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(3) Service subject to the full rate of CSRS deductions (7, 7½, or 8 percent) and the OASDI tax, pursuant to an election under section 208(a)(1)(B) of Public Law 98–168, 97 Stat. 1111, except in the case of an employee or Member who elects to become subject to this subpart under section 301(b) of Public Law 99–335, 100 Stat. 599.

Federal wages means basic pay, as defined under 5 U.S.C. 8331(4), of an employee or Member performing Federal service.

Member means a Member of Congress as defined by 5 U.S.C. 8331(2).

OASDI tax means, with respect to Federal wages, the Old Age, Survivors, and Disability Insurance tax imposed under section 3101(a) of the Internal Revenue Code of 1986 (31 U.S.C. 3101(a)).

§ 831.1003 Deductions from pay.

(a) Except as otherwise provided in this section, the employing agency, the Secretary of the Senate, or the Clerk of the House of Representatives must withhold 7 percent of an employee's Federal wages to cover both the OASDI tax and the CSRS deduction. The difference between the OASDI tax and the full amount withheld under this paragraph is the CSRS deduction.

(b) For a Congressional employee as defined by 5 U.S.C. 2107 and a law enforcement officer or firefighter as defined by 5 U.S.C. 8331, the appropriate percentage under paragraph (a) of this section is 7½ percent.

(c) For a Member, a judge of the United States Court of Military Appeals, a United States magistrate, and a bankruptcy judge as defined by 5 U.S.C. 8331(22), the appropriate percentage under paragraph (a) of this section is 8 percent.

(d) For any amount of Federal wages paid after reaching the contribution and benefit base calculated including all wages, but before reaching the contribution and benefit base calculated using only Federal wages, the amount withheld under this section is the difference between 7, 7½, or 8 percent, as appropriate, and the OASDI tax rate, even though the Federal wages in question are not subject to the OASDI tax.

(e) For any amount of Federal wages paid after reaching the contribution and benefit base calculated on the basis of Federal wages only, the full percentage required under paragraph (a), (b), or (c) of this section (7, 7½, or 8 percent) must be withheld from Federal wages.

§ 831.1004 Agency contributions.

The employing agency, the Secretary of the Senate, and the Clerk of the House of Representatives must submit to OPM, in accordance with instructions issued by OPM, a contribution to the CSRS equal to the amount required to be contributed for the employee or Member under 5 U.S.C. 8334(a)(1) as if the employee or Member were not subject to the OASDI tax.

§ 831.1005 Offset from nondisability annuity.

(a) OPM will reduce the annuity of an individual who has performed Federal service, if the individual is entitled, or on proper application would be entitled, to old-age benefits under title II of the Social Security Act.

(b) The reduction required under paragraph (a) of this section is effective on the 1st day of the month during which the employee—

(1) Is entitled to an annuity under CSRS; and

(2) Is entitled, or on proper application would be entitled, to old-age benefits under title II of the Social Security Act.

(c) Subject to paragraphs (d) and (e) of this section, the amount of the reduction required under paragraph (a) of this section is the lesser of—

(1) The difference between—

(i) The Social Security old-age benefit for the month referred to in paragraph (b) of this section; and

(ii) The old-age benefit that would be payable to the individual for the month referred to in paragraph (b) of this section, excluding all wages from Federal service, and assuming the annuitant was fully insured (as defined by section 215(a) of the Social Security Act (42 U.S.C. 414(a)); or

(2) The product of—

(i) The old-age benefit to which the individual is entitled or would, on proper application, be entitled; and

(ii) A fraction—

(A) The numerator of which is the annuitant's total Federal service,