



## **Veterans' Disability Compensation and Pension Programs**

### **Disability Compensation**

The Department of Veterans Affairs' disability compensation program pays monthly benefits to veterans who have a disability resulting from a medical condition or an injury incurred or aggravated while on active military duty. In some cases, the program also pays benefits to surviving spouses and dependents of totally disabled veterans. For compensable service-connected disabilities, which can consist of one or more physical and mental health conditions, disability payments typically continue until death. Benefit amounts are based on percentage ratings for cumulative disabilities. Compensation is not means-tested, but additional benefits may be available to veterans whose disabilities prevent them from working.

### **Pensions**

The Department of Veterans Affairs' pension program pays monthly benefits to certain low-income veterans and their surviving spouses and dependents. Eligibility for veterans under the age of 65 is based on wartime active-duty service (typically of at least 90 days' duration), total and permanent disability, and countable income below an established amount. Pension benefits are available to veterans over age 65, regardless of disability status, who meet the other requirements. The monthly benefit is based on a maximum annual benefit, which is reduced by a veteran's countable income. Veterans with service-connected disabilities may receive the greater of the pension benefit or the disability compensation benefit, but not both.

## Veterans' Disability Compensation and Pension Programs

	By Fiscal Year, Millions of Dollars											2024- 2028	2024- 2033
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033		
<b>DISABILITY COMPENSATION</b>													
Veterans													
Estimated Outlays	135,301	133,015	156,156	168,024	179,532	207,067	183,466	209,461	218,773	228,332	257,992	<b>843,794</b>	<b>1,941,818</b>
Adjustment for Payday Shift <sup>a</sup>	<u>-2,403</u>	<u>12,092</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>-16,679</u>	<u>16,679</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>-19,846</u>	n.a	n.a
Total Benefits for Veterans	132,898	145,107	156,156	168,024	179,532	190,388	200,145	209,461	218,773	228,332	238,146	n.a	n.a
Number of Veterans (Thousands of people)	5,691	5,979	6,260	6,583	6,890	7,153	7,353	7,516	7,664	7,810	7,952	n.a	n.a
Average Annual Benefit (Dollars)	23,353	24,271	24,943	25,525	26,055	26,615	27,220	27,870	28,544	29,236	29,947	n.a	n.a
Survivors													
Estimated Outlays	10,556	10,466	11,467	12,229	12,723	14,631	12,856	14,924	15,613	16,449	18,778	<b>61,516</b>	<b>140,136</b>
Adjustment for Payday Shift <sup>a</sup>	<u>-187</u>	<u>951</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>-1,169</u>	<u>1,169</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>-1,444</u>	n.a	n.a
Total Benefits for Survivors	10,369	11,417	11,467	12,229	12,723	13,462	14,025	14,924	15,613	16,449	17,334	n.a	n.a
Number of Survivors (Thousands of people)	499	517	529	551	562	583	594	618	632	651	671	n.a	n.a
Average Annual Benefit (Dollars)	20,771	22,073	21,679	22,178	22,628	23,100	23,604	24,143	24,699	25,267	25,848	n.a	n.a
<b>Total Outlays for Disability Compensation</b>	<b>145,857</b>	<b>143,481</b>	<b>167,623</b>	<b>180,253</b>	<b>192,255</b>	<b>221,698</b>	<b>196,322</b>	<b>224,385</b>	<b>234,386</b>	<b>244,781</b>	<b>276,770</b>	<b>905,310</b>	<b>2,081,954</b>
<b>VETERANS' PENSIONS</b>													
Veterans													
Estimated Outlays	2,233	1,957	2,006	1,871	1,741	1,747	1,384	1,409	1,314	1,284	1,307	<b>9,322</b>	<b>16,020</b>
Adjustment for Payday Shift <sup>a</sup>	<u>0</u>	<u>178</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>-126</u>	<u>126</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>-93</u>	n.a	n.a
Total Benefits for Veterans	2,233	2,135	2,006	1,871	1,741	1,621	1,510	1,409	1,314	1,284	1,214	n.a	n.a
Number of Veterans (Thousands of people)	159	145	132	120	110	100	91	83	76	69	63	n.a	n.a
Average Annual Benefit (Dollars)	14,074	14,764	15,211	15,560	15,876	16,207	16,561	16,939	17,329	18,561	19,244	n.a	n.a
Survivors													
Estimated Outlays	1,268	1,111	1,138	1,061	987	989	785	798	744	763	788	<b>5,286</b>	<b>9,164</b>
Adjustment for Payday Shift <sup>a</sup>	<u>0</u>	<u>101</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>-71</u>	<u>71</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>-56</u>	n.a	n.a
Total Benefits for Survivors	1,268	1,212	1,138	1,061	987	918	856	798	744	763	732	n.a	n.a
Number of Survivors (Thousands of people)	115	104	95	87	79	72	66	60	55	50	45	n.a	n.a
Average Annual Benefit (Dollars)	11,069	11,612	11,963	12,238	12,487	12,747	13,025	13,322	13,629	15,009	15,681	n.a	n.a
<b>Total Outlays for Veterans' Pensions</b>	<b>3,501</b>	<b>3,068</b>	<b>3,144</b>	<b>2,932</b>	<b>2,728</b>	<b>2,736</b>	<b>2,169</b>	<b>2,207</b>	<b>2,058</b>	<b>2,047</b>	<b>2,095</b>	<b>14,608</b>	<b>25,184</b>

Components may not sum to totals because of rounding; n.a. = not applicable.

a. 38 U.S. Code § 5120 directs that if the first day of the month occurs on a holiday or weekend, the Department of Veterans Affairs will make benefit payments on the preceding business day. That will result in one additional paycheck in fiscal years 2028 and 2033 and one fewer paycheck in fiscal years 2024 and 2029.