

# Savings Deposit Program (SDP) Factsheet

## Summary:

The Savings Deposit Program (SDP) is a federal active duty benefit that was established to provide a place to deposit money for savings purposes to members of the uniformed services who serve in designated combat zones.

## Eligibility:

Service members deployed in combat zones, qualified hazardous duty areas or certain contingency operations outside of the United States are eligible to participate in the SDP. The Service member must serve in the designated area for more than 30 days or at least one day in each of three consecutive months.

## Benefit Highlights:

The SDP provides Service members the opportunity to deposit money into a savings account with a higher interest rate than normal. On these accounts, interest accrues at an annual rate of 10% (per Executive Order 11298) and compounds quarterly. Although federal income earned in hazardous duty zones is tax-free, interest accrued on earnings deposited into the SDP is taxable.

## Deposits:

Eligible Service members may deposit all or part of their unallotted pay into a Department of Defense savings account. Up to \$10,000 may be deposited in this account during each deployment. Unallotted pay is the amount of money a Service member is entitled to receive less authorized deductions.

- Deposits cannot exceed a Service member's monthly-unallotted current pay and allowances (e.g. monthly net pay after all deductions and allotments; includes special pays and reenlistment bonuses).
- Deposits may be made in cash, by check or through allotment.
- Once started, allotments may be increased or decreased as the Service member's financial situation changes.
- The last day to make a deposit into the fund is the date of departure from the assignment. However, interest will accrue for up to 90 days after return from deployment.
- Emergency requests for withdraw must be for the health and welfare of a Service member and/or their dependent(s) and must be substantiated by a written request from the member's unit commander.
- The Service member's account will be closed and all funds returned via direct deposit 120 days after leaving the combat zone. If the Service member wants their funds before the 120-day period ends, myPay provides an automated request options for SDP participants.

## Additional Information:

For more information about the Savings Deposit Program, please visit a local military finance office or the Defense Finance and Accounting Service website:

<https://www.dfas.mil/MilitaryMembers/payentitlements/sdp/>

- Toll Free (Stateside Only): 1-888-332-7411 (Options 4, 2, 2)
- Commercial: 216-522-5096
- DSN: 580-5096
- Fax: ("Attention: SDP"): 216-522-5060
- Email: [CCL-SDP@dfas.mil](mailto:CCL-SDP@dfas.mil)