



DISABILITY COMPENSATION

INDIVIDUAL UNEMPLOYABILITY

WHAT IS INDIVIDUAL UNEMPLOYABILITY (IU)?

IU is a part of VA's disability compensation program that allows VA to pay certain Veterans compensation at the 100% rate, even though VA has not rated their service-connected disabilities at the 100% level.

WHAT IS THE ELIGIBILITY CRITERIA FOR INDIVIDUAL UNEMPLOYABILITY?

A Veteran must be unable to maintain substantially gainful employment as a result of his/her service-connected disabilities. (marginal employment, such as odd jobs, is not considered substantial gainful employment for VA purposes). Additionally, a Veteran must have:

- One service-connected disability ratable at 60 percent or more, **OR**
- Two or more service-connected disabilities, at least one disability ratable at 40 percent or more with a combined rating of 70 percent or more.

HOW DO I APPLY?

- Submit [VA Form 21-8940, *Veteran's Application for Increased Compensation Based on Unemployability*](#).
- Send your completed application to your nearest [VA regional office](#) or call 1-800-827-1000.

WHAT IF I DON'T MEET THE PERCENTAGE CRITERIA?

Special consideration will be given for Veterans when the following criteria are met:

- The Veteran is considered unemployable due to a service-connected disability(ies) but fails to meet the minimum percentage standards, OR

Disabilities determined by VA to be related to your military service can lead to monthly non-taxable compensation, enrollment in the VA health care system, a 10-point hiring preference for federal employment and other important benefits. Ask your VA representative or Veterans Service Organization representative about Disability Compensation, Pension, Health Care, Caregiver Program, Career Services, Educational Assistance, Home Loan Guaranty, Insurance and/or Dependents and Survivors' Benefits.



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- There is evidence of exceptional or unusual circumstances to impairment of earning capacity due to disabilities (for example, interference with employment or frequent periods of hospitalization)

Note: Veterans may have to complete an employment questionnaire once a year in order for VA to determine continued eligibility to IU.

