



## Deposit and Redeposit Service Civil Service Retirement System (CSRS)

Updated 2 Oct 04

### What is deposit service?

Deposit service is a period of creditable civilian service during which retirement contributions were not withheld from your salary - also called non-deduction service - only Social Security was deducted from pay. Some examples include temporary employment and employment on an intermittent work schedule. Whether employees under the Civil Service Retirement System (CSRS) need to pay the deposit depends on when the service was performed. Service performed **prior to 1 Oct 82** - creditable for retirement eligibility and annuity computation whether you pay the deposit or not. If not paid, your annual retirement annuity will be reduced by 10% of the total deposit owed. Service performed **on or after 1 Oct 82** - creditable for eligibility for if deposit not paid. However, to receive credit for annuity computation the deposit must be paid.

### What is redeposit service?

Redeposit service is any period of creditable civilian service for which Civil Service Retirement System (CSRS) deductions were withheld from pay and later refunded on separation from employment. If the refunded service ended **before 1 Oct 90** and you don't pay the redeposit, the service will be creditable for eligibility for retirement and for annuity computation, but your non-disability annuity will be actuarially reduced. To avoid the actuarial deduction, you'll need to pay the redeposit. If the refunded service ended **on or after 1 Oct 90**, the service counts toward eligibility, but you must pay the redeposit to receive credit for the service in the annuity computation.

### How is the amount of a deposit computed?

The amount of a deposit is the sum of the deductions that would have been withheld from an employee's basic pay during the period of nondeduction service had the employee been covered by the retirement system, plus interest. The following chart shows the percentage of deductions from basic pay.

<b>CSRS Employee Rates</b>				
<b>Category</b>	<b>Percentage of Basic Pay</b>			
	<b>Prior to 1999</b>	<b>1999</b>	<b>2000</b>	<b>After 2000</b>
Regular CSRS	7.0	7.25	7.40	7.0
Regular CSRS-Offset	0.80	1.05	1.20	0.80
Law Enforcement Officers/Firefighters	7.5	7.75	7.90	7.5
Law Enforcement Officers/Firefighters Offset	1.30	1.55	1.70	1.30
Air Traffic Controllers	7.0	7.25	7.40	7.0
Air Traffic Controllers Offset	0.80	1.05	1.20	0.80

### How is the amount of redeposit computed?

The amount of a redeposit equals the amount of the refund received plus accrued interest.

### How is interest assessed on deposits under the Civil Service Retirement System (CSRS)?

Deposit service is subject to interest based on when the service was performed. For deposit service performed before 1 Oct 82, interest accrues daily and is charged at the following rates, compounded annually: 4 percent through 31 Dec 47, and 3 percent after 1947. For deposit service performed on or after 1 Oct 82, interest accrues annually and is charged at the following rates, compounded annually on 31 Dec of each year: 3 percent through 31 Dec 84, and a variable rate thereafter. The variable interest rates from 1985 to the present are:

1985	13.0%	1992	8.125%	1999	5.75%
1986	11.1225%	1993	7.125%	2000	5.875%
1987	9.0%	1994	6.25%	2001	6.375%
1988	8.375%	1995	7.0%	2002	5.5%
1989	9.125%	1996	6.875%	2003	5%
1990	8.750%	1997	6.875%	2004	3.875%
1991	8.625%	1998	6.75%		

### **How is interest assessed on redeposits under the Civil Service Retirement System (CSRS)?**

Redeposit service is subject to interest based on when the employee applied for the refund. For refunds prior to 1 Oct 82, interest accrues **daily** beginning on the date the refund was paid and is charged at the following rates, compounded annually: 4 percent from 1 Oct 56 through 31 Dec 47, and 3 percent from 1948 through the date the redeposit is made, or to the commencing date of annuity, whichever is earlier. For refunds on or after 1 Oct 82, interest is charged beginning on the date the refund was paid, at the following rates, compounded annually: 3 percent through 31 Dec 84, and a variable rate thereafter from 1985 to the present, compounded annually on 31 Dec of each year (same as those listed above).

### **How can I determine if making a deposit or redeposit is beneficial for me?**

The best way to determine if a deposit or redeposit is advantageous for you is to have an estimate completed and compare your retirement benefits with the deposit and/or redeposit made against retirement benefits without the deposit or redeposit. Once you obtain the deposit/redeposit information from the Office of Personnel Management (OPM), a Benefits and Entitlements Service Team (BEST) benefits counselor can compute a retirement estimate (using the amounts you provide) showing the reductions. If you choose to pay the deposit/redeposit, just add the reductions back into your estimate to show your full benefit.

### **Does nonpayment of a deposit or redeposit have an effect on crediting the service for purposes other than retirement?**

No. Full credit is granted for leave, promotion, pay increases, retention credits in reduction-in-force, and continuation of life insurance and health benefits after retirement, whether or not the deposit/redeposit is made.

### **How do I make a deposit or redeposit?**

Contact a Benefits and Entitlements Service Team (BEST) benefits counselor and ask for Standard Form 2803 (Application to Make Deposit or Redeposit). The counselor will complete the agency portion of the form and mail it to you. Upon receipt, complete the applicant's portion and mail to the following address: Office of Personnel Management (OPM), Refund and Deposit Section, P.O. Box 45, Boyers PA 16017. OPM will notify you by mail of the amount of your deposit or redeposit. On receipt of the OPM notice, you may pay the deposit/redeposit in installment payments of \$50 or more, or you may choose to pay the amount in full. Payments will be made directly to OPM. Interest will continue to be charged on the unpaid balance until it is paid in full. You will need to keep the OPM receipt showing full or partial payments. When you get the final OPM receipt showing the deposit/redeposit has been paid in full and has a zero balance, be sure to mail or fax a copy to BEST for scanning into your electronic Official Personnel Folder, where it will be easily obtainable when you are ready to retire. BEST phone and fax numbers and address are listed on the last page of this handout. **Please note:** [Limited service employees](#) must contact their servicing Civilian Personnel Office for procedures on how to make deposit and/or redeposits.

### **May I make a deposit and/or redeposit after separation from service?**

Yes, as long as you have title to an immediate or deferred annuity, the payment is made before the annuity has been finally adjudicated by the Office of Personnel Management (OPM), and you did not take a refund of retirement contributions at your last separation from employment.

**May I make a deposit and/or redeposit after retirement?**

Yes, but the deposit and/or redeposit must be fully paid by the time the Office of Personnel Management (OPM) completes final adjudication of your retirement. You don't need to postpone retirement just because a deposit/redeposit may be due -- just be sure to include a written request to make the deposit/redeposit, or a completed SF 2803 (Application for Service Credit Payment-CSRS) with your retirement application package. OPM will contact you to advise of the amount of the deposit/redeposit and how the annuity will be affected if not paid, and provide a timeframe in which they should receive your payment if you decide to make it. **However**, if you need this service in order to be **eligible to retire**, you **must** pay the deposit/redeposit.

**Who can I speak to if I have questions about making a deposit or redeposit?**

"[Full service](#)" employees may contact a Benefits and Entitlements (BEST) benefits counselor at the numbers below. "[Limited service](#)" employees must contact their servicing Civilian Personnel Office for assistance with deposit and/or redeposit service and other retirement related issues.

**BEST Mailing Address**  
HQ AFPC/DPCB  
550 C Street West Ste 57  
Randolph AFB TX 78150-4759

**BEST Homepage**  
[www.afpc.randolph.af.mil/dpc/best/menu.htm](http://www.afpc.randolph.af.mil/dpc/best/menu.htm)

**BEST Fax Number**  
DSN 665-2936 or (210) 565-2936

**BEST Phone Numbers:**

**Stateside Employees:** 1-800-616-3775 (Press 2, then 2 again, and follow the prompts)

**Overseas Employees:** Dial a toll-free AT&T direct access number for the country in which located, then 800-997-2378. (AT&T direct access numbers can be found at [www.att.com/business\\_traveler/guides\\_and\\_access/dialing\\_instr.html#outside](http://www.att.com/business_traveler/guides_and_access/dialing_instr.html#outside).)

**Hearing Impaired:** TDD toll-free 1-800-382-0893  
Commercial 565-2276 within San Antonio, Texas

For assistance dialing BEST phone numbers and navigating the automated phone system, including how to reach a BEST benefits counselor, see our [telephone menu](#).