

# Understanding the Basic Needs Allowance



## OVERVIEW

The Basic Needs Allowance, or BNA, is a supplemental monthly allowance for service members who have dependents and gross household income that falls below certain federal income thresholds. Service members must apply to receive the allowance. This flyer explains who may qualify to receive BNA.

## WHO IT'S FOR:

The Basic Needs Allowance is for service members on active duty (including members of the National Guard and Reserves) who have completed initial entry training. You must have at least one dependent registered in the Defense Enrollment Eligibility Reporting System, or DEERS. In addition, your gross household income from the preceding calendar year must fall below 150% of Federal Poverty Guidelines for that year and for your assigned duty station location and household size.

## HOW IT'S CALCULATED:

For members certified as approved for BNA by their military service, the monthly amount of the allowance will be calculated as the difference between 150% of the current year's Federal Poverty Guidelines applicable to the service member's location (in CONUS or overseas, Alaska, or Hawaii) and household size (member plus dependents) minus the member's preceding year gross household income, divided by 12.

### Here's an example:

**Household size:** 5 (member plus four dependents)  
**Annual Gross Household Income from preceding calendar year:** \$41,352  
**Location:** Altus AFB, Oklahoma  
**Applicable annual Federal Poverty Guidelines:** \$35,140

**Sample Computation:**

$$\begin{aligned} & ((1.5 \times \$35,140) - \$41,352) \div 12 \\ & (\$52,710 - \$41,352) \div 12 \\ & \$11,358 \div 12 \\ & \$947 \text{ per month} \end{aligned}$$

BNA

## How To Quickly Determine General Eligibility:

Eligibility is based on your gross household income for the current calendar year and the preceding calendar year. Gross household income is the total of all income derived from each member of your household from any source. This includes wages, tips, allowances, investment income, child and spousal support payments, government assistance payments and all other forms of income. Income from a dependent who is not required to file a tax return is excluded. In addition, military travel and transportation related allowances are excluded. Certain other exclusions may apply.

To fully determine eligibility, you must submit an application with all required information.

To help understand whether you are eligible, service members can compare their annual gross household income from the preceding calendar year to the Federal Poverty Guidelines for the preceding calendar year.

### 150% of 2022 Federal Poverty Guidelines per Household Size\*

Eligibility is based on gross household income in the preceding calendar year. In 2023, if your gross household income from 2022 is LESS than the guideline at the right, you may be eligible for BNA.

If you believe you meet the household size and income requirements, you may submit a BNA application in accordance with your military service's guidance.

PERSONS IN FAMILY/ HOUSEHOLD (service member plus dependents)	48 CONTIGUOUS STATES AND DC**	ALASKA	HAWAII
2	\$27,465	\$34,335	\$31,590
3	\$34,545	\$43,185	\$39,735
4	\$41,625	\$52,035	\$47,880
5	\$48,705	\$60,885	\$56,025
6	\$55,785	\$69,735	\$64,170
7	\$62,865	\$78,585	\$72,315
8	\$69,945	\$87,435	\$80,460
For each additional person above 8 add:	\$7,080	\$8,850	\$8,145

\* Data derived from the 2022 [Federal Poverty Guidelines](#) published by the U.S. Department of Health and Human Resources.

\*\* Use for service members assigned overseas and in U.S. territories and possessions.

## Changes to Leave and Earnings Statements:

- Eligible service members who are certified as approved for BNA will receive a monthly payment based on their gross household income for the calendar year preceding the date of application and current household size.
- BNA is considered taxable income. As a result, a certain amount of the allowance will be withheld from each paycheck to meet tax requirements.

## Some Things To Keep in Mind:







- The allowance is intended to raise the gross household income to 150% of the Federal Poverty Guidelines.
- Receiving the allowance may affect a household's eligibility for the [Family Supplemental Subsistence Allowance](#) or government assistance programs such as the Supplemental Nutrition Assistance Program, or SNAP, and the Special Supplemental Nutrition Program for Women, Infants and Children, or WIC. Before applying, service members should consider meeting with a personal financial manager or counselor to find out which other benefits they may qualify for and determine how BNA may impact eligibility for those programs.
- BNA is optional and service members may choose not to apply. They may also decline the allowance if they are notified that they have been certified for approval.

## Application Process:


- Service members must follow their military service-specific guidance and submission instructions for completing and submitting BNA applications. Applications must include information about your current monthly household income and your household income from the preceding calendar year. You may be required to submit substantiating documentation such as tax returns, civilian pay stubs, W-2s and 1099 forms, along with your application in order to prove eligibility.
- Contact your service for specific application instructions. Links to service-specific resources and contacts are available at <https://finred.usalearning.gov/Benefits/BNA/ServiceResources>.

## Resources:

- [Office of Financial Readiness: Basic Needs Allowance Landing Page](#)
- [Department of Defense: Taking Care of Our People Spotlight](#)
- Military OneSource landing page: [Taking Care of Our Service Members and Families](#)
- [Military OneSource Basic Needs Allowance Fact Sheet](#)

Schedule an appointment with a [personal financial manager](#) or [counselor](#) to learn more. As you reach new milestones and complete your [service's financial readiness training](#), look to the Office of Financial Readiness [website](#) for more information and follow @DoDFINRED on    



-  Access on-the-go financial education with FINRED's no-cost app, Sen\$e. Download it in the [Google Play](#) or [iOS](#) app stores.

