

Monthly FERS annuity payments for letter carriers who retire on March 1, 2024

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 March 1, 2024. Estimates are computed by using the given high-3 averages, which are based on the basic pay earned by full-time Step O/P 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 : \$72,238			CC Grade 2 / High-3 Average ¹ : \$73,755		
	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴
20	\$1,204	\$120	\$1,084	\$1,229	\$123	\$1,106
21	1,264	126	1,138	1,291	129	1,162
22	1,324	132	1,192	1,352	135	1,217
23	1,385	138	1,246	1,414	141	1,272
24	1,445	144	1,300	1,475	148	1,328
25	1,505	150	1,354	1,537	154	1,383
26	1,565	157	1,409	1,598	160	1,438
27	1,625	163	1,463	1,659	166	1,494
28	1,686	169	1,517	1,721	172	1,549
29	1,746	175	1,571	1,782	178	1,604
30	1,806	181	1,625	1,844	184	1,659
31	1,866	187	1,680	1,905	191	1,715
32	1,926	193	1,734	1,967	197	1,770
33	1,987	199	1,788	2,028	203	1,825
34	2,047	205	1,842	2,090	209	1,881
35	2,107	211	1,896	2,151	215	1,936
36	2,167	217	1,950	2,213	221	1,991
37	2,227	223	2,005	2,274	227	2,047
38	2,288	229	2,059	2,336	234	2,102
39	2,348	235	2,113	2,397	240	2,157
40	2,408	241	2,167	2,458	246	2,213
Each additional year ⁵	60.20	6.02	54.18	61.46	6.15	55.32

1. High-3 averages for both grades (formerly levels) are for carriers who have worked full time on a continuous basis between March 1, 2021, and Feb. 28, 2024, at Step O/P.

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 percent of basic annuity) to a surviving spouse.

4. If covered by the NALC Health Benefit Plan, a further deduction of either \$523.75 per month if for self plus one (code 323), \$457.82 if for self and family (code 322), or \$223.12 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 percent per year, it is highly unlikely that any FERS employee will ever exceed the 80 percent 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 percent—their annuities are calculated at 1.1 percent times years of service times high-3 average salary.