United States Postal Service® INDUSTRYALERT

November 16, 2020

U.S. Postal Service Announces New Domestic Competitive Prices for 2021

The United States Postal Service filed notice with the Postal Regulatory Commission (PRC) today of price changes to take effect Jan. 24, 2021.

The proposed prices, approved by the Postal Service Governors, would raise Shipping Services product prices approximately 3.5 percent for Priority Mail service, and 1.2 percent for Priority Mail Express service. Shipping Services price increases vary by product. Although Mailing Services price increases are based on the consumer price index, Shipping Services prices are primarily adjusted according to market conditions. The Governors believe these new rates will keep the Postal Service competitive while providing the agency with needed revenue.

If favorably reviewed by the PRC, the new prices will include an increase in the price of a Small Flat-Rate Box to \$8.45. The Medium Flat-Rate Box would increase to \$15.50, the Large Flat-Rate Box would increase to \$21.90 and the price of the APO/FPO Large Flat-Rate Box would increase to \$20.40. Regular Flat-Rate Envelopes, Legal Flat-Rate Envelopes, and Padded Flat-Rate Envelopes would increase to \$7.95, \$8.25, and \$8.55 respectively.

The proposed domestic Priority Mail Flat Rate Retail price changes are:

Product	Current	Planned Increase
Small Flat-Rate Box	\$8.30	\$8.45
Medium Flat-Rate Box	\$15.05	\$15.50
Large Flat-Rate Box	\$21.10	\$21.90
APO/FPO Large Flat-Rate Box	\$19.60	\$20.40
Regular Flat-Rate Envelope	\$7.75	\$7.95
Legal Flat-Rate Envelope	\$8.05	\$8.25
Padded Flat-Rate Envelope	\$8.40	\$8.55

The Postal Service has some of the lowest letter-mail postage rates in the industrialized world and continues to offer a great value in shipping. Unlike some other shippers, the Postal Service does not add surcharges for fuel, residential delivery or regular Saturday delivery.

The PRC will review the prices before they are scheduled to take effect. The complete Postal Service price filings with prices for all products can be found on the PRC site under the Daily Listings section at prc.gov/dockets/daily. For the Shipping Services filing, see Docket No. CP2021-28. The price change tables are also available on the Postal Service's Postal Explorer website at pe.usps.com/PriceChange/Index.

The Postal Service receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund its operations.

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