

Monthly FERS annuity payments for letter carriers who retire on July 1, 2025

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 July 1, 2025. 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	City Carrier / High-3 Average ¹ : 76,765			Carrier Technician / High-3 Average ¹ : 78,377		
	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴
20	\$1,279	\$128	\$1,151	\$1,306	\$131	\$1,176
21	1,343	134	1,209	1,372	137	1,234
22	1,407	141	1,267	1,437	144	1,293
23	1,471	147	1,324	1,502	150	1,352
24	1,535	154	1,382	1,568	157	1,411
25	1,599	160	1,439	1,633	163	1,470
26	1,663	166	1,497	1,698	170	1,528
27	1,727	173	1,554	1,763	176	1,587
28	1,791	179	1,612	1,829	183	1,646
29	1,855	186	1,670	1,894	189	1,705
30	1,919	192	1,727	1,959	196	1,763
31	1,983	198	1,785	2,025	202	1,822
32	2,047	205	1,842	2,090	209	1,881
33	2,111	211	1,900	2,155	216	1,940
34	2,175	218	1,958	2,221	222	1,999
35	2,239	224	2,015	2,286	229	2,057
36	2,303	230	2,073	2,351	235	2,116
37	2,367	237	2,130	2,417	242	2,175
38	2,431	243	2,188	2,482	248	2,234
39	2,495	249	2,245	2,547	255	2,293
40	2,559	256	2,303	2,613	261	2,351
Each additional year ⁵	63.97	6.40	57.57	65.31	6.53	58.78

1. High-3 averages for both grades (formerly levels) are for carriers who have worked full time on a continuous basis between July 1, 2022, and June 30, 2025, 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 \$576.50 per month if for self plus one (PSHB code 77C, FEHB code 323), \$516.58 if for self and family (PSHB code 77B, FEHB code 322), or \$238.29 if for self only (PSHB code 77A, FEHB 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.