

# Monthly FERS annuity payments for letter carriers who retire on Sept. 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 Sept. 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 <sup>2</sup>	CC Grade 1 / High-3 Average <sup>1</sup> : 73,578			CC Grade 2 / High-3 Average <sup>1</sup> : 75,123		
	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	1,226	123	1,104	1,252	125	1,127
21	1,288	129	1,159	1,315	131	1,183
22	1,349	135	1,214	1,377	138	1,240
23	1,410	141	1,269	1,440	144	1,296
24	1,472	147	1,324	1,502	150	1,352
25	1,533	153	1,380	1,565	157	1,409
26	1,594	159	1,435	1,628	163	1,465
27	1,656	166	1,490	1,690	169	1,521
28	1,717	172	1,545	1,753	175	1,578
29	1,778	178	1,600	1,815	182	1,634
30	1,839	184	1,656	1,878	188	1,690
31	1,901	190	1,711	1,941	194	1,747
32	1,962	196	1,766	2,003	200	1,803
33	2,023	202	1,821	2,066	207	1,859
34	2,085	208	1,876	2,128	213	1,916
35	2,146	215	1,931	2,191	219	1,972
36	2,207	221	1,987	2,254	225	2,028
37	2,269	227	2,042	2,316	232	2,085
38	2,330	233	2,097	2,379	238	2,141
39	2,391	239	2,152	2,441	244	2,197
40	2,453	245	2,207	2,504	250	2,254

Each additional year<sup>5</sup> 61.31 6.13 55.18 62.60 6.26 56.34

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