

Military Buy Back for Veterans

This is a benefit for all veterans with active duty military service time to receive credit for their military service time to be added to their years of civil service with the government and increases their retirement annuity.

Service Credit – Program that allows employees to make payments into the Civil Service Retirement System (CSRS) or Federal Employees Retirement System (FERS) periods of service during which they either did not contribute to the Civil Service Retirement and Disability Fund, or for which they received a refund of their retirement contributions. In statutorily defined circumstances, employees may make service credit deposits or redeposits, which include both principal and interest, to maximize the benefits they will receive upon retirement.

All Veterans who qualify:

Some veterans may not be aware of a benefit and the process to get their military time added to their current time working for the government. When they were hired a DD 214 was submitted that was used to determine their leave and sick time calculations. This does not automatically add the years to your present time for retirement. There is a process they will need to adhere to in order to get the time added to their retirement years.

They are eligible to apply for up to two (2) years once they are hired with no penalty. After that point, they will be paying an additional interest charge per year on what they may owe to buy back their years. The eligible military service time is added to their retirement date immediately upon finalizing their buy back process.

The buy back process **MUST** be completed prior to filling out their retirement papers for processing. It will not be accepted after they apply for retirement and they will lose the service time. This will take approximately six months to complete. They must buy back their military service time to have it added to their civil service time (3 % for FERS and 7% for CSRS of base pay).

CSRS Employees (First employed before 10/01/1982)

1. If you are eligible for Social Security Benefits at retirement or at age 62 and:
 - a. **Deposit Paid:** Your Post-56 military service will be credited towards eligibility for retirement and computation of the annuity.
 - b. **No Deposit made:** Your Post-56 military service will be credited towards eligibility for retirement. If you are not eligible for Social Security at retirement, but will become eligible at age 62, your Post-56 military service will be credited for computation of your annuity until age 62. At that time the credit for Post-56 military service is eliminated. Your annuity will be recomputed by subtracting the years of Post-56 military service from the total number of years combined civilian and military service. This typically reduces the CSRS annuity by 2% for each year for Post-56 military service. If you are eligible for Social Security at the time of retirement (normally age 62 or older), the Post-56 service will not be used in the computation for your annuity.
2. If you will **NOT** be eligible for Social Security at 62 (or retirement, if later); no deposit is required and you will receive full credit for Post-56 military service with no future reduction.
3. If you are retired military:

Your service will not count for retirement purposes unless you waive your military retired pay and make a deposit for that service.

The required deposit equals 7% of your military earnings.

FERS Employees (anyone hired after 01/01/1987)

1. If you have any military service after 1956:

DOT Wide Employment Initiatives



Students



Veterans Opportunities



Women & Minorities



Disability

Career Fairs & Hiring Events

- ▶ National Career Fairs
- ▶ Careers Fair Web Links

Recruitment Best Practices

- ▶ Hiring Managers and HR Professionals ToolKits
- ▶ USAJobsRecruit

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You must make a military deposit for this service to count towards your eligibility for retirement and computation of the annuity. Once deposit is paid in full, your military service is counted towards your eligibility for retirement and computation of the annuity.

The required deposit equals 3% of your military earnings.

2. If you are retired military:

Your service will not count for retirement purposes unless you waive your military retired pay and make a deposit for that service.

To begin the process:

Obtain the form for Request for Earnings (Form RI 20-97), complete the form and send to the appropriate military affiliation to receive your official calculated military time and earnings. You may want to call the military branch and who will be very helpful to assist you with your request.

When the verified completed form is returned, you will need to forward it to the designated human resources department benefits specialist that will handle the processing. The human resources department benefits specialist will compute the amount due for you to buyback your time. Attached is the Office of Human Resource Management regional benefits specialist points of contact list.

Once the amount has been determined, your servicing benefits specialist will forward that information to the Department of Interior Benefits Processing Group who will confirm the amount owed. Once the amount is confirmed, the employee will need to make arrangements for payment by check or payroll deductions (minimum of \$25.00) to be sent to Department of Interior Benefits payroll processing group. An important note is once you start your payback selection the annual penalty interest charges stop accruing.

When the payroll processing group notes that your payment is completed, your SF 50 will be updated and you will see the Retirement SCD (Service Computation Date) change on your leave and earnings statement.

References and forms from other government resources:

[Service Credit Payments for Post-'56 Military Service](#)

[Estimated Earnings Military Service](#)

[Military Deposit Election Form](#)

[Application to Make Service Credit Payment \(CSRS\)](#)

[Application to Make Service Credit Payment \(FERS\)](#)

[Buy Back Military Service Organization Addresses](#)

[Additional Reference pertaining to the Military Buyback Program.](#)

[Government Exec](#)



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