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AR 600-4

ARMY REGULATION
No. 600-4

HEADQUARTERS
DEPARTMENT OF THE ARMY
WASHINGTON, DC, 9 February 1976

PERSONNEL—GENERAL

REMISSION OR CANCELLATION OF INDEBTEDNESS
ENLISTED MEMBERS

Effective 1 April 1976

This regulation prescribes procedures for submitting and processing applications of enlisted personnel for remission or cancellation of indebtedness to the United States, including that resulting from erroneous payments on which relief from liability has been denied under appeal provisions. Local supplementation of this regulation is permitted, but is not required. If supplements are issued, Army Staff agencies and major Army commands will furnish one copy of each to HQDA (DAPC-EPA-P) Alexandria, VA 22331; other commands will furnish one copy of each to the next higher headquarters.

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CHAPTER 1

GENERAL

1-1. Purpose. This regulation provides instructions and prescribes procedures for submitting and processing applications for remission or cancellation of indebtedness of enlisted members to the United States, including that resulting from erroneous payments made to or on behalf of a member when a request for remission or cancellation is made under the provisions of section C, chapter 7, part seven, Department of Defense Military Pay and Allowance Entitlements Manual (DODPM). This regulation will be used in conjunction with chapter 7, part seven, AR 37-104-3.

1-2. Applicability. The provisions of this regulation are applicable to all enlisted personnel serving on active duty, including Army National Guard (ARNG) and Army Reserve (USAR) personnel serving on full-time duty in the active Federal military service or on initial active duty for training (IADT) or active duty for training (ADT).

1-3. Scope and authority. *a.* Title 10, United States Code, subsection 4837(d), authorizes the Secretary of the Army to remit or cancel an enlisted member's indebtedness to the United States or any of its instrumentalities remaining unpaid before or at the time of the member's honorable discharge, when the Secretary considers it in the best interest of the United States. Except as stated in *b* below, the Secretary of the Army may remit or cancel any part of the enlisted member's indebtedness to the United States Government, including those debts resulting from erroneous payments made to or on behalf of the member as well as any indebtedness incurred while the member may have been serving as an officer of the US Army (35 Comp. Gen. 421; 38 Comp. Gen. 788). Generally, any indebtedness, except as stated in *b* below, may be considered for remission including indebtedness resulting from pecuniary lia-

bility for the loss or destruction of, or damage to, Government property, assessed against a member on a report of survey (para 1-8*ab*, AR 735-11) if the member's request for relief from the finding of this liability is based primarily or solely on hardship which would result from payment of the indebtedness. Debts for erroneous payments may be processed for remission if relief action has been denied under the appeal provisions of section D, chapter 7, part seven, DODPM.

b. It is not within the jurisdiction of the Secretary of the Army to consider for remission or cancellation any indebtedness in, arising from, or as the result of the following situations or circumstances:

(1) When a member's pay is not reduced promptly in connection with forfeiture of pay imposed by a court-martial sentence or forfeiture of pay under Article 15, Uniform Code of Military Justice (UCMJ), (10 USC 4837(d) and 41 Comp. Gen. 269).

(2) After an enlisted member has been discharged, unless he has reenlisted (10 USC 4837(d) and 38 Comp. Gen. 788). The term "discharge," as used in this regulation, does not mean a formal document received by a member upon separation from active service; but the discharge must have reference to the actual termination of status on the active list. Therefore, members who are discharged or released from active duty or transferred to the retired Reserves are not entitled to remission or cancellation of indebtedness (39 Comp. Gen. 415); nor are enlisted members of the Reserve components who are not on full-time active duty.

(3) When a member is retired, regardless of whether the indebtedness accrued while the member was on active duty or after retirement.

(4) When any portion of a debt has been repaid or collected, it will be excluded from consideration for remission or cancellation

(10 USC 4837(d)). Collection of the indebtedness will be suspended as of the date the commanding officer indorses the application, unless protection of the interests of the Government warrants otherwise. In that case, monies otherwise due to be collected will be merely withheld pending final action on the application (see para 70706, AR 37-104-3).

(a) Amounts withheld after the commanding officer's indorsement (for the protection of the Government) are not "collected" amounts and will be paid to the member if the indebtedness is remitted. The amount remitted is that amount of the debt not previously collected as of the date of the commander's indorsement or any lesser amount determined by The Secretary of the Army or his designee.

(b) If the member's application is disapproved, collection action will be reinstated and the amounts withheld after the commanding officer's indorsement will be processed as a collection. For refund of amounts repaid to the Government prior to remission or cancellation of indebtedness or for debts not remitted or cancelled before a member's release from active duty, discharge, or retirement, relief may be available under the "waiver" procedures in AR 37-56.

c. If the application for remission or cancellation is approved and the criteria for filing a claim for refund (AR 37-56) are not met or if a claim for refund under waiver provisions has been denied, the member may apply (under the provisions of AR 15-185) to the Army Board for Correction of Military Records (ABCMR), Washington, DC 20310, for refund of the amounts collected by the Government prior to the date of the commander's indorsement. However, the application should not be submitted to the ABCMR prior to final action on the application for remission or cancellation of indebtedness. If the application is approved by the Board, the settlement of any payment(s) due the member will be processed in accordance with the provisions of chapter 9, part four, AR 37-104-3.

(5) When indebtedness arises from situations where Army members are held liable for damage to or loss of property of another service (43 Comp. Gen. 162).

(6) When indebtedness is that of commis-

sioned officers or civilian employees of the military service.

1-4. **Explanation of terms.** For purposes of this regulation the following apply:

a. *Allowances.* All elements of military allowances, including but not limited to subsistence, quarters, clothing, family separation, and over-sea station allowances.

b. *JUMPS-Army Allotment Authorization (DA Form 1341).* The document used to start, stop, and change allotments.

c. *Erroneous payment.* The term "erroneous payment" means a payment that was not legal or proper when it was made. Examples of cases that are not considered "erroneous payments" are—

(1) Advance leave which becomes excess leave when a member is separated early.

(2) Reenlistment bonuses not fully earned at the time of separation.

(3) An overpayment which results from delays in processing pay. (For example, a member who is paid \$100 on or after the cut-off date for processing pay for the next regular payday will not be considered to have received an erroneous payment merely because the regular payment was not reduced by the advance payment of \$100. When overpayment is known, the payment will be returned to the finance and accounting officer (FAO), with a completed DD Form 634 (Receipt for Miscellaneous Collection) or DD Form 1131 (Cash Collection Voucher).

d. *Hardship.* Hardship exists when repayment, either because of the amount or the timing, will materially affect the care and support of the member and/or the member's family or will cause them to suffer unduly.

e. *Injustice.* Obvious wrongs or misrepresentations on the part of the Government that are caused by individuals acting in an official capacity. (This term applies when the member has received an erroneous payment in good faith without fault or knowledge on his part and when it is subsequently determined that the individual's entitlement to it never actually existed.)

f. *JUMPS-Army Leave and Earnings Statement (DA Form 3686).* A computer-produced monthly statement of the military pay account

for the service member that shows all entitlements earned, amounts collected, payments made, and any transactions that affected the member's leave account.

g. Pay. All elements of military pay, including but not limited to basic, special, incentive, readjustment, severance, and lump-sum for leave.

h. Pay Adjustment Authorization (DD Form 139). The document issued to show the amount and cause of indebtedness.

i. Remission or cancellation. These terms embrace the authority of the Secretary of the Army to remit or cancel any part of an enlisted member's indebtedness to the United States Government or to any of its instrumentalities (including debts for erroneous payment of pay and allowances) that remain unpaid before or at the time of a member's honorable discharge.

1-5. Concepts. *a.* The objective of the statutory provisions governing debt remission or cancellation is to alleviate a serious morale problem of indebted enlisted members on active duty by providing a means of correcting an injustice, as well as a method to eliminate hardship or undue suffering by the service member or the member's family. The commander has primary interest in and responsibility for resolving the soldier's personal problems, including those brought about (wholly or in part) by erroneous payments. To resolve indebtedness arising from administrative or financial transactions, the commander is assisted locally by the military personnel officer (MILPO) and the finance and accounting officer (FAO).

b. The service member shares a responsibility with the Government to insure that his financial account is correct. This is done by reviewing the monthly leave and earnings statement to determine if the leave balance shown and the monies paid and deducted are correct. If an error is found, it must be reported to the commander so the official financial records can be corrected.

1-6. Responsibilities and functions. *a.* The Commanding General, US Army Military Personnel Center (CG MILPERCEN) is designated by the Secretary of the Army to act for him in

exercising the authority under Title 10, United States Code, Section 4837(d), to remit and cancel the indebtedness of enlisted personnel to the United States Government that remains unpaid before or at the time of discharge. The CG MILPERCEN will—

(1) Formulate policy and procedures governing the processing of applications for remission and cancellation of indebtedness of enlisted members to the United States Government, for taking final action on these applications, and for maintaining statistical reports on the applications that are processed.

(2) When considering cases of erroneous payments, insure that fair and just decisions are made on all applications processed, that the rights of the individual members of the Army are protected, and that the interests of the Army are also protected.

(3) Advise and assist the heads of agencies of Headquarters, Department of the Army, and major Army commanders on matters pertaining to the remission or cancellation of indebtedness.

b. The Inspector General and Auditor General, United States Army, is designated by the Secretary of the Army to conduct an annual review of the use of authority by the CG MILPERCEN and to remit or cancel enlisted members' indebtedness to the United States Government.

c. The finance and accounting officer (FAO) will —

(1) Analyze applications for remission or cancellation, using the technical background available to him, and will, in coordination with the commander, support the objectives of the statutes governing remission or cancellation of indebtedness.

(2) Assist the commander by furnishing documents to support the application (e.g., a statement of the member's pay account, copies of Leave and Earnings Statements (LES), or other pertinent documents) and will provide a technical explanation of finance and accounting procedures as they apply to the case under consideration.

(3) Pending the decision of the CG, MILPERCEN on the member's application for remission or cancellation of indebtedness, the FAO will, when appropriate, withhold from the

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member's payments the sums which would have been collected if the member had not applied for remission or cancellation of indebtedness. This action will insure that, should the member's application be disapproved, collection of the indebtedness (as required by 5 USC 5514)

will be made over a period that is not longer than the member's anticipated period of active duty.

d. The commanders specified in paragraphs 2-3 and 2-4 will be responsible for the actions prescribed in those paragraphs.

CHAPTER 2

APPLICATION AND PROCESSING ACTIONS

2-1. General. An enlisted member who desires remission or cancellation of indebtedness may base the claim on extreme hardship or injustice. DA Form 3508-R (Application for Remission or Cancellation of Indebtedness (fig. 2-1)) will be used by the member or his commander for making an application for the remission or cancellation of an indebtedness. DA Form 3508-R will be reproduced locally on 8 by 10½-inch paper. Three complete copies of the application with all indorsements and inclosures will be forwarded to HQDA (DAPC-EPA-P). An application for remission or cancellation of an indebtedness established under "report of survey" procedures will be forwarded as prescribed in paragraph 10-7, AR 735-11. This application will be processed only after a decision on the member's appeal of pecuniary liability has been reached by the approving authority.

2-2. Enlisted member. DA Form 3508-R will be completed by the member, indicating whether the application for remission or cancellation of indebtedness is based on injustice, or hardship, or both. All items of information on DA Form 3508-R should be completed as follows:

a. Item 1. Complete mailing address of unit commander.

b. Item 2. Name: last, first and middle initial; and rank, pay grade, and social security number (SSN).

c. Item 3. Service Data:

a. Expiration of term of service (ETS) date.

b. Basic active duty date (BASD).

c. Primary military occupational specialty (PMOS)—3-digit.

d. Duty military occupational specialty (DMOS)—3-Digit.

d. Item 4. Present organization (complete mailing address) and automatic voice network

(AUTOVON) number of the unit to which the service member is assigned.

e. Items 5 through 10. Self-explanatory.

f. Item 11. Self-explanatory. If dependents reside apart from their sponsors, explain in a statement (see item 13A).

g. Item 12. Self-explanatory.

h. Item 13. Required inclosures are—

A. A detailed, sworn statement by the applicant, signed and dated, explaining—

(1) The circumstances under which the indebtedness was incurred; the cause of the indebtedness; the period involved; the date it was discovered; how, when, and by whom the member was officially notified of the indebtedness; whether the member had previously suspected or had knowledge of an error and to whom he or she voiced that suspicion or knowledge of error and any efforts the member may have made to have the error corrected. The member should also explain the reason for delay, if any, in taking such action. Any available evidence to support the member's efforts to correct the cause of the indebtedness should be submitted with the statement. All inclosures to the statement must be listed on the statement.

(2) If the application is based on extreme hardship which the member feels will result if repayment of the debt is required, the statement must include, (in addition to the information required in (1) above), the member's monthly expenses to substantiate the degree of hardship that repayment of the debt will cause. The statement must also include a list of creditors; the amount of monthly payments made to each, and the anticipated dates of liquidation; the number and relationship of dependents, with the ages of any children; income other than military pay, if any; the purpose and expiration dates of all allotment deductions currently in effect; and any unusual factors or obligations which could substantiate that re-

payment would create undue financial hardship.

(3) If the application is based on injustice and the indebtedness occurred through administrative error(s) by Government officials, substantiating evidence (in addition to the information in (1) above) must be submitted, such as copies of evidence or other documents relating to the indebtedness (promotions, reductions, travel allowances, excess leave, or AWOL). The statement must support why the member feels that the indebtedness would be an injustice to him or her and must substantiate that the indebtedness was not the applicant's fault.

B. Notice of Exception, Pay Adjustment Authorization, or other documents that disclose the cause, amount, and inclusive period of indebtedness must be furnished.

C. Copies of all authorizations to start, stop, or change allotments that were initiated during the period of indebtedness, if the indebtedness was caused by allotment overpayment.

D. Self-explanatory.

E. Legible copies of Leave and Earnings Statements (LES) for the entire period of the indebtedness in addition to a copy of the latest LES (submit true copies when reproduced copies are illegible).

i. Other documents. The member should include any other documents which would help in making a final decision regarding the application (e.g., statements from officers or enlisted members having knowledge of circumstances relating to the indebtedness or information indicating approval would be in the best interest of the applicant or the Army). Submission of the application will not be delayed solely for the purpose of obtaining documents, because approval will not be granted for any indebtedness collected prior to the date the immediate commander indorses the application. Forwarding indorsements may request attachment of documents that are not immediately available to the applicant or to his commander. These documents may be forwarded later.

2-3. Immediate commander. The member's immediate commanding officer will—

a. Insure that the facts in the case are fully and accurately stated, elaborating when necessary to clarify them.

b. Inquire into and verify statements made by the enlisted member, particularly those relating to hardship, to the extent feasible.

c. Request the technical assistance from FAO or MILPO that is necessary for clarification of the circumstances surrounding the indebtedness.

d. Evaluate all the evidence involved and forward the original and three copies of the application by indorsement through the commander exercising special courts-martial jurisdiction to the FAO currently maintaining the member's pay account.

e. Recommend approval or disapproval of the application and give the reasons, stating—

(1) How remission or cancellation would or would not serve the best interests of the Government.

(2) How the member's ability to discharge moral and legal obligations to creditors and provide for the welfare of dependents, if any, would be affected.

(3) What the Army's investment in the service member is in terms of training; what the member's major contributions to the service have been; and whether the member's retention in the service is desirable. (If retention is not desirable, give specific reasons.)

(4) Whether, in the commander's judgment, the indebtedness occurred through any fault of the member; whether the member could have prevented the indebtedness; whether the member's actions were proper in attempting to correct the error; if and when the service member was made aware of a possible error; and whether the commander believes the member acted in good faith.

(5) What assistance the commander, personnel officers, and the FAO gave the member, including any significant matters of record which could affect the decision.

(6) A brief description of the member's efficiency and conduct with the organization, including any significant matter of record, favorable or unfavorable, pertaining to that member.

(7) An explanation of any item that appears to be questionable but that cannot be verified.

f. If, after submission of an application, the member's separation is anticipated earlier than

the date shown in the application, the immediate commander will promptly notify the FAO, furnishing the reason for and date of anticipated separation.

g. When appropriate (under the provisions of para 2-6b), direct the FAO to continue monthly withholding of monies from the member's pay. Monies collected by the Government prior to the date the immediate commander indorsed the application may not be considered for cancellation (see para 1-3b(4) regarding "collected" amounts and amounts withheld).

h. Request the MILPO or FAO to attach documents not available at unit level which may have a bearing on the case.

2-4. Commanders exercising special courts-martial jurisdiction. These commanders will—

a. Review applications to insure that the cases have been fully developed and supported by material evidence.

b. When warranted by circumstances or unsupported allegations, procure additional facts or evidence necessary to insure a complete development of a case before submitting it to the FAO. For example, when the service member alleges that the debt was incurred as the result of an error on the part of a specific official or agency and the allegation is not supported by the evidence, obtain a statement concerning the exact cause of the overpayment or erroneous payment from that official or agency.

c. Evaluate the application and all material evidence; recommend approval of remission or cancellation of the unsatisfied indebtedness, in whole or in part; or recommend disapproval of the application and provide reason(s) for this recommendation.

d. Forward the application in triplicate to the FAO servicing the member. In forwarding indorsement to the FAO, request the attachment of any required documents not available to or furnished by the immediate commander or the MILPO.

2-5. Finance and accounting officer (FAO). The FAO will—

a. Furnish the immediate commander, upon request, a statement of the member's pay ac-

count or copies of Leave and Earnings Statements (DA Form 3686) or other pay or pay-related documents material to the member's application for remission or cancellation of indebtedness and will provide technical assistance that applies to finance and accounting procedures.

b. Upon receipt of the application from the commander exercising special courts-martial authority, review the application to determine if the commander has recommended continued withholding of the member's pay. Also, verify that the amount of uncollected indebtedness shown as of the date of the immediate commander's indorsement is correct.

c. Verify that any finance and accounting documents necessary to reach a decision on the application are included. If there is any pertinent pay-related information that has not been made available to the immediate commander, forward the information by indorsement to that commander for consideration prior to taking further action on the application.

d. Forward the application by indorsement to the commander exercising general courts-martial jurisdiction for resolution when—

(1) The immediate commander has not requested continued withholding of sums to liquidate the indebtedness pending the decision of the Secretary of the Army or his designee, and

(2) The FAO feels that because of the member's remaining service obligation the interests of the Government would not be adequately protected under 5 USC 5514 by continuance of payments to the member without withholding these sums, and

(3) The matter cannot be resolved between the FAO, the immediate commander, and the commander exercising special courts-martial jurisdiction.

e. If suspension of collection on the indebtedness has been directed by the immediate commander and is appropriate, suspend collection action as of the date of the commander's indorsement and recredit to the member's account any amounts collected after that date and advise the member of the status of his financial affairs pending a final decision on the application for remission or cancellation of indebtedness.

f. Forward the application in triplicate by indorsement to HQDA (DAPC-EPA-P) Alexandria, VA 22331, for adjudication. In this indorsement to MILPERCEN—

(1) Comment on any allegation concerning administrative error or erroneous payment that pertains to finance and accounting procedures.

(2) Indicate the date the indebtedness was entered for collection, monthly rate of collection, total amount collected, the amount of indebtedness unsatisfied as of the date of the immediate commander's indorsement, whether debt liquidation sums are being withheld on a regular basis and, if so, the amount being withheld.

(3) Attach the following when appropriate:

(a) A copy of the Notice of Exception, Pay Adjustment Authorization, or other document stating the amount and cause of the indebtedness.

(b) A statement of the member's pay account or a copy of the latest LES.

(4) Include the disbursing station symbol number (DSSN) and the AUTOVON number of the servicing finance office.

g. If, subsequent to the date the application is forwarded to MILPERCEN, the member becomes subject to separation earlier than the date indicated in the application, immediately notify MILPERCEN of the anticipated separation, the date separation is expected, and the reason for the separation.

h. Upon receipt of notification of final action from MILPERCEN, make any required adjustments in the member's pay account in accordance with paragraph 70706, AR 37-104-3.

(1) If the application is approved for remission or cancellation of the unliquidated indebtedness in whole, the total of the sums withheld (para 2-6) or any lesser amount specified in the approval order will be paid to the member.

(2) If the application is disapproved, or approved for partial remission or cancellation of the unliquidated indebtedness, either initiate or reinstate the collection. Reinstated collections will include the amounts withheld (para 2-6). If a refund of any amount withheld is due the member as the result of partial remission or cancellation of indebtedness, refund the

amount without any further action by the member.

i. As a substantiating document for renewed collections or for any repayment made to the member, forward the original of the MILPERCEN order of approval or disapproval of remission or cancellation of indebtedness to the US Army Finance and Accounting Center, Fort Benjamin Harrison, IN 46249 (as prescribed in chap 7, part nine, AR 37-104-3). A copy of the order will be filed in the member's Personal Financial Record (PFR) as a permanent document and a copy will be furnished the enlisted member through his or her immediate commander.

j. Collect the outstanding indebtedness (as provided in part seven, AR 37-104-3) if final action on the application for remission or cancellation of indebtedness has not been received by the date of the member's separation from active duty, unless the member is being separated for the purpose of immediate reenlistment and the provisions of paragraph 2-6c apply.

2-6. Collection pending final action on an application. *a.* When an enlisted member applies for remission or cancellation of indebtedness, collection will be suspended as of the date the member's immediate commander indorses the application to the CG MILPERCEN for final approval or disapproval. Any amounts collected on or after that date, regardless of the period involved, will be recredited to the member's account without waiting for the decision of the CG MILPERCEN, except as stated in *b* below.

b. Title 5, USC, Section 5514, requires that collection of an indebtedness be made over a period not greater than the anticipated period of active duty. Therefore, if it is the judgment of the immediate commander that liquidation of indebtedness may not be possible within a member's remaining period of active duty if repayment is deferred pending the CG MILPERCEN's decision on the application for remission or cancellation of the indebtedness, the commander may, for the protection of the Government, direct the FAO to withhold from that member's pay the sum (including any recredit (para 2-5e)) which would have been collected

had that member not applied for remission or cancellation.

(1) If a member's application is *approved*, the total amount withheld for protection of the Government will be refunded to the member. No amount collected or withheld *prior to the commander's indorsement* of a member's application will be refunded under the provisions of this regulation, even though the application is finally approved by the CG MILPERCEN.

(2) If the application is *disapproved*, collection of the indebtedness will be reinstated, including the amount withheld for protection of the Government.

c. Where the immediate commander has directed the FAO to continue withholding of the member's pay, as distinguished from collection action, because of the member's scheduled separation date and, if the continued withholding of pay is creating a financial hardship on the member, the immediate commander will coordinate with the FAO to reduce the amount withheld each payday.

d. If agreement cannot be reached between the FAO and the immediate commander on the withholding of sums to liquidate the indebtedness when an application is disapproved by the CG MILPERCEN, the application will be referred to the commander exercising general courts-martial authority for decision on the withholding of pay prior to forwarding the application to HQDA (DAPC-EPA-P).

e. If the provisions of 5 USC 5514 are a factor and the member intends to reenlist immediately upon expiration of his normal term of service, that member may agree to *partial* collection during the new enlistment if full collection of the debt before discharge would require total or nearly total stoppage or withholding of final pay and would create hardship for the member and his dependents. The pay of members who extend their terms of service or are retained in service beyond the expiration of term of service will be subject to stoppage or withholding as though the normal term of service had not expired.

2-7. Notification of final action. The CG MILPERCEN will notify, in writing, the servicing FAO of the final action taken upon an application for remission or cancellation of indebted-

ness and will furnish a copy of the notification to the service member's immediate commander. Another copy of the MILPERCEN notification of final action will be forwarded by the FAO to the member concerned through his unit commander with a statement (as appropriate) of the status of collection action, the amount of pay withheld (if any) to be refunded to the member, and when the refund may be expected.

2-8. Message application for remission or cancellation of indebtedness. a. The commander may submit an application for remission or cancellation of indebtedness by message only when the date of forwarding the application to MILPERCEN is thirty days or less before the expiration date of the member's term of service and when the member does not intend to reenlist or extend his enlistment. Since applications under normal circumstances require extensive documentation, the message application should be used only in situations where it is felt that the actual circumstances can be adequately described in the message by furnishing the information in b below.

b. Message applications will be addressed to CDRMILPERCEN ALEX VA//DAPC-EPA-P// and must include but need not be limited to the following information:

(1) The member's name, rank, pay grade, SSN, ETS, and organization.

(2) The cause of indebtedness, inclusive dates of the period involved, initial amount of the indebtedness, and the amount of remaining liability.

(3) Whether the request is based on hardship or injustice.

(4) Dependents: Relationship, ages of children, and whether residing with the sponsor.

(5) A detailed explanation of the circumstances and by whom verified.

(6) Data regarding financial obligations, normal monthly living expenses, and allotments (as explained in para 2-1h(2)).

(7) A statement of the member's pay account from DA Form 3686 (JUMPS—Army Leave and Earnings Statement).

(8) Recommendations by all commanders and the FAO.

(9) The AUTOVON number of the member's unit and FAO.

c. Based on the merits of the case, the CG MILPERCEN will make the final determination concerning the amount of indebtedness to be remitted or cancelled and will reply, by message, indicating approval or disapproval. After the determination has been made, the FAO will enter the following notations in Item 11 of the final DA Form 2139 (Military Pay Voucher):

(1) A brief explanation of the member's indebtedness.

(2) "Member requested remission or cancellation of indebtedness by message DTG _____ Approved/Disapproved (as applicable) by MILPERCEN Message DTG _____"

d. The CG MILPERCEN will be provided

with any pertinent information regarding circumstances occurring subsequent to submitting the message application but prior to the final action being taken. Using the most expeditious means of communications available, advice will be given as to reassignment; promotion or reduction in grade; reenlistment, extension of term of service, or approval of retention beyond ETS; the initiation of any administrative or punitive action which may result in separation earlier than the member's scheduled date; or any other significant factor which may be considered in making a final determination. The commander will provide the servicing FAO with the same information furnished to the CG MILPERCEN.

The proponent agency of this regulation is the US Army Military Personnel Center. Users are invited to send comments and suggested improvements on DA Form 2028 (Recommended Changes to Publications and Blank Forms) direct to HQDA (DAPE-EPA-P) 200 Stovall Street, Alexandria, VA 22332.

By Order of the Secretary of the Army:

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APPLICATION FOR REMISSION OR CANCELLATION OF INDEBTEDNESS

For use of this form, see AR 600-4; the proponent agency is MILPERCEN.

Use additional blank sheet for continuation of items identifying each item by number.

DATA REQUIRED BY THE PRIVACY ACT

1. AUTHORITY: 10 USC Section 4837
2. PRINCIPAL PURPOSE: To evaluate an application from an enlisted member for remission and cancellation of a debt to the United States.
3. ROUTINE USES: Serves as a substantiating document for remission or cancellation of the indebtedness. Provides data from member to support request. Provides data from immediate commander, giving recommendation for approval or disapproval. Provides data from finance and accounting officer concerning action taken with regard to collection of indebtedness or suspension of the collection.
4. DISCLOSURE: Voluntary. If not supplied, there is no basis for considering remission of the debt.

1. TO:	2. FROM: (Name, rank, pay grade and SSN)
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3. SERVICE DATA: a. ETS: c. PMOS: b. BASD: d. DMOS	4. PRESENT ORGANIZATION AND STATION (Autovon number)
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5. INITIAL AMOUNT AND CAUSE OF INDEBTEDNESS, AND DATE APPLICANT NOTIFIED OF INDEBTEDNESS		
AMOUNT:	CAUSE:	DATE:

6. COLLECTION OF INDEBTEDNESS SUSPENDED <input type="checkbox"/> YES <input type="checkbox"/> NO		AMOUNT COLLECTED MONTHLY:
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7. AMOUNT UNCOLLECTED THIS DATE	8. APPLICATION BASED ON <input type="checkbox"/> HARDSHIP <input type="checkbox"/> INJUSTICE
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9. ITEMIZED LIST OF CURRENT FINANCIAL OBLIGATIONS OTHER THAN NORMAL LIVING EXPENSES

CREDITOR OR EXPENSE	DATE DEBT INCURRED	INITIAL TOTAL AMOUNT	MONTHLY PAYMENT	LIQUIDATION DATE	PAYMENTS OVERDUE

10. NORMAL MONTHLY LIVING EXPENSES (RENT, CLOTHING, FOOD, UTILITIES, ETC.)

ITEM	AVERAGE MONTHLY EXPENSE	11. DEPENDENTS			
		NAME	RELATIONSHIP	DATE OF BIRTH	RESIDE WITH SPONSOR
					YES NO

12. ALLOTMENTS CURRENTLY IN EFFECT

CLASS	AMOUNT	PAYEE	PURPOSE	ESTIMATED EXPIRATION DATE

13. REQUIRED INCLOSURES
- A. Statement. See paragraph 2-2h.
 - B. Pay adjustment authorization. See paragraph 2-2h.
 - C. Allotment authorizations, if applicable. See paragraph 2-2h.
 - D. Copy of debt liquidation schedule if collection not suspended.
 - E. Leave and earnings statements. See paragraph 2-2h.

SIGNATURE	DATE
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