

2015 Cost of Living Allowance (COLA) Index Changes

COLA is scheduled to decrease for many service members in Germany, starting March 16, 2015. Some service members in Germany could see their COLA reduced by more than \$200 per month.

An individual stationed at Ansbach will see the decrease in two increments: one on March 16 and one on April 16. For individuals stationed at Garmisch, Kalkar, Ramstein (Kaiserslauten), Vilseck-Grafenwoehr and Wiesbaden, a COLA reduction will go into effect March 16.

The most recent Retail Price Schedule found prices for goods and services have increased in the U.S. and decreased in various locations in Germany, requiring a COLA reduction in many locations. Additionally, as the dollar has increased in value in comparison to the Euro, less COLA must be paid to remain at the same purchasing power.

COLA is an entitlement intended to balance purchasing power between service members in the U.S. and their overseas counterparts. The amount paid is determined by rank, years in service, number of dependents and location since prices for goods and services vary depending on the area.

The following are scenarios of the COLA impact:

An E-4 with 3 years of service, no dependents, living in the barracks, and stationed at Ansbach would experience a monthly COLA payment decrease from approximately \$205 to \$117 on March 16 and another drop to \$70 effective April 16.

An E-7 with 14 years of service, three dependents, living on-post and stationed in the Kaiserslautern area would experience a monthly COLA payment decrease from approximately \$581 to \$464.

An O-3 with 10 years of service, two dependents, living off-post and stationed at Wiesbaden would experience a monthly COLA payment decrease from approximately \$636 to \$362.

The COLA calculator is located at <http://www.defensetravel.dod.mil/site/colaCalc.cfm>

Additional information and an example of a manual calculation is located at <http://www.defensetravel.dod.mil/Docs/perdiem/JTR.pdf> in Appendix J: COLA, Part 1.

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