

Monthly FERS annuity payments for letter carriers who retire on Jan. 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 Jan. 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 : \$66,220			CC Grade 2 / High-3 Average ¹ : \$67,611		
	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴
20	\$1,104	\$110	\$993	\$1,127	\$113	\$1,014
21	1,159	116	1,043	1,183	118	1,065
22	1,214	121	1,093	1,240	124	1,116
23	1,269	127	1,142	1,296	130	1,166
24	1,324	132	1,192	1,352	135	1,217
25	1,380	138	1,242	1,409	141	1,268
26	1,435	143	1,291	1,465	146	1,318
27	1,490	149	1,341	1,521	152	1,369
28	1,545	155	1,391	1,578	158	1,420
29	1,600	160	1,440	1,634	163	1,471
30	1,656	166	1,490	1,690	169	1,521
31	1,711	171	1,540	1,747	175	1,572
32	1,766	177	1,589	1,803	180	1,623
33	1,821	182	1,639	1,859	186	1,673
34	1,876	188	1,689	1,916	192	1,724
35	1,931	193	1,738	1,972	197	1,775
36	1,987	199	1,788	2,028	203	1,825
37	2,042	204	1,838	2,085	208	1,876
38	2,097	210	1,887	2,141	214	1,927
39	2,152	215	1,937	2,197	220	1,978
40	2,207	221	1,987	2,254	225	2,028
Each additional year ⁵	55.18	5.52	49.67	56.34	5.63	50.71

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