as a transferee under this section, the individual retains the right to revoke or modify the transfer at any time.

A subsequent divorce will not affect the transferee's eligibility to receive educational benefits; however, after an individual has designated a spouse as a transferee under this section, the eligible individual retains the right to revoke or modify the transfer at any time.

In our minds, it sounds like if you decide to transfer your GI bill benefits to your wife, but later get a divorce, you can revoke those benefits at a later date. And if you decide to transfer your GI bill benefits to your kids, but later decide you'd rather use them yourself, you can revoke them at a later date.

Additional Stipulations Regarding GI Bill Benefits Transfers

Eligible service members may transfer up to the total months of unused Post 9/11 GI Bill benefits, or the entire 36 months originally allocated to them if the member has used none of them (unless the DoD/DHS has set a limit on the number of months an individual may transfer).

Dependents use of your transferred GI Bill education benefits is subject to the following conditions:

For Spouses Receiving Transferred GI Bill Benefits:

- Spouses may start to use transferred GI Bill benefits immediately
- Spouses may use the transferred GI Bill benefits while the service member remains in the Armed Forces, or after the service member's separation from active duty.
- Spouses are not eligible for the monthly stipend or books and supplies stipend while the service member who transferred benefits to them is still serving on active duty.
- Spouses who received transferred GI Bill benefits may use them for up to 15 years after the service member's last separation from active duty. (Yes, transferred GI Bill benefits do have a time limit for spouses!)

For Children Receiving Transferred GI Bill Benefits:

- Children may start to use the transferred benefits only after the individual making the transfer has completed at least 10 years of service in the Armed Forces. (A severely limiting factor)
- Children may use the transferred benefits while the eligible individual remains in the Armed Forces or after he or she has separated from active duty.
- Children may not use the transferred benefits until they have attained a secondary school diploma (high school diploma) or an equivalency certificate (like a GED), or reached the age of 18 years old.
- Children using transferred GI Bill benefits are entitled to the monthly stipend and books and supplies stipend even if the service member who transferred benefits to them is still on active duty.
- Children who receive transferred GI Bill benefits are not subject to the 15-year delimiting date, but they may not use transferred GI Bill benefits after they have reached the age of 26. (Meaning there is still a time limit, though it is a little more complicated than the time limit imposed on spouses).

Applying for GI Bill Education Benefits Transferability (TEB)

Service members interested in transferring their GI Bill benefits to dependents will need to visit the Transferability of Education Benefits (TEB) website: <https://www.dmdc.osd.mil/TEB/>.

More Specific Transferability Rules & Regulations

In certain cases, individuals who do not meet the eligibility criteria listed above can gain eligibility by signing up for [voluntary service extensions](#). This program was made available to allow GI Bill benefit transferability for early retirees. This program may or may not still be available, however, as it was originally announced prior to the unveiling of transferability rules.

Transferring GI Bill Education Benefits After Retirement

Veterans have flooded our inbox asking questions about the rules of transferability for GI Bill benefits after they've already retired, and we have bad news about that possibility. In most cases, it appears that Veterans are not able to transfer their Post 9/11 GI Bill benefits after they've retired, because transferability rules stipulate that this must be done while on active duty or reserve service.

The rule that service members must still be in the military to transfer their benefits is being applied in all cases, under all circumstances (as far as we have heard) even though many Veterans have stated that they were never told of this rule before retiring. It's an unfortunate situation, especially as it affects so many Veterans, but at the time of this writing we are not aware of any possibilities for avoiding it.

However, due to negative feedback and a surge of support for service members facing this particular issue, this rule may soon be changed. Congressman Jason Chaffetz (R-UT) recently proposed a bill (H.R. 2002) to expand transferability rules to cover those military members who have been retired due to disability or medical reasons (which is not supported under the current stipulations). If this legislation is passed, this would significantly expand the number of service members who are able to transfer their benefits and it would be especially important to those service members who are wounded during active duty and are forced to retire before they can set up their GI Bill dependent transfer.

Under the current rules, if you have already transferred your GI Bill benefits to a dependent before retiring, but need to re-allocate those benefits to another dependent after retirement, there is a process for accomplishing this feat. According to a [letter written in June 2009](#) by the Deputy Under Secretary of Defense William J. Carr, you can re-allocate your benefits by sending a letter to the VA to request it. Here is the exact text from the relevant part of that letter (found on paragraph 3.g.(2)(b) on page 17):

"The modification or revocation of the transfer of entitlement under this paragraph shall be made by submitting notice of the action to both the Secretary of the Military Department concerned and the Secretary of the Veterans Affairs. Additionally, modifications, or revocations made **while in** the Armed Forces will be made through the TEB website. Modifications or revocations **after separation** from the Armed Forces will be accomplished through the DVA."

If anyone has more up-to-date information regarding post-retirement GI Bill family transferability rules, please do not hesitate to contact us, as we'd love to update this page for the benefit of the community. We understand that this is a major concern, and we are doing our best to stay on top of this constantly changing situation.

Using Transferred GI Bill Education Benefits

Receiving your transferred GI Bill benefits is only half the battle – the rest involves selecting which school and what degree program you want to apply them to.

Remember that you are working with a limited budget; most of the time transferred benefits are not enough to cover the entire cost of your education, so be wary of which college you decide to attend, and make sure to get the best deal on your degree. Speak with as many Colleges and Universities as you can before determining who to spend your money and time with, as this decision could save (or cost) you many thousands of dollars!

Our Original Post – June, 2009:

Family transferability rulings legislation for the Post 9/11 GI Bill is certainly among the most confusing that readers the new GI Bill will likely encounter . While the [Department of Defense made announcements](#) on their intended rulings for family transferability in May, these plans have not been fully implemented, despite this widely being recognized as one of the most anticipated amenities the new GI Bill has to offer.

Fortunately, the Veterans Benefits GI Bill blog has good news. The Department of Defense has at last announced that family members can register for transferability to their dependents on June 29.

Most benefactors of this provision to the Post 9/11 GI Bill will receive \$75,000 to \$90,000, the Pentagon estimates.

Bob Clark, the Defense Department's assistant accession policy director and the official working on this benefits plan, quotes transferability as being "for the specific purpose of recruitment and retention of a career force."

And Bob Clark is right, because many service members see this family transferability as one of the most important education benefits that they're offered. For many military families, this program is one of the only reasons that many military dependents have access to higher education funding!

Find the source of this information at the VA's GI Bill website here:

<http://www.gibill.va.gov/post-911/post-911-gi-bill-summary/transfer-of-benefits.html>