



MEMORANDUM FOR: All Employees

SUBJECT: Deposits for Post-56 Military Service

Dear Employee:

The following information is provided to those of you who have performed active military service after December 31, 1956, that is potentially creditable for retirement purposes.

If you were first employed in a position subject to the Civil Service Retirement System (CSRS) BEFORE October 1, 1982, and you continue to be covered under CSRS (or CSRS Offset) there are two options: (1) make a deposit equal to 7 percent of your post-56 military service earnings, plus interest, and avoid a reduction in your annuity at age 62, or (2) decide not to pay the deposit and have your CSRS annuity reduced at age 62, if you are then eligible for Social Security benefits based on your own employment. There is no reduction in your CSRS annuity at age 62 if you have not earned entitlement to Social Security benefits based on your own employment.

If you were first employed under CSRS on or after October 1, 1982, and continue to be covered under CSRS (or CSRS Offset), you can only receive civil service retirement credit for post-1956 military service if you make a deposit to the employing agency in a sum equal to 7 percent of the military basic pay you earned during the period of military service, plus interest. Without a deposit, the service is not available for determining eligibility to retire, computing the annuity, or for any other retirement purpose.

If you were automatically covered under the Federal Employees Retirement System (FERS) on January 1, 1987, or at any time thereafter, your post-1956 military service can only be credited in a FERS annuity if you make a deposit of 3 percent of the military basic pay you earned during the period of military service, plus interest. If you elected FERS coverage and will have a portion of your FERS annuity computed under the rules for CSRS, your military service will probably be subject to the CSRS deposit rules and credited under CSRS rules. If you elected FERS coverage but will have no portion of your FERS annuity computed under the rules for CSRS, your military service will be subject to the FERS deposit rules and credited under FERS rules.

There are some good reasons to consider making a deposit. Making a deposit for post-1956 military service allows you to receive permanent credit for military service under your Federal civilian retirement system, and the military service remains creditable for Social Security purposes. Making a deposit early helps to avoid the accrual of additional interest. The current rate of interest charged on post-1956 deposits is 6.875 percent, and changes annually. In addition, making a deposit early affords you the option to make partial payments of your deposit through payroll deductions. Even if you don't plan to retire or leave Federal

service soon, it is a very good idea to at least obtain the amount of your military earnings so that the deposit can be computed more easily.

The first step in processing a deposit for post-1956 military service is for you to obtain an estimate of your military earnings from your former branch of service. To assist you, a copy of the form needed to request your military earnings is attached along with the addresses of the appropriate military agencies to which to send the form (to speed up the response from your military agency, you should attach copies of all DD Forms 214 to the form).

Once you have received your estimate of earnings from your former military agency you should contact the Human Resources Specialist for your office for additional instructions and forms to proceed in making your post-1956 military deposit.

Attachments

Service Credit Payment Request Form

Service Credit Payment Military Agency Addresses

ESTIMATED EARNINGS DURING MILITARY SERVICE

INSTRUCTIONS: Use a separate RI 20-97 for each branch of service. Attach DD 214 or equivalent and any available records of pay or promotions. If you do not have a DD 214 or equivalent, obtain an SF 180 from your personnel office and have your service verified before forwarding this form to the pay center. The pay center cannot provide estimated earnings unless verification of service is attached.

| | | |
|----|-------------------------------------|---------------|
| To | Employee name (Last, First, Middle) | |
| | Other names used | |
| | Social Security Number | Date of birth |
| | All military service numbers | |
| | Branch of Service | |

The uniformed services must provide estimated basic pay by Federal employees for military service after December 31, 1956, for the purpose of making a deposit to the Civil Service Retirement and Disability Fund for retirement credit. Please provide the estimated basic pay earned by the above named employee.

| | | | | | | |
|--|------------------|--|--|-------------------|--------------|-------------------|
| Signature of requester | | Relationship to employee <input type="checkbox"/> Employee is requester <input type="checkbox"/> Other (Specify _____) <input type="checkbox"/> Survivor | | | Date | |
| Active military service after December 31, 1956 (Dates indicated below must be based on DD 214 or equivalent certification) | | TO BE COMPLETED BY AUTHORIZED OFFICIAL Estimated Earnings (Base Pay) (Do not provide estimated earnings for any period of service prior to January 1, 1957.) | | | | |
| From (Mo,Dy,Yr) | To (Mo,Dy,Yr) | From (Mo,Dy,Yr) | To (Mo,Dy,Yr) | Rate of Basic Pay | Earnings | Type of Discharge |
| | | | | | \$ | |
| | | | | | \$ | |
| | | | | | \$ | |
| | | | | | \$ | |
| | | | | | \$ | |
| 1. If period of service began before and ended after December 31, 1956, enter date service actually began. (Mo,Dy,Yr) | | 2. Lost time <input type="checkbox"/> None <input type="checkbox"/> Number of days _____ | | | | |
| <input type="checkbox"/> Inclusive dates ▶ | | From(Mo,Dy,Yr) | To(Mo,Dy,Yr) | From(Mo,Dy,Yr) | To(Mo,Dy,Yr) | |
| Signature of authorized official furnishing estimate | | Date(Mo,Dy,Yr) | Telephone number (Including Area Code) | | | |
| Typed name of authorized official | | Title of authorized official | | | | |

Requester's name and address

| |
|--|
| |
| |
| |
| |

Return
← Completed
Form to

Send the Request for Earnings During Military Service to the appropriate address shown below.

Army DFAS-Indianapolis Center
ATTN: DFAS-IN-FJFC-A
8899 East 56th Street
Indianapolis, IN 46249-0875
Phone (317) ⁵¹⁰~~543~~-7298

Navy DFAS-Cleveland Center-FMCS
1240 East 9th Street
Cleveland, OH 44199-2055
Phone (216) 522-5974

Air Force DFAS-DE-FJY
6760 East Irvington Place
Denver, CO 80279-3000
Phone (303) 676-7408

Marine Corps DFAS-Kansas City Center/FBL
1500 E. 95th Street
Kansas City, MO 64197-0001
Phone (816) 926-7652 Fax (816) 926-7648

Coast Guard Commanding Officer (SES)
Coast Guard Pay and Personnel Center
444 SE Quincy Street
Topeka, KS 66683-3591

Public Health Service Public Health Service
Division of Commissioned Personnel
Compensation Branch
Parklawn Building, Room 4-50
5600 Fisher's Lane
Rockville, MD 20857

National Oceanic and Atmospheric Administration National Oceanic and Atmospheric Administration
Department of Commerce
Commissioned Personnel Office
11400 Rockville Pike, Room 105
Rockville, MD 20852

Reverse of RI 20-97



Military Deposit Worksheet

(See Instructions on Reverse)

| | | | |
|---|------------------|---|---|
| 1. Name | 2. Date of Birth | 3. Social Security No. | 4. Date Form Completed |
| 5. Employing Office (City, State, ZIP Code) | 6. Finance No. | 7. Initial Date of Appointment Under CSRS or FERS | 8. Deposit Election (Check one) <input type="checkbox"/> New <input type="checkbox"/> Termination <input type="checkbox"/> Change <input type="checkbox"/> Reactivate |

9. Remarks

10. Period(s) of Military Service

| a. Military Branch | b. From (Month, Day, Year) | c. To (Month, Day, Year) | d. Lost Time | e. Total Service | f. Amount of Earnings |
|-----------------------|----------------------------|--------------------------|--------------|------------------|-----------------------|
| | | | | | \$ |
| | | | | | |
| | | | | | |
| | | | | | |
| Total Earnings | | | | | \$ |

11. Amount of Deposit

| | | |
|----------------|--|----|
| Total Earnings | Amount of Deposit Due (Excluding interest) | |
| \$ | x .07 (CSRS) | \$ |
| | x .03 (FERS) | |

12. Election of Payment

| | |
|---|---|
| a. (Check one) <input type="checkbox"/> Lump Sum Payment <input type="checkbox"/> Installment Payments <i>(Check or money order)</i> <input type="checkbox"/> Payroll Deductions <i>(Item 12b must be completed)</i> | b. Payroll Deductions Only (1) Amount of Deductions \$ _____ Per Pay Period (2) Date Payments Begin _____ (Pay period and year) |
|---|---|

| | |
|--------------------------|------|
| 13. Employee's Signature | Date |
|--------------------------|------|

Certification of Funds Received

| | |
|---|--|
| 14. Date of Employee's Check or Money Order | 15. Date Employee's Check or Money Order Received at Division, MSC, BMC, or HQ Personnel |
|---|--|

| | |
|--|--------------------------------|
| 16. Address of Division, MSC, BMC, or HQ Personnel | 17. Telephone Number () |
|--|--------------------------------|

| | |
|---|------|
| 18. Division, MSC, BMC, or HQ Personnel Certification of Funds Received (Signature) | Date |
|---|------|

| | |
|---|------|
| 19. (PDC Use Only) Disbursing Officer Certification of Funds Received (Signature) | Date |
|---|------|

General Information

This form must be completed for those employees who desire to make service credit deposits for any part or all of their post-1956 military service. **NOTE:** Employees automatically covered under the Federal Employees Retirement System (FERS) must make deposits to receive retirement credit for post-1956 military service.

Employees who wish to make service credit deposits should evaluate their own individual situation to determine whether such deposits would prove advantageous. Special consideration should be made by those employees automatically covered under FERS who wish to receive credit for their post-1956 military service or:

1. Who have post-1956 military service that is creditable for Civil Service Retirement purposes; and
2. Who are eligible or will become eligible for Social Security old-age (or survivor) benefits at age 62 and who wish to ensure no reduction in annuity at age 62; and
3. Who are receiving military retired pay awarded (a) because of a service connected disability either incurred in combat or in the line of duty, or (b) under the reserve retiree provision (*Chapter 67, Title 10, U.S.C.*). Note that these particular employees do not have to waive their military retired pay to receive credit for military service for civil service retirement purposes as do other employees who are receiving military retirement.

Item Completion

Items 1-6: Self-explanatory.

Item 7: Enter the effective date of appointment individual was *first* employed under the Civil Service Retirement System (CSRS) or FERS. The grace period for calculating interest will be determined by the employee's initial date of appointment under the applicable retirement system.

Item 8: Check the appropriate block to show whether the employee's election is new, a change, a termination, or reactivation from a previous election.

Item 9: Clarify the changes requested by the employee, e.g., the date of termination.

Item 10: Show *only* those periods of military service for which employees wish to make service credit deposits.

10a: Identify the military branch in which service was performed.

10b&c: Show the beginning and ending dates of military service for which service credit deposits shall be made. If the service is continuous, list as one period of service.

10d: Record the total "Lost Time" (e.g., AWOL), if any incurred during the period of military service indicated in Items 10b and c.

10e: Determine the total military service by subtracting the "Lost Time" (Item 10d) from the military service indicated in Items 10b and c.

10f: Show the amount of earnings from the total service ("Good Time" only) stated in Item 10e.

Item 11: To determine the total amount of deposit due, enter the total earnings (Item 10f) and multiply by seven percent (.07) for employees covered by CSRS and three percent (.03) for those employees automatically covered under FERS. Enter the total amount of deposit due. If the total amount includes cents, round to the nearest cent. This amount does not include interest. Interest will be charged as follows:

(a) Under CSRS, starting October 1, 1986 or 3 years from the initial date of appointment (Item 7), whichever is later, or

(b) Under FERS, starting January 1, 1990 or 3 years from the initial date of appointment (Item 7), whichever is later.

Item 12a: Check the method that the employee elected to pay for the post-1956 military service. (*Note:* If the employee elects to make a lump-sum payment, the amount remitted must match the total amount of deposit due indicated in Item 11, plus interest (if applicable). Installment payments cannot be less than \$50.00 and must be either a check or money order. Employees who elect installment payments must identify the payment by entering the account number 13466 on the check or money order. All checks or money orders must be made payable to the U.S. Postal Service. Payroll deductions cannot be less than \$5.00 per pay period.)

12b: Enter the amount of payroll deductions (not less than \$5.00) per pay period and the beginning date (pay period and year) that payroll deductions are authorized by the employee.

Item 13: All employees who elect to make, change, terminate, or reactivate service credit deposits *must* sign and date this form.

Items 14-19: Self-explanatory.

NOTE: Once an employee has made a service credit deposit, only the Office of Personnel Management has the authority to refund service credit deposits.