

Monthly FERS annuity payments for letter carriers who retire on Jan. 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 Jan. 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 : 74,228			CC Grade 2 / High-3 Average ¹ : 75,786		
	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴
20	\$1,237	\$124	\$1,113	\$1,263	\$126	\$1,137
21	1,299	130	1,169	1,326	133	1,194
22	1,361	136	1,225	1,389	139	1,250
23	1,423	142	1,280	1,453	145	1,307
24	1,485	148	1,336	1,516	152	1,364
25	1,546	155	1,392	1,579	158	1,421
26	1,608	161	1,447	1,642	164	1,478
27	1,670	167	1,503	1,705	171	1,535
28	1,732	173	1,559	1,768	177	1,592
29	1,794	179	1,614	1,831	183	1,648
30	1,856	186	1,670	1,895	189	1,705
31	1,918	192	1,726	1,958	196	1,762
32	1,979	198	1,781	2,021	202	1,819
33	2,041	204	1,837	2,084	208	1,876
34	2,103	210	1,893	2,147	215	1,933
35	2,165	216	1,948	2,210	221	1,989
36	2,227	223	2,004	2,274	227	2,046
37	2,289	229	2,060	2,337	234	2,103
38	2,351	235	2,115	2,400	240	2,160
39	2,412	241	2,171	2,463	246	2,217
40	2,474	247	2,227	2,526	253	2,274
Each additional year ⁵	61.86	6.19	55.67	63.16	6.32	56.84

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