

# Monthly FERS annuity payments for letter carriers who retire on Jan. 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 Jan. 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 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 <sup>2</sup>	CC Grade 1 / High-3 Average <sup>1</sup> : \$71,768			CC Grade 2 / High-3 Average <sup>1</sup> : \$73,275		
	Basic Annuity	Max. Survivor Deduction <sup>3</sup>	Max. Survivor Reduced Annuity <sup>4</sup>	Basic Annuity	Max. Survivor Deduction <sup>3</sup>	Max. Survivor Reduced Annuity <sup>4</sup>
20	\$1,196	\$120	\$1,077	\$1,221	\$122	\$1,099
21	1,256	126	1,130	1,282	128	1,154
22	1,316	132	1,184	1,343	134	1,209
23	1,376	138	1,238	1,404	140	1,264
24	1,435	144	1,292	1,466	147	1,319
25	1,495	150	1,346	1,527	153	1,374
26	1,555	155	1,399	1,588	159	1,429
27	1,615	161	1,453	1,649	165	1,484
28	1,675	167	1,507	1,710	171	1,539
29	1,734	173	1,561	1,771	177	1,594
30	1,794	179	1,615	1,832	183	1,649
31	1,854	185	1,669	1,893	189	1,704
32	1,914	191	1,722	1,954	195	1,759
33	1,974	197	1,776	2,015	202	1,814
34	2,033	203	1,830	2,076	208	1,869
35	2,093	209	1,884	2,137	214	1,923
36	2,153	215	1,938	2,198	220	1,978
37	2,213	221	1,992	2,259	226	2,033
38	2,273	227	2,045	2,320	232	2,088
39	2,332	233	2,099	2,381	238	2,143
40	2,392	239	2,153	2,443	244	2,198
Each additional year <sup>5</sup>	59.81	5.98	53.83	61.06	6.11	54.96

1. High-3 averages for both grades (formerly levels) are for carriers who have worked full time on a continuous basis between Jan. 1, 2021, and Dec. 31, 2023, 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 percent of basic annuity) to a surviving spouse.

4. If covered by the NALC Health Benefit Plan, a further deduction of either \$523.75 per month if for self plus one (code 323), \$457.82 if for self and family (code 322), or \$223.12 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.