



Quick Reference

Getting Retirement Credit for Prior Civilian Service

This fact sheet applies to you if you meet all the following conditions:

- You are currently covered by the Civil Service Retirement System (CSRS), CSRS Offset, or the Federal Employees Retirement System (FERS), and
- You have prior federal service or creditable non-federal service that was not covered by CSRS, CSRS Offset, or FERS deductions; or
- You have prior service that was covered by CSRS (or CSRS Offset) deductions but you took a refund of the deductions when you separated from employment.

Civilian Service

As a general rule, most federal civilian service is creditable for retirement purposes under CSRS, CSRS Offset, or FERS. In addition, some types of non-federal service are creditable, such as service as a District of Columbia employee if the District first employed you before October 1, 1987.

To get credit for prior service, you may have to pay a deposit if you didn't pay retirement deductions when you worked or a redeposit if you took a refund of your retirement deductions. Service while you were employed but not working (such as leave without pay) is generally creditable for up to 6 months in a calendar year. You don't have to make a payment to get credit.

The most common exception to this general rule is leave without pay to perform active duty military service. That is considered military service rather than civilian service. See the quick reference Fact Sheet, [Military Service Credit for Retirement Purposes](#) available on the J-Net under the Life Happens, Military Service Issues section of the Benefit pages.

Deposits

If you worked in jobs that were not covered by retirement deductions (nondeduction service), you may have to pay a deposit before the U. S. Office of Personnel Management (OPM) can credit the service. The deposit amount is a percentage of your basic pay for the period of service (generally 7% for CSRS or CSRS Offset service and 0.8% for FERS) plus interest computed from the midpoint of the period.

You may pay a deposit to OPM any time between now and when OPM finalizes your retirement claim. However, if you intend to pay the deposit(s), it is to your advantage to pay the amount(s) in full as early as possible to avoid additional interest. Under FERS, you cannot pay a deposit for service that was performed after 1988 and wasn't covered by retirement deductions. Such service is not creditable under FERS.

Redeposits

If you were covered by CSRS, CSRS Offset, or FERS retirement deductions and took a refund of your contributions after you left your job, you may have to pay a redeposit before OPM can credit the service. The redeposit is the amount of the refund plus interest from the date of the refund.

You may pay a redeposit to OPM any time between now and when OPM finalizes your retirement claim. However, if you intend to pay the redeposit(s), it is to your advantage to pay the amount(s) in full as early as possible to avoid additional interest.

Interest

OPM computes the interest at the rate of 4% through 1947 and 3% through the later of the date the deposit is paid or the retirement benefits begin for:

- deposits for CSRS service performed before October 1, 1982; and
- CSRS redeposits based on refund applications that OPM received before October 1, 1982.

OPM computes the interest at the rate of 4% through 1947, 3% through 1984, and an annually variable interest rate beginning in 1985 through the date the deposit is paid or the retirement benefits begin, whichever is later, for:

- CSRS deposits for service performed on and after October 1, 1982, and
- FERS deposits for service performed before January 1, 1989, and
- CSRS redeposits based on refund applications that OPM received on and after October 1, 1982.
- FERS redeposits based on refund applications that OPM received on and after October 28, 2009.

The variable interest rates are listed below:

1985	13.0%
1986	11.125%
1987	9.0%
1988	8.375%
1989	9.125%
1990	8.75%
1991	8.625%
1992	8.125%
1993	7.125%
1994	6.25%
1995	7.0%

1996	6.875%
1997	6.875%
1998	6.75%
1999	5.75%
2000	5.875%
2001	6.375%
2002	5.5%
2003	5.0%
2004	3.875%
2005	4.375%
2006	4.125%

2007	4.875%
2008	4.75%
2009	3.875%
2010	3.125%

Do CSRS or FERS Rules Apply?

CSRS deposit and redeposit rules apply to you if your retirement coverage is CSRS or CSRS Offset. FERS deposit and redeposit rules apply if your retirement coverage is FERS, and you were automatically covered by FERS. If you elected to transfer to FERS, the treatment of your prior service depends on how much service you have that was not covered by CSRS Offset deductions. For simplicity, this past service is called non-Offset service.

CSRS Component:

If you elected to transfer to FERS and you have 5 or more years of non-Offset service that is creditable under CSRS, you will have a “CSRS component” to your FERS retirement benefit. If you have a CSRS component, all creditable civilian and military service before the date you were first covered by CSRS Offset is treated under CSRS rules. In addition, all non-deduction service and military service you have after you were covered by CSRS Offset but before you transferred to FERS is treated under CSRS rules. All your CSRS Offset service will be treated under FERS rules.

No CSRS Component:

If you elected to transfer to FERS and had less than 5 years of non-Offset service, you will not have a CSRS component to your FERS retirement benefit. All nondeduction service and military service will be treated under FERS rules.

CSRS Service Credit

Qualifying for Retirement:

When CSRS rules apply, OPM counts all your federal (or creditable non-federal) civilian service to determine if you **qualify** for retirement. This is true even if you have not paid deposits for nondeduction service or redeposits for refunded service.

Computing Your Benefit:

Credit for deposit and redeposit service in the computation of your benefit depends on when the service occurred. You always receive full credit if the deposit(s) or redeposit(s) are paid in full. If, however, you do not pay the deposit(s) or redeposit(s):

- You will receive credit for deposit service that ended before October 1, 1982. However, OPM will permanently reduce your retirement benefit by 10% of the deposit amount you owe. If you begin paying the deposit but do not complete it before OPM finalizes your retirement claim, OPM will base the reduction on the balance you still owe.
- You will receive no credit for deposit service that occurred on and after October 1, 1982, unless the deposit is paid in full.
- You will receive credit for redeposit service that ended before October 1, 1990. However, OPM will permanently reduce your retirement benefit by an actuarial factor. The reduction is based on the amount of the redeposit and your age when you retire. If you begin to pay the redeposit but do not complete it before OPM finalizes your retirement claim, the actuarial reduction will be based on the amount you still owe and your age.
- You will receive no credit for redeposit service that ended on or after October 1, 1990, unless you pay the redeposit amount in full.

Exception: *The Federal Erroneous Retirement Coverage Corrections Act (FERCCA) provides an exception to the above rules. You may choose to take an actuarial reduction to your annuity instead of paying the deposit/ redeposit regardless of when the service occurred if you:*

- *were under the wrong retirement coverage and qualify for relief under FERCCA,*
- *owed a service credit deposit for prior nondeduction and/or refunded service under FERS rules, and*
- *that service becomes creditable under CSRS rules.*

FERS Service Credit

FERS deposit rules are much different than CSRS rules. For the purposes of qualifying for retirement or for computing your retirement benefits, you can receive credit for nondeduction service **only** if it occurred before 1989 and **only** if you pay a deposit. (The law does allow credit for certain nondeduction service after 1988 if it is creditable under the Foreign Service Pension System or the Federal Reserve Board's "Bank Plan"). If you take a refund of retirement deductions after you become subject to FERS, you can now redeposit the money in the same manner CSRS employees can. If you make the redeposit, the period covered by the refund becomes creditable toward eligibility to retire and computation of your retirement benefit.

Making the Deposit or Redeposit

To initiate the process to make a deposit or redeposit, you must first complete the proper form:

1. If your current retirement coverage is CSRS or CSRS Offset, complete SF 2803, Application to Make Deposit or Redeposit, Civil Service Retirement System.
2. If your current retirement coverage is FERS, complete SF 3108, Application to Make Service Credit Payment for Civilian Service, Federal Employees Retirement System. **Note:** Complete this form even if the service period(s) are part of a CSRS component.

After completing the employee (applicant) section of the respective form, forward it to the Retirement Services Branch at the following address. **(Do not send the form to the Staffing Services Branch or Advisory Services Branch.)**

Administrative Office of the U.S. Courts
Benefits and Retirement Counseling and Services Branch
One Columbus Circle, NE, Room 5-420
Washington, DC 20544

If you are sending the information via Federal Express, use the same address but change the zip code to 20002-0002. You must also include the telephone number (202) 502-3110 when shipping by Federal Express. The Benefits and Retirement Counseling and Services Branch will review the form, complete the agency portion, and forward it to OPM.

After computing the amount of the deposit or redeposit amounts owed, OPM will bill you and provide instructions for making payment. You may pay the amount(s) owed in full or by installments of at least \$50 per month. Keep in mind that interest will continue to accrue until the deposit or redeposit is paid in full.

As a general rule, you must make payment by personal or cashier's check. You cannot pay by automatic withholding from your pay. You can, however, authorize OPM to automatically debit your checking or savings account by completing form RI 16-28, Authorization for Direct Payments. OPM will provide the form when they notify you about the amount of your deposit(s) or redeposit(s). If you choose this method of payment, it is important to remember that you must complete another RI 16-28 to stop the automatic monthly debit to your account.

How Your Payments Are Applied When You Have Multiple Deposit/Redeposit Periods

If you have several distinct periods of deposit or redeposit service, you may designate the order in which you wish your service credit payments applied. If you are paying by personal or cashier's check, you can simply enclose a written statement providing that information. If you authorize automatic debit to your checking or savings account, you must contact OPM at (724) 794-2005 to provide the information.