

Monthly FERS annuity payments for letter carriers who retire on May 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 May 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 : 74,736			CC Grade 2 / High-3 Average ¹ : 76,305		
	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴
20	\$1,246	\$125	\$1,121	\$1,272	\$127	\$1,145
21	1,308	131	1,177	1,335	134	1,202
22	1,370	137	1,233	1,399	140	1,259
23	1,432	143	1,289	1,463	146	1,316
24	1,495	149	1,345	1,526	153	1,373
25	1,557	156	1,401	1,590	159	1,431
26	1,619	162	1,457	1,653	165	1,488
27	1,682	168	1,513	1,717	172	1,545
28	1,744	174	1,569	1,780	178	1,602
29	1,806	181	1,626	1,844	184	1,660
30	1,868	187	1,682	1,908	191	1,717
31	1,931	193	1,738	1,971	197	1,774
32	1,993	199	1,794	2,035	203	1,831
33	2,055	206	1,850	2,098	210	1,889
34	2,118	212	1,906	2,162	216	1,946
35	2,180	218	1,962	2,226	223	2,003
36	2,242	224	2,018	2,289	229	2,060
37	2,304	230	2,074	2,353	235	2,117
38	2,367	237	2,130	2,416	242	2,175
39	2,429	243	2,186	2,480	248	2,232
40	2,491	249	2,242	2,543	254	2,289
Each additional year ⁵	62.28	6.23	56.05	63.59	6.36	57.23

1. High-3 averages for both grades (formerly levels) are for carriers who have worked full time on a continuous basis between May 1, 2022, and April 30, 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.