



My Next Steps:

Preparing for Financial Success after Transition from the Military



Question

How could my family's finances change after our transition from the military? What can I do now to help make our transition successful?



Answer

When your service member separates or retires from the military, your finances are likely to change. Knowing what to expect and where to get assistance can help ease your transition. Financial changes may include housing costs, taxes, health insurance, life insurance, service member-specific legal assistance and protections, and retirement savings contributions.

To begin to understand the potential changes to your finances and to help your family make a plan, accompany your service member to transition training, specifically the Financial Planning for Transition course. In this course, you and your service member will create a post-military budget that takes into account many of the financial decisions you may have to make as your family transitions from the military. The course will help you compare your service member's total military compensation to your family's projected civilian salary. You will learn how to interpret and improve your credit score, explore retirement changes and resources, evaluate housing and cost of living decisions and discuss potential tax changes. You may also have a chance to meet with a financial counselor to review your budget and ask questions. If you cannot attend this course in person, you can participate in the training and access support documents online.

As your family nears transition, take advantage of the benefits and services that are available to you for free while your service member is still on active duty. Schedule and complete health and dental exams while you still have

coverage under your service member's insurance plans. Make an appointment with your installation's legal office to create or update your will, medical directive, power of attorney and other legal documents. Seek out and use your installation's and DoD-sponsored employment assistance programs to help with resumes, job search support and other services while you are still eligible. Legal- and employment-related programs and services will likely be an out-of-pocket expense for your family after transition.

Transition counseling and training are time-sensitive, which means your family may or may not be eligible for

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installation-led transition courses just yet. Whether your family is leaving the military soon or if you are planning ahead for military transition, seek the assistance of a personal financial counselor. Your installation's Military and Family Support Center can put you in touch with a financial counselor. If you are not located near an installation or prefer assistance off an installation, call Military OneSource to speak with a financial counselor.

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Resources at a Glance

- Transition GPS (Goals, Plans, Success): [Military OneSource](#)
- [Personal Financial Planning For Transition Course](#)
- [Locate](#) a transition assistance office



Steps to Consider

These “Steps to Consider” are not meant as a checklist. Use the suggestions to facilitate a discussion with your service member.

- [Locate](#) and attend transition training with your service member, specifically, the Financial Planning for Transition course. If you are unable to attend, you may participate in the financial planning training [online](#).
- Understand your family’s total military compensation so you can compare earnings and benefits to future civilian compensation offers. Be sure to include your housing allowance and other pay allotments when calculating your total military compensation.
- Discuss where your family will be living after transition from the military. Take into consideration the cost of living expenses of the area and, if applicable, the taxes you may incur on retirement pay in your new state of residence.
- Schedule and complete medical and dental appointments to ensure your family is up-to-date with immunizations, check-ups and cleanings prior to transition.
- Meet with a legal assistance office near you to update your will, power of attorney and other legal documents. This service comes at no cost to your family while your service member is still serving. Find an office near you using the [Legal Services Locator](#). Assist and encourage your service member to meet any Transition Assistance Program training-related requirements to ensure he or she is best prepared to transition out of the military.
- If you or your service member will be looking for a job post-transition, now is the time to get started. For information about employment resources, programs and tools for service members, veterans, and spouses, review the Stepping Beyond: Employment Assistance videos and fact sheets.
- Know how health costs may change for your family, and know your health insurance options. Review the Stepping Beyond: Health Care and Dental Care videos and fact sheets to learn more.
- Do you or your service member have life insurance through the Servicemembers Group Life Insurance program? Your coverage will end after transition. To explore your life insurance considerations and learn about your options, review the MySTeP Life Insurance Considerations at Transition from the Military video.
- Does your service member have money saved in the Thrift Savings Plan? If so, learn about your options by watching the MySTeP Thrift Savings Plan Considerations video.
- If you, your service member or your children will be attending college and plan to use the G.I. Bill® benefit, review the MySTeP video, Educational Benefits for Transitioning Military Families: The GI Bill® and the Yellow Ribbon Program.
- If you or your service member would like professional help with the financial aspects of transition, seek support. Financial counselors are available on your [installation](#) and through [Military OneSource](#) to provide help with planning, budgeting and financial education.



Resources

Department of Defense and Virtual Resources

- Transition GPS (Goals, Plans, Success): Personal Financial Planning For Transition Course: http://jko.jten.mil/courses/tap/TGPS%20Standalone%20Training/CourseWare/TGPS-US003_Standalone/launch.html
- Military OneSource: <http://www.militaryonesource.mil/>; Call 800-342-9647 to arrange for a time to meet with a financial counselor
 - Review the Financial and Legal section to learn about the services offered: <http://www.militaryonesource.mil/web/mos/financial-legal>
- U.S. Armed Forces Legal Assistance Locator: <http://legalassistance.law.af.mil>

Locate an Installation Resource

Locate a personal financial counselor or personal financial manager: <https://installations.militaryonesource.mil/>

