

Monthly FERS annuity payments for letter carriers who retire on June 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 June 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	CC Grade 1 / High-3 Average ¹ : 76,523			CC Grade 2 / High-3 Average ¹ : 78,130		
	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴
20	\$1,275	\$128	\$1,148	\$1,302	\$130	\$1,172
21	1,339	134	1,205	1,367	137	1,231
22	1,403	140	1,263	1,432	143	1,289
23	1,467	147	1,320	1,497	150	1,348
24	1,530	153	1,377	1,563	156	1,406
25	1,594	159	1,435	1,628	163	1,465
26	1,658	166	1,492	1,693	169	1,524
27	1,722	172	1,550	1,758	176	1,582
28	1,786	179	1,607	1,823	182	1,641
29	1,849	185	1,664	1,888	189	1,699
30	1,913	191	1,722	1,953	195	1,758
31	1,977	198	1,779	2,018	202	1,817
32	2,041	204	1,837	2,083	208	1,875
33	2,104	210	1,894	2,149	215	1,934
34	2,168	217	1,951	2,214	221	1,992
35	2,232	223	2,009	2,279	228	2,051
36	2,296	230	2,066	2,344	234	2,110
37	2,359	236	2,124	2,409	241	2,168
38	2,423	242	2,181	2,474	247	2,227
39	2,487	249	2,238	2,539	254	2,285
40	2,551	255	2,296	2,604	260	2,344
Each additional year ⁵	63.77	6.38	57.39	65.11	6.51	58.60

1. High-3 averages for both grades (formerly levels) are for carriers who have worked full time on a continuous basis between June 1, 2022, and May 31, 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 (code 323), 516.58 if for self and family (code 322), or 238.29 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.