

Monthly FERS annuity payments for letter carriers who retire on July 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 June 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 : \$67,308			CC Grade 2 / High-3 Average ¹ : \$68,721		
	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴
20	\$1,122	\$112	\$1,010	\$1,145	\$115	\$1,031
21	1,178	118	1,060	1,203	120	1,082
22	1,234	123	1,111	1,260	126	1,134
23	1,290	129	1,161	1,317	132	1,185
24	1,346	135	1,212	1,374	137	1,237
25	1,402	140	1,262	1,432	143	1,289
26	1,458	146	1,313	1,489	149	1,340
27	1,514	151	1,363	1,546	155	1,392
28	1,571	157	1,413	1,603	160	1,443
29	1,627	163	1,464	1,661	166	1,495
30	1,683	168	1,514	1,718	172	1,546
31	1,739	174	1,565	1,775	178	1,598
32	1,795	179	1,615	1,833	183	1,649
33	1,851	185	1,666	1,890	189	1,701
34	1,907	191	1,716	1,947	195	1,752
35	1,963	196	1,767	2,004	200	1,804
36	2,019	202	1,817	2,062	206	1,855
37	2,075	208	1,868	2,119	212	1,907
38	2,131	213	1,918	2,176	218	1,959
39	2,188	219	1,969	2,233	223	2,010
40	2,244	224	2,019	2,291	229	2,062
Each additional year ⁵	56.09	5.61	50.48	57.27	5.73	51.54

1. High-three averages for both grades (formerly levels) are for carriers who have worked full-time on a continuous basis between July 1, 2019, and June 30, 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.