

**For:** FAS, RMA, and FSA Employees

**Increase in Retirement Deductions**

**Approved by:** Acting Deputy Administrator, Management



**1 Retirement Deduction Rates**

**A**

**Background**

The Balanced Budget Act of 1997, Public Law 105-33, signed by the President on August 5, 1997, included a total increase of 0.50 percent for CSRS and FERS employee deductions, as follows:

- 0.25 percent in January 1999
- an additional 0.15 percent in January 2000
- 0.10 percent more in January 2001.

These higher employee deduction rates will be in effect through December 2002.

**B**

**Purpose**

This notice announces changes in the amount of retirement deductions, that go into effect in January 2000, to the:

- Civil Service Retirement System (CSRS)
- Federal Employees Retirement System (FERS)
- Foreign Service Retirement and Disability System (FSRDS)
- Foreign Service Pension System (FSPS).

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<p><b>Disposal Date</b></p> <p>June 1, 2000</p>	<p><b>Distribution</b></p> <p>All FAS, RMA, and FSA employees; State Offices relay to County Offices</p>
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**Notice PM-2148**

**1 Retirement Deduction Rates (Continued)**

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**C**

**Retirement Rates**     The following chart reflects the retirement deduction rates for employees under CSRS/FSRDS, FERS, and FSPS.

<b>Period</b>	<b>CSRS/FSRDS</b>	<b>FERS</b>	<b>FSPS</b>
Now through 12/99	7.25%	1.05%	1.55%
<b>1/00 through 12/00</b>	<b>7.40%</b>	<b>1.20%</b>	<b>1.70%</b>
1/01 through 12/02	7.50%	1.30%	1.80%

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**D**

**Contact**     If there are any questions about this notice, contact Darla Hensley, HRD, at 202-418-9021.

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