§ 846.304 Computing FERS annuities for persons with CSRS service.

(a)(1) The basic annuity of an employee who elected FERS coverage is an amount equal to the sum of the accrued benefits under CSRS as determined under paragraph (b) of this section and the accrued benefits under FERS as determined under paragraph (c) of this section.

(2) The computation method described in paragraph (a)(1) of this section is used in computing basic annuities under part 842, subpart D of this chapter, survivor annuities under part 843, subpart C of this chapter, and the basic annuities for disability retirement under subchapter V of chapter 84 of title 5 United States Code.

(3) An annuity computed under this paragraph is deemed to be the individual’s annuity under FERS.

(b)(1) Except as provided in paragraphs (b)(2) and (b)(3) of this section and §846.305, accrued benefits for civilian service as described in §846.302(c), and military service as described in §846.303(b) are computed under CSRS provisions.

(2) Reductions to provide survivor benefits required under part 831, subpart F of this chapter, and the 50-percent minimum annuity for air traffic controllers described in 5 U.S.C. 8339(e) do not apply to accrued benefits under this paragraph.

(3) Sick leave creditable under §831.302 of this chapter is equal to the number of days of unused sick leave to an individual’s credit as of the day of retirement, death, or as of the effective date of the election of FERS coverage, whichever is the lesser amount of sick leave, for an individual who—

(i) Retires under §§842.204, 842.205, 842.206, 842.207, 842.208, 842.209, 842.210, or 842.211 of this chapter;

(ii) Dies leaving a survivor eligible for a monthly FERS survivor annuity under §843.310 or §843.311 of this chapter; or

(iii) After retiring for disability, becomes entitled to an annuity computation under part 842, subpart D of this chapter.

(c) Accrued benefits are computed under FERS for the following service:

(1) Creditable civilian service performed on or after the effective date of the election of FERS coverage;

(2) Creditable civilian service other than as described in §846.302(c); and

(3) Creditable military service other than that described in §846.303(b) and (c).

(d)(1) Except as specified in §846.305, the average pay for computations under paragraphs (b) and (c) of this section is the largest annual rate resulting from averaging the individual’s rates of basic pay in effect over any 3 consecutive years of creditable service or, in the case of an annuity based on service of less than 3 years, over the total period of creditable service, with each rate weighted by the period it was in effect.
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(2) For the purposes of paragraph (d)(1) of this section, service is consid-
ered creditable if it is creditable under either CSRS or FERS.

(e)(1) The cost-of-living adjustments for the annuities of individuals elect-
ing FERS coverage are made as follows:

(i) The portion of the annuity com-
puted under paragraph (b) of this sec-
tion is adjusted as provided under
CSRS.

(ii) The portion of the annuity com-
puted under paragraph (c) of this sec-
tion is adjusted as provided under
FERS.

(2) An annuity initially payable to an
annuitant's survivor (other than a
child under part 843, subpart D of this
chapter) is increased by the total per-
cent by which the annuitant’s annuity
was increased under this paragraph.
Thereafter, the survivor annuity is ad-
justed for cost-of-living increases

(f) In computing an annuity under
paragraph (a) of this section for an em-
ployee retiring under §842.204(a)(1) or
§842.212(b) of this chapter, any reduc-
tion for age required by §842.404 of this
chapter applies to the sum computed
under paragraph (a) of this section. No
reduction under CSRS is applicable.

(g) In computing an annuity under
paragraph (a) of this section for an em-
ployee retiring early under §842.205 of
this chapter or involuntarily under
§842.206 of this chapter, the reduction
for age required by 5 U.S.C. 8339(b) ap-
plies to the portion of the annuity
computed under CSRS provisions.

(h) In computing an annuity under
paragraph (a) for an employee retir-
ing as a firefighter or law enforcement offi-
cer under §842.208 of this chapter or as
an air traffic controller under §842.207
of this chapter, there is no applicable
reduction for age.

(i) An annuity supplement under part
842, subpart E of this chapter, is com-
puted using the same civilian service
used for the computation under para-
graph (c) of this section.

(j) An alternative form of annuity for
a basic annuity computed under para-
graph (a) of this section is computed as
follows:

(1) The alternative benefit for the
portion of the annuity computed under
paragraph (b) of this section is com-
puted under CSRS as provided in part
831, subpart V of this chapter, except
that a refund of CSRS contributions
based on a refund application filed
after the individual elects FERS cov-
erage may not be deemed to be redepos-
ted under §831.2206 of this chapter if
the individual is entitled to a deferred
annuity under §842.212 of this chapter.

(2) The alternative benefit for the
portion of the annuity computed under
paragraph (c) of this section is com-
puted under FERS as provided in part
842, subpart G of this chapter.

§846.305 General inapplicability of
CSRS provisions.

(a) Except as provided by this part,
CSRS provisions are not applicable
with respect to an individual who
elects FERS coverage.

(b) An employee (or an employee's
survivor for the purposes of a survivor
annuity) may make a deposit under
CSRS for any civilian service under
§846.302(c) of this part or military ser-
vice under §846.303.

(c) Nothing in paragraph (a) of this
section precludes the payment of any
lump-sum credit (as defined in 5 U.S.C.
8331(b)) in accordance with part 831,
subpart T of this chapter.

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FR 48273, Sept. 15, 1993]

Subpart D—Refunds of CSRS
Contributions

§846.401 Refunds of excess contribu-
tions.

(a) An individual who elects FERS
coverage is entitled to a refund of
CSRS contributions made prior to the
effective date of the election for serv-
ice that is subject to FERS computa-
tion under §846.304(c) (if not already re-
unded) which exceed the contributions
required under FERS, as provided by
this section.

(b) The refund is equal to—
(1) For service described in §846.302(a)
and performed on or after January 1,
1984, and before January 1, 1987, the
amount by which the amount contrib-
uted exceeds 1.3 percent of basic pay;
(2) For service described in §846.302(a)
and performed on or after January 1,
1987, the amount by which the amount

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