

BENEFITS BULLETIN

August 14, 2012

BULLETIN NO: 12-09
SUBJECT: Will All of Your Service Count Towards Retirement?
TO: All Employees
FROM: Kathy Shearman, Benefits Officer

Will all of your service count towards retirement? The quick answer is - it depends. The critical factors in determining whether the service is creditable are 1) your retirement coverage, 2) the type of service, and 3) when the service was performed. Spend some time to assure that you are aware of service time that may not be creditable if you don't pay a deposit. This is not something you want to find out right before you retire!

The three types of service credit payments are:

- Deposit for temporary (nondeduction) service
- Redeposit of refunded retirement contributions
- Deposit for post-1956 active duty military service

Paying a deposit or redeposit is a personal choice - payment is not mandatory. However, you should be aware of the impact - your annuity **may be** permanently reduced, or in some cases you may not receive credit for the service at all. If you do not receive credit for retirement eligibility purposes, you may not be able to retire on the date you have planned.

The key to understanding service credit for your individual situation is to consult with your [Benefits Specialist](#). **Have this conversation as early in your career as possible.** Your Specialist can provide you with the information necessary to assist you in making an *informed decision* on whether it is advantageous to pay your deposit and/or redeposit. What are you getting in return for paying the deposit/redeposit? Not all are worth paying but you can't make that decision unless you have this information.

What is deposit service? It is any period of Federal service where you were not covered by a retirement system.

What is redeposit service? At a break in Federal service you applied to receive a refund of the payroll deductions for retirement you had paid into the fund.

FERS employees need to know:

- For military service to be creditable, you **must** pay a deposit
- If you have received a **refund of FERS contributions** for retirement during a break in service, you **must** pay a deposit to receive credit for retirement purposes
- Any temporary/non-deduction service **on or after 1-1-89** is *not* creditable towards retirement at all. You cannot make a deposit to receive credit for this type of service
- For temporary/non-deduction service **prior** to 1-1-89 to be creditable, you **must** pay a deposit

CSRS & CSRS Offset employees need to know:

- If first employed in a position covered by CSRS/CSRS Offset on or after 10-1-82, you **must** make military service deposit in order to receive credit
- Military service prior to 10-1-82 may be creditable without a deposit **if** you will not be eligible for a Social Security benefit at age 62
- Refunded service **10-1-90 and after** is creditable only for retirement eligibility purposes if not decide not to pay the redeposit
- Temporary service **on or after 10-1-82** you must pay deposit to receive credit in annuity computation
- Some deposits or redeposits allow for non-payment with credit for both eligibility and annuity computation, but have a permanent reduction to monthly annuity

FERS Transferees need to know:

- In addition to the FERS list above, if you received a refund of CSRS contributions prior to electing FERS, and you do not have 5 years of CSRS creditable service, you must pay a deposit to receive credit for the refunded service

What is the process to pay?

Once you have enough information and have decided to pay a deposit and/or redeposit, click on the appropriate link below for step-by-step process information, including access to the appropriate forms:

- [Military Service Deposits](#)
- [Civilian Deposits & Redeposits](#)

Questions? Contact your [Benefits Specialist](#) for assistance.

All current & previous Benefits Bulletins are available on the Pay & Benefits webpage at <http://www.usgs.gov/humancapital/pb/benefitsbulletin.html>.