

Germany Overseas Allowances Program

Cost of Living Allowance Survey (COLA):

The Overseas Cost of Living Allowance (COLA) is a non-taxable allowance designed to offset the higher overseas prices of non-housing goods and services

Overseas COLA is intended to equalize purchasing power so that Service members can purchase the same level of goods and services overseas as they could if they were stationed in CONUS. It is calculated by comparing the prices of goods and services overseas with average prices for equivalent goods and services in CONUS. The result of this comparison is an index that reflects a cost of living. If prices in CONUS are rising at a greater rate than those overseas, COLA will decrease. If prices overseas are rising at a greater rate than those in CONUS, COLA will increase. Similarly, if overseas prices rise or fall at the same rate as CONUS prices, COLA will stay the same.

The Cost of Living index is based on data furnished by uniformed members assigned to 13 locations in Germany, as defined in the Joint Federal Travel Regulation (JFTR), Volume I, [Appendix M](#). The Defense Travel Management Office's (DTMO) Allowances Branch uses the following two surveys to determine the relative cost of living overseas: The COLA Living Pattern Survey (LPS) and the COLA Retail Price Schedule (RPS).

The Living Pattern Survey asks Service Members to identify in which local stores they purchase goods and services and how much (the percentage) they buy from the commissary and exchange. For example, the Living Pattern Survey may show that Service Members typically buy half their clothing in local stores (with foreign currency) and half at the exchange (with U.S. dollars).

Using information from the Living Pattern Survey, price collectors in many overseas locations conduct a market basket survey (Retail Price Schedule) each year, designed to capture the price of approximately 120 goods and services.

The prices from each overseas survey are compared with prices in the average CONUS ****What?** for equivalent goods and services at the same point in time. If the overseas market basket cost is greater than the average CONUS cost, a COLA is authorized or upwardly adjusted.

Survey results may show, for example, that in September the market basket items on average in CONUS cost \$100 while at an overseas duty station the same items cost \$130.00 indicating that the cost of living is 30% higher in your area. As a result members would receive COLA to help pay the extra costs associated with the higher cost of living overseas.

Go to this link for [Current COLA rates](#).

Overseas Housing Allowance (OHA):

The Overseas Housing Allowance (OHA) survey is conducted annually to collect utility/recurring maintenance expenses, and once every three years to collect move-in expenses. The data collected in this survey is used to measure expenses incurred by Uniformed Service members stationed overseas who reside in private housing. The purpose of collecting this data is to assist in the formulation of OHA paid to members. See JFTR, Appendix M, Part VI, [Table C](#) for current OHA survey schedule.

Go to this link for [Current OHA rates](#).