Cost of Living Allowance
(COLA)

175th FMC
COLA - Defined

What is COLA?

The Cost-of Living Allowance, or COLA is an allowance paid to service members stationed in high-cost areas overseas (including Alaska and Hawaii). COLA helps maintain purchasing power so you can purchase about the same goods and services overseas as in the United States.
What determines the amount of COLA we receive?

COLA is determined by comparing the cost that the “typical” soldier spends on a range of items in the “average” location in the United States to what the cost of those same items purchased in Korea are.
Surveys are conducted to verify the amount of COLA we receive:

Living Pattern Survey - conducted annually to verify spending habits.

Retail Price Survey - conducted annually to verify the prices of goods and services.
Exchange rates are also reviewed at least twice per month. The COLA rates may fluctuate due to changes in the exchange rate.
PERSONAL FACTORS AFFECTING AMOUNT

Grade
Number of CMD-Sponsored Dependents
Years Service for Pay
**BAS Status**
“9” rate compared to “0” rate

“9” rate COLA is compute at 47% of “0” rate COLA.

53% of “0” rate COLA is used to purchase and prepare meals at your residence.
HDP-L - Defined

What COLA is NOT

COLA is not paid with the intention of offsetting the costs of every item or inconvenience that a soldier may encounter due to living in the overseas location.
Questions?