

# BASIC ALLOWANCE FOR HOUSING

## OVERVIEW

Basic Allowance for Housing (BAH) is a U.S.-based allowance that provides uniformed Service members equitable housing compensation based on housing costs in local housing markets when government quarters are not provided. A Service member stationed overseas, who does not have government housing available, is eligible for Overseas Housing Allowance (OHA).

## RATES

BAH rates are based on local area rental market data and vary by geographic duty station, pay grade and dependency status. The cost of utilities and renters' insurance is also considered.

BAH is based only on rental properties, not homeownership costs like mortgage payments and property taxes. The goal is that members receive a BAH that is sufficient to live a reasonable distance from a duty station.

BAH also includes rate protection. This means, if a member's current BAH rate is less than the previous year, the member receives at least the same amount of BAH as the previous year, provided that the member's duty location, rank and dependency status stays the same. If BAH rates go up, the member will receive the higher BAH rate as long as eligibility is uninterrupted. This ensures that members who have made long-term commitments in the form of a lease or contract are not penalized if the area's housing costs decrease.

## HOUSING

BAH enables Service members to live off-base comparably to their civilian counterparts. It is not designed to cover all housing costs for all members. Some members may have out-of-pocket expenses, because rates are based on the median cost of rent. A member's actual expenses may be higher or lower based on a member's actual choice of housing and where they live.

Because members are free to make housing choices that best suit their needs, a member may choose to use all their housing allowance to rent for more expensive housing close to the duty station, or have a longer commute for either a larger or less expensive house in an outlying area.

Visit the DTMO website for more information:

- BAH Calculator
- Frequently Asked Questions
- BAH Service Representatives
- BAH Rates
- BAH Video



Learn more at: <http://www.defensetravel.dod.mil/site/bah.cfm>

\*Information current as of 4/2012



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