

Monthly FERS annuity payments for letter carriers who retire on May 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 May 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 : \$72,686			CC Grade 2 / High-3 Average ¹ : \$74,212		
	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴
20	\$1,211	\$121	\$1,090	\$1,237	\$124	\$1,113
21	1,272	127	1,145	1,299	130	1,169
22	1,333	133	1,199	1,361	136	1,224
23	1,393	139	1,254	1,422	142	1,280
24	1,454	145	1,308	1,484	148	1,336
25	1,514	151	1,363	1,546	155	1,391
26	1,575	157	1,417	1,608	161	1,447
27	1,635	164	1,472	1,670	167	1,503
28	1,696	170	1,526	1,732	173	1,558
29	1,757	176	1,581	1,793	179	1,614
30	1,817	182	1,635	1,855	186	1,670
31	1,878	188	1,690	1,917	192	1,725
32	1,938	194	1,744	1,979	198	1,781
33	1,999	200	1,799	2,041	204	1,837
34	2,059	206	1,853	2,103	210	1,892
35	2,120	212	1,908	2,165	216	1,948
36	2,181	218	1,963	2,226	223	2,004
37	2,241	224	2,017	2,288	229	2,059
38	2,302	230	2,072	2,350	235	2,115
39	2,362	236	2,126	2,412	241	2,171
40	2,423	242	2,181	2,474	247	2,226
Each additional year ⁵	60.57	6.06	54.51	61.84	6.18	55.66

1. High-3 averages for both grades (formerly levels) are for carriers who have worked full time on a continuous basis between May 1, 2021, and April 30, 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 \$554.36 per month if for self plus one (code 323), \$480.54 if for self and family (code 322), or \$237.05 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.