

Monthly FERS annuity payments for letter carriers who retire on Jan. 1, 2027

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 Jan. 1, 2027. Estimates are computed by using the given high-3 averages, which are based on the basic pay earned by full-time Step 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 : 80,690			Carrier Technician / High-3 Average ¹ : 82,385		
	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴
20	\$1,345	\$134	\$1,210	\$1,373	\$137	\$1,236
21	1,412	141	1,271	1,442	144	1,298
22	1,479	148	1,331	1,510	151	1,359
23	1,547	155	1,392	1,579	158	1,421
24	1,614	161	1,452	1,648	165	1,483
25	1,681	168	1,513	1,716	172	1,545
26	1,748	175	1,573	1,785	179	1,607
27	1,816	182	1,634	1,854	185	1,668
28	1,883	188	1,694	1,922	192	1,730
29	1,950	195	1,755	1,991	199	1,792
30	2,017	202	1,816	2,060	206	1,854
31	2,084	208	1,876	2,128	213	1,915
32	2,152	215	1,937	2,197	220	1,977
33	2,219	222	1,997	2,266	227	2,039
34	2,286	229	2,058	2,334	233	2,101
35	2,353	235	2,118	2,403	240	2,163
36	2,421	242	2,179	2,472	247	2,224
37	2,488	249	2,239	2,540	254	2,286
38	2,555	256	2,300	2,609	261	2,348
39	2,622	262	2,360	2,678	268	2,410
40	2,690	269	2,421	2,746	275	2,472
Each additional year ⁵	67.24	6.72	60.52	68.65	6.87	61.79

1. High-3 averages for both grades (formerly levels) are for carriers who have worked full time on a continuous basis between Jan. 1, 2024, and Dec. 31, 2026, 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 \$628.33 per month if for self plus one (PSHB code 77C), \$585.80 if for self and family (PSHB code 77B), or \$251.46 if for self only (PSHB code 77A) 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.