Major Richard Star Act
(H.R. 2102 / S. 1032)

WOUNDED WARRIOR PROJECT®

HONOR THEIR SACRIFICE End the Dollar-for-Dollar Offset Now

THE PROBLEM

Veterans who are forced to medically retire due to combat injuries or combat-related injuries are not receiving their full military retirement pay from the Department of Defense (DoD). Reducing their retirement pay because of combat-related injuries is an injustice.

Many veterans have suffered serious combat-related injuries that end their military careers and complicate future job opportunities. Here's how the current law hurts them:

- Service members **with less than 20 years of service** who are medically retired for combat or combat-related injuries can't get their full retirement pay if they also get VA disability pay.
- Their retirement pay is offset dollar-for-dollar, by the amount of VA disability pay they receive. This impacts veterans who still face physical, emotional, and financial challenges from their service injuries.

WHY IT'S UNFAIR

This offset is essentially a "wounded veteran tax." It unfairly takes away benefits Service members earned through their sacrifice and service.

THE SOLUTION

PASS THE MAJOR RICHARD STAR ACT — END THE "WOUNDED VETERAN TAX"

The Major Richard Star Act would end the unjust offset for veterans who:

- Were medically retired
- Sustained combat or combat related injuries
- Are eligible for Combat-Related Special Compensation (CRSC)

About 59,000 veterans meet these rules. This bill would give them the choice to switch to Concurrent Receipt of Disability Pay (CRDP) so their benefits would no longer be reduced. Removing the offset would make a big difference for these veterans.

Nearly a million veterans with 20+ years of service and a 50% disability rating get both retirement pay and VA benefits.

Why not the 59,000 forced to retire from combat injuries?

THEY'VE EARNED IT, TOO.

MYTHS vs. FACTS

MYTH: These soldiers are "double-dipping" when they receive both benefits.

Military retirement pay, and VA disability pay are two separate benefits created for different reasons.

- Retirement pay is money veterans earn for the years they served in the military.
- VA disability pay is money to help make up for income veterans might lose in the future because of injuries or health problems caused by their service.

MYTH: The bill is too expensive.

A recent report from the Congressional Budget Office estimated the bill's cost as $13 billion over 10 years — representing just over one percent (1.35%) of a single year's defense budget (FY26 $961.6 billion). This bill isn't retroactive and won't include back pay.

Each veteran can choose the option that works best for them. About half may benefit from the Major Richard Star Act, while others might keep their tax-free CRSC with no extra cost to the government.

MYTH: It would make no real impact on veterans who need it the most.

Veterans could receive an average of approximately $1,200 more each month.

MYTH: This isn't the right time to be offering new benefits.

The Major Richard Star Act is not a new benefit. It fixes a problem from 2004, when Congress eliminated the offset and left out 59,000 veterans who were forced to retire because of combat injuries.

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