



Federal Employees Retirement System (FERS) Military Service Deposits April 5, 2024

As a federal employee you may be wondering if the time you spent on active duty with the military is creditable towards your civilian retirement. The answer is generally, yes; however, you are required to take action to receive credit for this time. This document has been prepared to assist you in determining your eligibility to make a FERS military service deposit and to inform you of the steps you will need to take.

What type of military service is potentially creditable towards my FERS annuity?

In general, your military service is potentially creditable for retirement if the following conditions are met:

1. The military service was performed before the date of your separation from the civilian employment upon which the annuity is based;
2. It was active-duty service; and
3. You received an honorable discharge. Honorable discharges include separations reasons indicated as: under honorable conditions, separation because of hardship, transfer to retired list because of age or disability, transfer to fleet reserve, furlough to reserve forces, general discharge, and death in action.

IMPORTANT: Clemency and neutral discharges are not considered dishonorable; however, individuals with these types of discharge cannot receive credit for their military service, because the law specifies that the discharge must be honorable.

Are there additional considerations for retired military members?

There are additional considerations when you are retired military. In general, you cannot receive credit for your military service if you are receiving military retired pay. However, there are exceptions to this rule:

1. Military service that was not included in the computation of your military retired pay is creditable. Some examples of this include military service in excess of 30 years (if you retired before January 1, 2007) or time spent at the Military Academy.
2. Military retired pay was awarded based on disability incurred in combat with an enemy of the United States.
3. Military retired pay was caused by an instrumentality of war and incurred in the line of duty during a period of war.
4. Retired pay was granted under the provisions of 10 U.S.C. 12731-12739.

If you do not meet any of the exceptions listed above, you have the option of waiving your military retired pay to allow for your military service to be creditable towards your FERS annuity. You do not have to make the decision to waive your military retired pay until you actually retire from civilian employment.

If you pay your military service deposit and later decide not to combine your military service with civilian service, you may receive a refund of the military service deposit from the Office of Personnel Management (OPM) after you retire.

What is a military service deposit?

If you performed active, honorable service in the military, you may wish to include the military service time with your Federal civilian employment for retirement purposes. In order to receive credit for your military service, in most circumstances, you would be required to make a military service deposit. A military service deposit is a payment made to the civilian retirement fund to allow creditable military service to be used toward retirement eligibility and in annuity computations.

There are some important items to note about completing a military service deposit:

- For all post 1956 military service, you must make a deposit to credit this service toward FERS retirement eligibility and computation of your retirement annuity.
- The military deposit must be made to the Interior Business Center (IBC) Payroll Office before you retire/separate.
- The deposit cannot be paid to the Office of Personnel Management (OPM) after you retire/separate unless there was an administrative error made.
- Planning ahead will allow you to make the deposit in installments rather than a single payment.
- If your military service is required for retirement eligibility, you must pay the deposit in full before your retirement can be processed.

When is a deposit required?

Active, honorable military service performed before January 1, 1957, is creditable towards retirement without a deposit.

Active, honorable military service performed on or after January 1, 1957, is creditable towards your retirement only if a deposit is completed prior to your separation from civilian employment.

How much will my military service deposit be?

The amount of the deposit is 3 percent of the basic pay earned during the periods of active military service plus interest. Interest begins to accrue on deposits for post-1956 military service 2 years after you were first employed (or reemployed after a period of military service) in a position subject to FERS deductions. Interest accrues and is compounded annually until the deposit is paid in full. Once you submit your application package, the NSSC will provide you with an estimated amount due for the period(s) of military service you are requesting to pay a deposit for.

You can use the [Military Service Earnings/Buy Back Estimator Tool](#) to project your estimated earnings and the cost of buying back your military service time. This is an unofficial estimation of what may be owed when buying back your military time.

How do I make a deposit for my military service?

For instructions on how to submit an application pay a military service deposit, please reference the [Federal Employees Retirement System \(FERS\) Request to Pay a Military Service Deposit](#) handout.

I cannot locate or I lost my DD 214, how do I obtain one?

You have two options available:

1. You can complete a [Request Pertaining to Military Records, SF-180](#) and request the Member 4 copy of the DD 214 which shows the dates of active military service, the character of discharge and, if applicable, any lost time. Complete the second page and send the request to the applicable address on the last page of the SF-180.
2. You can submit an online request on [eVetRecs](#). Be sure to request the Member 4 copy of your DD 214, which shows the dates of active military service, the character of discharge and, if applicable, any lost time.

How do I know if paying a military service deposit is right for me?

The first step to knowing whether paying a military service deposit is right for you is to submit an application package to the NASA Shared Services Center for processing. In no way will this commit you to paying the service deposit, rather it allows for an account to be established. Once all the required documentation is submitted, you will receive an estimate of how much the deposit will be and information on how paying the deposit will impact your eligibility for retirement and FERS annuity. Once this information is received, you will be able to determine if paying a military service deposit financially makes sense for you and allows you to weigh the cost vs. benefit.

- By making the military service deposit, you are adding to your length of service for eligibility to retire, you may be able to retire earlier than previously planned.
- Making the military service deposit will increase your retirement annuity.
 - For each year of military service, your annuity is increased by 1% of your high-3 average salary to your retirement annuity computation (prorated for months).
 - If you are over age 62 at retirement and have at least 20 years of creditable service, each year of military service would increase your annuity by 1.1% of your high-3 average salary to your annuity (prorated for months).

RELEASED - Printed documents may be obsolete; validate prior to use.

What military documents are acceptable in lieu of a DD 214?

Below is a list of acceptable documentation to send to the Military Finance Center with your completed RI 20-97 to compute your estimated earnings. In order for the following military documentation to be sufficient to process a military service deposit, the documentation must provide the inclusive start and end dates for each separate period of active duty military service, and state that the service was performed under honorable conditions.

1. DD Form 214 (most common)
2. DA 3686 J, Army LES
3. Copies of Active-Duty Training Orders (must have your name and the "From and To" dates must be easily read)
4. DD Form 13 Statement of Service
5. Letter from the Military Academy
6. ANG Form 22, Report of Separation and Record of Service (must list Active-Duty time. National Guard time is not creditable otherwise)
7. NGB Form 23, Retirements Credit Record
8. DD 113, Military Pay Record
9. FC Form T023 (TEST), Military Pay Voucher
10. DA 2139, Military Pay Voucher
11. DA 2349, Military Pay Voucher (MECH)
12. DA 2139-1 Military Pay Voucher
13. DA 3686 (TEST), JUMPS, Army LES
14. Academic Record of Classes for the time or years in question
15. Any official letter on letterhead stationery and signed by a representative from appropriate government agency/unit.
16. DD Form 220 Active-Duty Report
17. DA Form 1059 ARNGUS – Active-Duty Training
18. NA Form 13038, Certification of Military Service for the National Archives and Records Administration (NARA)
19. AF Form 1613, Statement of Service
20. NA Form 13041, NARA, Statement of Service (please provide rank and years of service)
21. NA Form 13072, NARA, Summary of Military Service (please provide rank and years of service)
22. NA Form 13165, NARA (please provide dates of rank and years of service).
23. OPM SF 144A, Statement of Prior Federal Service – Worksheet
24. GSA Form 6851, Statement of Service

How do I find the balance due on my military service deposit?

If you have already established an account to pay your military service deposit, you can find the balance due by reviewing your Earnings and Leave Statement in Employee Express.

What should I do once I have completed my military service deposit?

Once you have completed payment in full, the NSSC will receive notification of payment and update your records. However, it is always a good idea to check your eOPF to ensure a copy of the paid in full receipt has been filed. If your paid in full receipt is not on file in your eOPF, please either forward a copy of your receipt to the NSSC or call the NSSC and ask to speak with a Retirement Specialist.

For questions concerning this document, contact:
NSSC Customer Contact Center
1-877-677-2123 (1-877-NSSC123) or nssc@nasa.gov