

Monthly FERS annuity payments for letter carriers who retire on Nov. 1, 2021

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 Nov. 1, 2021. 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 : \$65,684			CC Grade 2 / High-3 Average ¹ : \$67,164		
	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴
20	\$1,096	\$110	\$987	\$1,119	\$112	\$1,007
21	1,151	115	1,036	1,175	118	1,058
22	1,206	121	1,085	1,231	123	1,108
23	1,261	126	1,135	1,287	129	1,159
24	1,316	132	1,184	1,343	134	1,209
25	1,370	137	1,233	1,399	140	1,259
26	1,425	143	1,283	1,455	146	1,310
27	1,480	148	1,332	1,511	151	1,360
28	1,535	153	1,381	1,567	157	1,410
29	1,590	159	1,431	1,623	162	1,461
30	1,645	164	1,480	1,679	168	1,511
31	1,699	170	1,529	1,735	174	1,562
32	1,754	175	1,579	1,791	179	1,612
33	1,809	181	1,628	1,847	185	1,662
34	1,864	186	1,677	1,903	190	1,713
35	1,919	192	1,727	1,959	196	1,763
36	1,974	197	1,776	2,015	201	1,813
37	2,028	203	1,826	2,071	207	1,864
38	2,083	208	1,875	2,127	213	1,914
39	2,138	214	1,924	2,183	218	1,965
40	2,193	219	1,974	2,239	224	2,015
Each additional year ⁵	54.82	5.48	49.34	55.97	5.60	50.37

1. High-three averages for both grades (formerly levels) are for carriers who have worked full-time on a continuous basis between Nov. 1, 2018, and Oct. 31, 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.