



## U.S. Navy Civil Engineer Corps

### How does the money stack up?



There's a myth that when you work for the government, you are not well compensated.  
But how do the numbers really add up?

#### Average Starting Salary

	Corporate	Military
Pay:	\$64,000	\$55,500
After Taxes:	\$48,000	\$49,500

Your starting gross salary is lower, but due to only paying taxes on 70% of your paycheck, the net salary is almost equal. However, you advance in pay much more quickly than in the corporate world and receive substantial raises in years 2, 3, and 4 as well as annual cost of living raises between 1.6-3.9%.

#### Average 4-yr Salary

	Corporate	Military
Pay:	\$75,900	\$88,000
After Taxes:	\$56,900	\$71,700

By the four year mark, you're making about \$12k more on average. The fact that you pay taxes on only about 70% of your salary starts working for you – you pay about \$3k less in taxes.

#### Average 10-yr Salary

	Corporate	Military
Pay:	\$97,800	\$98,500
After Taxes:	\$70,400	\$80,100

By mid-career you make comparable pay to the corporate world. But due to paying less in taxes, you'd need to make 13% more in the corporate world to have the same take-home pay as you do on Active Duty.

#### **There are also less easily calculable benefits to serving on Active Duty:**

- Job security and advancement opportunities
- Monthly non-taxed housing and food allowances
- Retirement plan includes a 401K system with 1% government contributions and up to 4% matching
- Retire after 20 years of service and receive a pension of 40% of your retiring base pay
- 30 days paid vacation per year plus federal holidays
- Free medical and dental insurance and affordable insurance for family members through Tricare
- \$450K in basic life insurance (~\$30/month)
- Shop at the Commissary and the Naval Exchange on any military base and save an average of 10% on household goods, groceries, and gas
- All moving costs are always paid for by the Navy plus receive an allowance to pay for incidental costs
- Free base gyms and activity centers to rent sports equipment for you and your family



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Where can you find out more information about Navy Pay?

#### **Some Basics**

1. **Basic Pay:** US Navy Basic Pay is set by Congress and based on a combination of rank and length of time in service. The following link shows the current Basic Pay amounts -  
<http://www.dfas.mil/militarymembers/payentitlements/military-pay-charts.html>
2. **Basic Allowance for Housing (BAH):** This is a tax-free allowance that is given to Military Service Members to pay for housing. BAH varies from location to location based on the local cost of living. It also varies with rank and marital status. These numbers can be found at -  
<http://www.military.com/benefits/content/military-pay/basic-allowance-for-housing/basic-allowance-for-housing-rates.html>
3. **Basic Allowance for Subsistence (BAS):** This is another tax-free allowance that augments basic pay and is intended to assist with the cost of food. All officers receive the same amount regardless of rank or marital status. Currently it is \$253 per month.

#### **Pay Raises**

As you progress in your military career, you will receive three different types of pay raises.

1. **Promotion:** every time you promote, you receive an increase in basic pay and basic housing allowance (you can view the pay charts at the websites listed above).
2. **Time in Service:** you will also receive increases in basic pay at set anniversaries in your career. Currently, raises occur at 2, 3, 4, 6, 8... years from the date of your commission.
3. **Cost of Living Increase:** each year Congress will adjust the amount of Basic Pay, BAH, and BAS based on recent inflation costs.

**In addition to the significant and varied construction management experience you will get, a career in the CEC is a smart financial decision!**