

Monthly FERS annuity payments for letter carriers who retire on April 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 April 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 : \$66,687			CC Grade 2 / High-3 Average ¹ : \$68,087		
	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴
20	\$1,111	\$111	\$1,000	\$1,135	\$113	\$1,021
21	1,167	117	1,050	1,192	119	1,072
22	1,223	122	1,100	1,248	125	1,123
23	1,278	128	1,150	1,305	131	1,175
24	1,334	133	1,200	1,362	136	1,226
25	1,389	139	1,250	1,418	142	1,277
26	1,445	144	1,300	1,475	148	1,328
27	1,500	150	1,350	1,532	153	1,379
28	1,556	156	1,400	1,589	159	1,430
29	1,612	161	1,450	1,645	165	1,481
30	1,667	167	1,500	1,702	170	1,532
31	1,723	172	1,550	1,759	176	1,583
32	1,778	178	1,600	1,816	182	1,634
33	1,834	183	1,651	1,872	187	1,685
34	1,889	189	1,701	1,929	193	1,736
35	1,945	195	1,751	1,986	199	1,787
36	2,001	200	1,801	2,043	204	1,838
37	2,056	206	1,851	2,099	210	1,889
38	2,112	211	1,901	2,156	216	1,940
39	2,167	217	1,951	2,213	221	1,992
40	2,223	222	2,001	2,270	227	2,043
Each additional year ⁵	55.57	5.56	50.02	56.74	5.67	51.07

1. High-three averages for both grades (formerly levels) are for carriers who have worked full-time on a continuous basis between April 1, 2019, and March 31, 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.