

Special Needs Trust (SNT) Checklist

What You Need to Know

The Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (FY15 NDAA), Public Law 113-291, amended Title 10, U.S. Code, Sections 1448, 1450, and 1455. This amendment gave military members and retirees the option to direct payment of a Survivor Benefit Plan (SBP) Annuity for a dependent child to a Special Needs Trust (SNT). A SNT is a legal instrument specifically designed for the benefit of a person with a disability. In some cases, this may preserve the beneficiary's eligibility for other federal or state benefits.

Eligibility Requirements

To be eligible to elect the option to cover the SNT under SBP, the member or retiree must have previously elected Spouse and Child or Child Only coverage for a disabled child under the SBP. There must also be an established and certified SNT.

Who May Make the Election and Effective Dates

If the member is alive and if they have previously elected Spouse and Child or Child Only coverage under the SBP, they may make the designation to direct payment on the behalf of a beneficiary to a SNT at any time.

After the death of a member or retiree, if the member or retiree had elected Spouse and Child or Child Only coverage under the SBP, any surviving parent, grandparent or court appointed legal guardian may make the designation on the behalf of a beneficiary.

Please note: Regarding **Spouse and Child coverage**, if an eligible spouse exists at the time of the retiree's death, the annuity will be payable to the spouse. The annuity will only be payable to the child if the spouse becomes ineligible. For additional information on updating SBP beneficiaries visit <https://www.dfas.mil/changesbp>.

The election to make payment to a SNT on the behalf of a SBP beneficiary is irrevocable.

What You Need to Do

Documentation is required in order to establish a SNT.

Required Documentation

- ☐ A written statement of the decision to have the annuity paid to the SNT.
- ☐ Attorney's Special Needs Trust Certification – available at <https://www.dfas.mil/sbpsnt>.
- ☐ Name and tax identification number for the SNT by or before the time your beneficiary applies for their annuity.

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Submission of SNT Paperwork

Submit certified Special Needs Trust documentation to DFAS using the askDFAS online upload tool: <https://www.dfas.mil/askdfas>

OR

Submit by mail to:
Defense Finance and Accounting Service
U.S. Military Retired Pay
8899 E 56th Street
Indianapolis, IN 46249-1200

OR

Submit by fax to: 800-469-6559

Additional SNT Assistance

It is important that you examine your child's needs and how any additional income may impact them with and without a trust. There are attorneys who specialize in this area and are qualified in assisting you to explore your options.

Your installation's Exceptional Family Member Program (Military and Family Support Office) and the Legal Assistance Office can provide advice and referrals to local attorneys who specialize in special-needs laws.

You can also visit <https://www.militaryonesource.mil/family-and-relationships/special-needs>, an official Department of Defense website, or speak to a special needs consultant at Military OneSource at 800-342-9647.

Members Who Have Established a SNT

If you already have a SNT established for your dependent child and are interested in redirecting their future SBP annuity claim to the SNT, the Defense Finance and Accounting Service can help. Requirements for directing payment of SBP annuity to the SNT can be found above.