

Monthly FERS annuity payments for letter carriers who retire on Dec. 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 Dec. 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 : \$68,442			CC Grade 2 / High-3 Average ¹ : \$69,879		
	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴
20	\$1,141	\$114	\$1,027	\$1,165	\$116	\$1,048
21	1,198	120	1,078	1,223	122	1,101
22	1,255	125	1,129	1,281	128	1,153
23	1,312	131	1,181	1,339	134	1,205
24	1,369	137	1,232	1,398	140	1,258
25	1,426	143	1,283	1,456	146	1,310
26	1,483	148	1,335	1,514	151	1,363
27	1,540	154	1,386	1,572	157	1,415
28	1,597	160	1,437	1,631	163	1,467
29	1,654	165	1,489	1,689	169	1,520
30	1,711	171	1,540	1,747	175	1,572
31	1,768	177	1,591	1,805	181	1,625
32	1,825	183	1,643	1,863	186	1,677
33	1,882	188	1,694	1,922	192	1,730
34	1,939	194	1,745	1,980	198	1,782
35	1,996	200	1,797	2,038	204	1,834
36	2,053	205	1,848	2,096	210	1,887
37	2,110	211	1,899	2,155	215	1,939
38	2,167	217	1,951	2,213	221	1,992
39	2,224	222	2,002	2,271	227	2,044
40	2,281	228	2,053	2,329	233	2,096
Each additional year ⁵	57.03	5.70	51.33	58.23	5.82	52.41

1. High-three averages for both grades (formerly levels) are for carriers who have worked full-time on a continuous basis between Dec. 1, 2019, and Nov. 30, 2022, 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.