

MILITARY SERVICE CREDITABLE FOR CSRS/FERS RETIREMENT

1. General Rule: All honorable ACTIVE duty military service is **potentially** creditable under CSRS and FERS.

EXCEPTION: Employees in receipt of military retired pay receive NO credit for military retired pay unless the military retired pay is waived.

Waiver request must be submitted at least 60 days before separation from Federal service so that it will take effect when CSRS/FERS annuity commences. (Waives only monthly check; it does not waive other military benefits.)

OR

The active duty military service was not included in the computation of military retired pay (to include service as a cadet or midshipman in the U.S. Naval Academy, U.S. Military Academy, U.S. Air Force Academy, or the U.S. Coast Guard Academy).

However, credit is allowed if retired pay is based on combat-connected disability or age and service in the reserves (under chapter 67, title 10, USC)

MILITARY DEPOSIT

CSRS

1. No deposit is due for military service performed prior to 1-1-1957.
2. For Military service performed on or after 1-1-1957, the deposit owed is 7% of the military basic pay earned during the post-56 military service, plus interest. (An individual first employed in a position covered by CSRS before October 1, 1982, may receive credit for post-1956 military service if he or she retires from civilian service prior to age 62. However, if the employee does not make a military service deposit, military service cannot be used in the computation of CSRS benefits when the employee reaches age 62, if he or she is entitled (or upon proper application would be entitled) to Social Security benefits at that time. An individual first employed in a position covered by CSRS on or after October 1, 1982, must make a military service deposit in order to receive credit for post-1956 military service for any purpose.)
3. For most employees under CSRS or for employees who transferred to FERS, interest started 10-1-1985 at the variable (market) interest rates.

FERS

1. No deposit is due for military service performed before 1-1-1957.
2. A deposit is required in order to receive credit for military service performed after 12/31/1956. **(The deposit is necessary to get credit for both eligibility and computation purposes.)**
3. The military deposit is 3% of the basic pay earned during the post-1956 military service, plus interest.
4. Interest starts and is compounded annually beginning 2 years from the date of the first employment under FERS. Interest is charged at the variable market rate.

POST-56 MILITARY DEPOSIT PROCEDURES

1. Complete the attached form found at www.opm.gov/forms/pdf_fill/RI20-97 and mail or fax to the proper military pay center for verification of estimated earnings for your active duty military service. Addresses and fax numbers are listed on the next page. You should also include a copy of your DD-214, Academy transcript or other documentation confirming military service with the request.
2. After you receive the form back from the military pay center **and if you are a USDA, REE employee**, return the form and DD-214 or other documentation to our office at:

USDA, ARS, HRD, REE Services Branch
Retirement & Benefits Staff
5601 Sunnyside Avenue
Beltsville, Maryland 20705-5107

You may also fax the information to 301-504-1540.

If you are not a USDA, REE employee, send the paperwork to your servicing civilian personnel office.

3. You will then be notified of the amount due and the additional procedures and forms necessary to complete the payment process.

Embedded Secure Document

The file http://www.opm.gov/forms/pdf_fill/RI20-97.pdf is a secure document that has been embedded in this document. Double click the pushpin to view.

