

Monthly FERS annuity payments for letter carriers who retire on May 1, 2022

The Federal Employees Retirement System (FERS) covers federal and postal employees hired on or after Jan. 1, 1984. FERS employees earn retirement benefits from three sources: the FERS Basic Annuity, Social Security and the Thrift Savings Plan.

An additional Special Annuity Supplement is paid to FERS annuitants who retire at Minimum Retirement Age (MRA) plus 30 years or more, or at age 60 plus 20 years or more. It is approximately calculated by taking an individual's Social Security age 62 benefit estimate, multiplied by the number of years of

FERS coverage, divided by 40. It is payable to age 62 and then ends. Social Security benefits are payable beginning at age 62.

The table below provides monthly basic annuity, survivor deduction and net annuity amount estimates for letter carriers who plan to take optional retirement on May 1, 2022. Estimates are computed by using the given high-3 averages, which are based on the basic pay earned by full-time Step O carriers and vary by length of postal/military/federal service. Reduced annuity amounts reflect the difference between the given basic annuity and survivor reduction figures.

Years of Service ²	CC Grade 1 / High-3 Average ¹ : \$66,843			CC Grade 2 / High-3 Average ¹ : \$68,246		
	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴
20	\$1,114	\$111	\$1,003	\$1,137	\$114	\$1,024
21	1,170	117	1,053	1,194	119	1,075
22	1,225	123	1,103	1,251	125	1,126
23	1,281	128	1,153	1,308	131	1,177
24	1,337	134	1,203	1,365	136	1,228
25	1,393	139	1,253	1,422	142	1,280
26	1,448	145	1,303	1,479	148	1,331
27	1,504	150	1,354	1,536	154	1,382
28	1,560	156	1,404	1,592	159	1,433
29	1,615	162	1,454	1,649	165	1,484
30	1,671	167	1,504	1,706	171	1,536
31	1,727	173	1,554	1,763	176	1,587
32	1,782	178	1,604	1,820	182	1,638
33	1,838	184	1,654	1,877	188	1,689
34	1,894	189	1,704	1,934	193	1,740
35	1,950	195	1,755	1,991	199	1,791
36	2,005	201	1,805	2,047	205	1,843
37	2,061	206	1,855	2,104	210	1,894
38	2,117	212	1,905	2,161	216	1,945
39	2,172	217	1,955	2,218	222	1,996
40	2,228	223	2,005	2,275	227	2,047
Each additional year ⁵	55.70	5.57	50.13	56.87	5.69	51.18

1. High-three averages for both grades (formerly levels) are for carriers who have worked full-time on a continuous basis between May 1, 2019, and April 30, 2021, at Step O (formerly Step 12).

2. Years of service includes any unused sick leave.

3. The reduction for survivor's annuity is the amount necessary to provide maximum benefits (50% of basic annuity) to a surviving spouse.

4. If covered by the NALC Health Benefit Plan, a further deduction of either \$491.06 per month if for self plus one (code 323), \$430.49 if for self and family (code 322), or \$205.47 if for self only (code 321) will be made. In addition, premiums for any coverage under the Federal Employees' Group Life Insurance Program will reduce the net annuity further.

5. Under FERS rules, there is no maximum allowable yearly annuity. However, given the FERS formula of 1% per year, it is highly unlikely that any FERS employee will ever exceed the 80% maximum limit under CSRS.

6. FERS employees who retire at age 62 or later with at least 20 years of service receive an additional 10% - their annuities are calculated at 1.1% times years of service times high-three average salary.