

**97B.80 Veteran's credit.**

1. Effective July 1, 1992, a vested or retired member who has one or more full calendar years of covered wages and who at any time served on active duty in the armed forces of the United States, upon submitting verification of the dates of the active duty service, may make contributions to the retirement system for all or a portion of the period of time of the active duty service, in increments of one or more calendar quarters, and receive credit for membership service and prior service for the period of time for which the contributions are made.

2. The contributions required to be made for purposes of [this section](#) shall be determined as follows:

a. For a member making contributions for a purchase of additional service prior to July 1, 1999, the contributions to be paid, representing both employer and employee contributions, shall be based upon the member's covered wages for the most recent full calendar year in which the member had reportable wages at the applicable rates in effect for that year under [sections 97B.11, 97B.49B, 97B.49C, and 97B.49G](#). If the member's most recent covered wages were earned prior to the most recent calendar year, the member's covered wages shall be adjusted by the system by an inflation factor to reflect changes in the economy.

b. For a member making contributions for a purchase of additional service on or after July 1, 1999, the member shall make contributions in an amount equal to the actuarial cost of the service purchase. For purposes of this paragraph, the actuarial cost of the service purchase is an amount determined by the system in accordance with actuarial tables, as reported to the system by the system's actuary, which reflects the actuarial cost necessary to fund an increased retirement allowance resulting from the purchase of additional service.

3. Verification of active duty service and payment of contributions shall be made to the system. However, a member is not eligible to make contributions under [this section](#) if the member is receiving, is eligible to receive, or may in the future be eligible to receive retirement pay from the United States government for active duty in the armed forces, except for retirement pay granted by the United States government under retired pay for nonregular service pursuant to 10 U.S.C. §12731 – 12739. A member receiving retired pay for nonregular service who makes contributions under [this section](#) shall provide information required by the system documenting time periods covered under retired pay for nonregular service.

4. Effective July 1, 2004, a member eligible for an increased retirement allowance because of the payment of contributions under [this section](#) is entitled to adjusted payments beginning with the month in which the member pays contributions under [this section](#).

5. However, the system shall ensure that the member, in exercising an option provided in [this section](#), does not exceed the amount of annual additions to a member's account permitted pursuant to section 415 of the federal Internal Revenue Code.

[88 Acts, ch 1242, §54; 90 Acts, ch 1240, §42; 92 Acts, ch 1201, §60; 93 Acts, ch 44, §14; 94 Acts, ch 1183, §59; 96 Acts, ch 1187, §67, 68; 97 Acts, ch 23, §11; 98 Acts, ch 1183, §68; 2001 Acts, ch 68, §21, 24; 2003 Acts, ch 145, §286; 2004 Acts, ch 1103, §51, 52](#)