

Monthly FERS annuity payments for letter carriers who retire on June 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 June 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 : \$72,910			CC Grade 2 / High-3 Average ¹ : \$74,441		
	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴
20	\$1,215	\$122	\$1,094	\$1,241	\$124	\$1,117
21	1,276	128	1,148	1,303	130	1,172
22	1,337	134	1,203	1,365	136	1,228
23	1,397	140	1,258	1,427	143	1,284
24	1,458	146	1,312	1,489	149	1,340
25	1,519	152	1,367	1,551	155	1,396
26	1,580	158	1,422	1,613	161	1,452
27	1,640	164	1,476	1,675	167	1,507
28	1,701	170	1,531	1,737	174	1,563
29	1,762	176	1,586	1,799	180	1,619
30	1,823	182	1,640	1,861	186	1,675
31	1,883	188	1,695	1,923	192	1,731
32	1,944	194	1,750	1,985	199	1,787
33	2,005	201	1,805	2,047	205	1,842
34	2,066	207	1,859	2,109	211	1,898
35	2,127	213	1,914	2,171	217	1,954
36	2,187	219	1,969	2,233	223	2,010
37	2,248	225	2,023	2,295	230	2,066
38	2,309	231	2,078	2,357	236	2,122
39	2,370	237	2,133	2,419	242	2,177
40	2,430	243	2,187	2,481	248	2,233
Each additional year ⁵	60.76	6.08	54.68	62.03	6.20	55.83

1. High-3 averages for both grades (formerly levels) are for carriers who have worked full time on a continuous basis between June 1, 2021, and May 31, 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.