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| **Buying Back Military Time** |
| **Q:** I served in the military and now work at the Postal Service. I heard that I can "buy back my military time" and have it counted towards my postal retirement. How can I do that, and should I do that? |
| **A:** In accordance with Public Law 97-253, employees covered under the Federal Employee's Retirement System (FERS) will receive credit for their Post-56 military service if a deposit is made under FERS. For FERS employees, the deposit is 3% of basic military pay. An interest-free grace period will extend for three years after the date of the career appointment. At the end of the three year grace period, interest will accrue on the unpaid balance. All military service must be honorable in order to complete a buy back.  **How to "buy back" your military time:**  **1.** Call the USPS HR Shared Service Center at 1-877-477-3273, Option 5. Tell the representative that you wish to buy back your military time. **2.** The USPS will send you a packet which includes a form for obtaining your estimated earnings during military service. Follow the instructions in the packet for obtaining your estimated earnings and also your DD 214 (Report of Separation). An official copy of your DD 214 must accompany your request for estimated earnings. The DD 214 must be a "Member 4" copy or one which contains character of service and time lost information. If you are unable to locate a copy of your DD 214, you will need to order an Undeleted copy at [http://vetrecs.archives.gov](http://vetrecs.archives.gov/) or complete and mail the SF180 form enclosed in the packet. More info: [How to obtain your DD 214](http://www.militarynewsnetwork.com/military-records.htm). **3.** After obtaining your estimated earnings from the U.S. Military, send the completed forms back to the Postal Service's HR Shared Service Center. Use the return mailing label included in the packet. **4.** If you wish to make payment for your military service, you will need to complete Section 12, Election of Payment, on PS Form 2805, *Military Deposit Worksheet* and SF 3108, *Application to Make Service Credit Payment* (instructions and forms included in packet). You may make a lump sum payment by check or money order, installment payments ($50.00 minimum) also by check or money order, or payroll deductions (in $5.00 increments). **5.** When the deposit has been paid in full, your retirement computation date will be adjusted to include your military service.  **Should you buy back your military time?**  The choice of course is up to you, depending on the amount of deposit and time added to retirement. The general consensus is that if you retired from the military then you shouldn't buy back your military time and combine your military retirement and postal retirement. If you did not retire from the military (for example you served one or two enlistments like many people do) then the general consensus is that you should buy back your military time and have that time added to your postal retirement.  **Example**  PostalMag.com owner Tom Wakefield recently bought back his military time. Tom served in the military from August 1985 to January 1990 for a period of about 4 years and 5 months. (He extended his 4-year enlistment  by 5 months for an additional overseas tour.) Tom's basic military earnings for those 4 years and 5 months was $45,153.21. Based on these earnings, Tom's amount due for buying back his time was $1,354.60. However, Tom wasn't very smart and waited until 2008 to buy back his time, and $1,844.03 interest had accrued, making the total amount $3,198.63. Nevertheless, Tom decided that this amount was worth having 4 years and 5 months added to his postal retirement, and he sent a check for $3,198.63 to HR. Tom is very satisfied with his buy back. Instead of having 18 years of service in the Postal Service, having joined the USPS on June 2, 1990, Tom now has 22 years and 5 months counted towards his postal retirement, as of June 2, 2008. |