

Monthly FERS annuity payments for letter carriers who retire on July 1, 2026

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 July 1, 2026. Estimates are computed by using the given high-3 averages, which are based on the basic pay earned by full-time Step 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	City Carrier / High-3 Average ¹ : 79,519			Carrier Technician / High-3 Average ¹ : 81,189		
	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴
20	\$1,325	\$133	\$1,193	\$1,353	\$135	\$1,218
21	1,392	139	1,252	1,421	142	1,279
22	1,458	146	1,312	1,488	149	1,340
23	1,524	152	1,372	1,556	156	1,401
24	1,590	159	1,431	1,624	162	1,461
25	1,657	166	1,491	1,691	169	1,522
26	1,723	172	1,551	1,759	176	1,583
27	1,789	179	1,610	1,827	183	1,644
28	1,855	186	1,670	1,894	189	1,705
29	1,922	192	1,730	1,962	196	1,766
30	1,988	199	1,789	2,030	203	1,827
31	2,054	205	1,849	2,097	210	1,888
32	2,121	212	1,908	2,165	217	1,949
33	2,187	219	1,968	2,233	223	2,009
34	2,253	225	2,028	2,300	230	2,070
35	2,319	232	2,087	2,368	237	2,131
36	2,386	239	2,147	2,436	244	2,192
37	2,452	245	2,207	2,503	250	2,253
38	2,518	252	2,266	2,571	257	2,314
39	2,584	258	2,326	2,639	264	2,375
40	2,651	265	2,386	2,706	271	2,436
Each additional year ⁵	66.27	6.63	59.64	67.66	6.77	60.89

1. High-3 averages for both grades (formerly levels) are for carriers who have worked full time on a continuous basis between July 1, 2023, and June 30, 2026, 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 \$635.51 per month if for self plus one (PSHB code 77C), \$579.41 if for self and family (PSHB code 77B), or \$262.47 if for self only (PSHB code 77A) 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.