

Monthly FERS annuity payments for letter carriers who retire on March 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 March 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 : \$66,531			CC Grade 2 / High-3 Average ¹ : \$67,929		
	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴
20	\$1,109	\$111	\$998	\$1,132	\$113	\$1,019
21	1,164	116	1,048	1,189	119	1,070
22	1,220	122	1,098	1,245	125	1,121
23	1,275	128	1,148	1,302	130	1,172
24	1,331	133	1,198	1,359	136	1,223
25	1,386	139	1,247	1,415	142	1,274
26	1,442	144	1,297	1,472	147	1,325
27	1,497	150	1,347	1,528	153	1,376
28	1,552	155	1,397	1,585	158	1,426
29	1,608	161	1,447	1,642	164	1,477
30	1,663	166	1,497	1,698	170	1,528
31	1,719	172	1,547	1,755	175	1,579
32	1,774	177	1,597	1,811	181	1,630
33	1,830	183	1,647	1,868	187	1,681
34	1,885	189	1,697	1,925	192	1,732
35	1,940	194	1,746	1,981	198	1,783
36	1,996	200	1,796	2,038	204	1,834
37	2,051	205	1,846	2,094	209	1,885
38	2,107	211	1,896	2,151	215	1,936
39	2,162	216	1,946	2,208	221	1,987
40	2,218	222	1,996	2,264	226	2,038
Each additional year ⁵	55.44	5.54	49.90	56.61	5.66	50.95

1. High-three averages for both grades (formerly levels) are for carriers who have worked full-time on a continuous basis between March 1, 2019, and Feb. 28, 2021, 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.