

# SHOULD YOU TAKE THE “DEFERRED RESIGNATION” OFFER?\*

Which Retirement will you be eligible for by Sept. 30, 2025?	Which Federal Benefits can you continue if you separate by Sept. 30, 2025?	If you can afford retirement by Sept. 30, 2025	If you cannot afford retirement by Sept. 30, 2025, but feel you can find new employment	If you cannot afford retirement by Sept. 30, 2025, and not confident to find new employment
<b>Regular Retirement</b>	<ul style="list-style-type: none"> <li>• Immediate Pension</li> <li>• FERS Supplement (until age 62)</li> <li>• FEHB, FEGLI, other insurances <sup>4</sup></li> <li>• TSP (no early access penalty) <sup>7</sup></li> </ul>	Great Deal - Take the offer! <sup>1,8</sup>	Take offer, and start searching for a new job ASAP <sup>1,2,3,9</sup>	Cannot advise. <sup>1,2,3,9,12</sup>
<b>VERA</b>	<ul style="list-style-type: none"> <li>• Immediate Pension</li> <li>• FERS Supplement (MRA 'til 62)</li> <li>• FEHB, FEGLI, other insurances <sup>4</sup></li> <li>• TSP (possible early access penalty) <sup>7</sup></li> </ul>	Great Deal - Take the offer! <sup>1,8</sup>	Take offer, and start searching for a new job ASAP <sup>1,2,3,9</sup>	Cannot advise. <sup>1,2,3,9,12</sup>
<b>MRA+10</b>	<ul style="list-style-type: none"> <li>• Immediate or Postponed Pension</li> <li>• FEHB, FEGLI, other insurances <sup>4</sup></li> <li>• TSP (no early access penalty) <sup>7</sup></li> </ul>	Good Deal - Take the offer and determine whether you want an immediate reduced pension vs a postponed full pension. <sup>1,8,11</sup>	Okay Deal - Take the offer, determine whether you want an immediate reduced pension vs a postponed full pension, and start searching for a new job ASAP. <sup>1,2,3,8,9,11</sup>	Cannot advise. <sup>1,2,3,9,11</sup>
<b>None</b>	<ul style="list-style-type: none"> <li>• Deferred Pension (must have at least 5 years of federal service) <sup>5</sup></li> <li>• TSP (possible early access penalty) <sup>7</sup></li> <li>• No Insurances</li> </ul>	Okay Deal - Take the offer. <sup>1,8</sup> However, check to see if you will gain retirement eligibility by January 10, 2026, because you may be granted an exception to extend this "offer" until then.	Cannot advise. <sup>1,2,3,9,10,12</sup>	Cannot advise. <sup>1,2,3,9,10,12</sup>

1. You will continue to receive income and full benefits over the next 8 months.
2. You will still accrue annual leave, which will be paid out at the end of the 8 months, and that may provide another month's worth of income.
3. Even if you cannot find employment in 8 months, if you have savings (and/or annual leave payout), you can use that to buy more time.
4. Assuming you satisfied the eligibility requirements for FEHB and FEGLI (5-yr rule, enrolled on date of separation, etc.)
5. If you have less than 5 years of federal service, you can request a refund of your FERS contributions.
6. If you do not take this "offer" and end up getting RIFFED, you may be able to claim unemployment benefits (varies by state).
7. If you separate from federal service at age 55+, you can access your TSP at age 55+ without penalty. However, if you separate from federal service before age 55, you will need to wait until age 59.5 to access your TSP without penalty. Alternatively, you can access TSP before age 55 without penalty if you utilize 72(t) distributions.
8. If you owe any military or civilian deposits, you may want to do so before you separate.
9. If you are able to retain FEHB and federal pension benefits, your new employment income may not need to be much different (ie. higher) than your current income.
10. If you are not able to retain FEHB and federal pension benefits, your new employment salary may need to be about \$75k higher than your current federal salary.
11. MRA+10 immediate pension will be reduced. The decision whether to collect the immediate, reduced pension vs postponed, unreduced pension usually boils down to how many years will the postponement be, and will you have an alternative health insurance to FEHB during the postponement. This will vary on a case-by-case basis.
12. Cannot advise. There is strong risk in either direction. Perhaps you will be able to stay and preserve federal benefits, but perhaps there will be a RIF, which may come with severance benefits and possible unemployment benefits (varies by state), but may longer retain federal benefits.

\*This is not personal advice. Any financial or retirement planning requires projecting into the future and relying on certain assumptions. This chart does not address projecting and certainly does not investigate your underlying assumptions. Each person must review the projections and assumptions of their plan and bear responsibility for choosing to rely on those assumptions.

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