

Major Richard Star Act: End the Unjust Pay Offset for Combat-Injured Veterans

THE ISSUE

Approximately 54,000 combat-injured veterans who were medically retired before reaching 20 years of service lose a dollar of earned military retirement pay for every dollar they receive in VA disability compensation, an unjust offset that essentially serves as a “wounded veteran tax.”

THE ACTION

Passing the Major Richard Star Act would remedy this injustice faced by veterans with less than 20 years of service who were medically retired, sustained combat or combat-related injuries, and are eligible for Combat-Related Special Compensation (CRSC), a program created for certain military retirees with combat-related disabilities.

The bill does not create a new benefit — it corrects a long-standing oversight and restores fairness for veterans whose careers were cut short by combat injuries.

KEY FACTS

- **Different Pays, Different Purposes:** Military retirement pay compensates veterans for years of service, while VA disability compensation addresses loss of future earning capacity due to service-connected injuries. Receiving both is not “double-dipping” — it reflects two distinct obligations.
- **Real Financial Impact:** Ending the offset could provide affected veterans with an average of \$1,200 more per month, restoring income they earned but currently lose due to the offset.
- **Choice Preserved:** Each eligible veteran may choose the compensation option that works best for them: their current compensation — military retirement pay and CRSC — or receiving their full military retirement and earned VA benefits.
- **Budget In Focus:** Concurrent receipt is already financed through the Military Retirement Fund. The Major Richard Star Act does not invent a new benefit; it moves a currently excluded group into the existing system.
- **Retiree Parity:** Congress ended this offset in 2004



for veterans with a 50% or higher VA rating. The Major Richard Star Act simply extends the same fairness to those whose combat injuries forced early retirement.

EARNED THROUGH SERVICE AND SACRIFICE

Combat-injured veterans did not choose to leave service early — they sustained injuries in service to their nation. Penalizing these veterans by reducing their earned retirement pay undermines trust in the commitments made to those who serve. Removing this offset would have a significant, real-world impact for veterans who continue to face physical, mental, emotional, and financial challenges tied to combat injuries.

The Major Richard Star Act would honor service, strengthen confidence in the all-volunteer force, and ensure that veterans wounded in combat are not forced to sacrifice one earned benefit to receive another.



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