SOCIAL SECURITY OVERVIEW

CHARO BOYD

Public Affairs Specialist, Social Security Administration

March 7, 2024
Quick Housekeeping Items
Before we get started...

- **Session will not be recorded;** however, a PDF of the slides is available on the Road to Retirement website at hr.iu.edu/benefits/road-to-retire.html.

- All attendees have been placed on mute. If you have technical issues, please message an IUHR representative in the chat for assistance.

- Watch the chat for helpful links to additional information.

- **Please put QUESTIONS in the Q&A BOX.** Please do not put any questions related to a personal situation in the Q&A.

- At the end of today’s session, you will be prompted to complete a short survey.
Understanding Social Security Retirement, Spouse, & Survivors Benefits 2024

Note: This event is public. Please do not share any personal information, such as dates of births or social security numbers, about yourself or others during the event.

Presented by:
Charo Boyd
Public Affairs Specialist
Social Security
Beware of Social Security Phone Scams

Telephone scammers are pretending to be government employees. They may threaten you and may demand immediate payment to avoid arrest or other legal action. Do not be fooled!

If you receive a suspicious call:
1. HANG UP!
2. DO NOT GIVE THEM MONEY OR PERSONAL INFORMATION!
3. REPORT THE SCAM AT OIG.SSA.GOV

What to look out for

The caller says there is a problem with your Social Security number or account.

Any call asking you to pay a fine or debt with retail gift cards, cash, wire transfers, or pre-paid debit cards.

Scammers pretend they’re from Social Security or another government agency. Caller ID or documents sent by email may look official but they are not.

Callers threaten you with arrest or other legal action.

Be Alert

Social Security may call you in some situations but will never:
» Threaten you
» Suspend your Social Security Number
» Demand immediate payment from you
» Require payment by cash, gift card, pre-paid debit card, or wire transfer

Be Active

Protect yourself and your friends and family!
» If you receive a questionable call, just hang up and report the call at oig.ssa.gov
» Learn more at oig.ssa.gov/scam
» Share this information with others
**my Social Security – Registration**

**Step 1:** Visit [ssa.gov/myaccount](https://ssa.gov/myaccount)

**Step 2:** Sign in or Create An Account

**With a *my* Social Security Account:

- Check your application status online;
- Get your benefit verification letter;
- Change your address and phone number;
- Start or change your direct deposit;
- Request a replacement Social Security card;
- Get your SSA-1099 and much more!
WANDA WORKER

Your Social Security Statement

WANDA WORKER

October 2, 2021

Retirement Benefits
You have earned enough credits to qualify for retirement benefits. To qualify for benefits, you earn "credits" through your work — up to four each year. Your full retirement age is 67, based on your date of birth: April 10, 1960. As shown in the chart, you can start your benefits at any time between ages 62 and 70. For each month you wait to start your benefits, your monthly benefit will be higher — for the rest of your life. These personalized estimates are based on your earnings to date and assume you continue to earn $51,990 per year until you start your benefits. To learn more about retirement benefits, visit ssa.gov/benefits/retirement/learn.html.

Personalized Monthly Retirement Benefit Estimates (Depending on the Age You Start)

<table>
<thead>
<tr>
<th>Age</th>
<th>Monthly Benefit Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>62</td>
<td>$1,125</td>
</tr>
<tr>
<td>63</td>
<td>$1,125</td>
</tr>
<tr>
<td>64</td>
<td>$1,125</td>
</tr>
<tr>
<td>65</td>
<td>$1,200</td>
</tr>
<tr>
<td>66</td>
<td>$1,200</td>
</tr>
<tr>
<td>67</td>
<td>$1,200</td>
</tr>
<tr>
<td>68</td>
<td>$1,200</td>
</tr>
<tr>
<td>69</td>
<td>$1,200</td>
</tr>
<tr>
<td>70</td>
<td>$1,200</td>
</tr>
</tbody>
</table>

Medicare
You have enough credits to qualify for Medicare at age 65. Medicare is the federal health insurance program for:
• people age 65 and older,
• under 65 with certain disabilities, and
• people of any age with End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant).
Even if you do not retire at age 65, you may need to sign up for Medicare within 3 months of your 65th birthday to avoid a lifetime enrollment penalty. Special rules may apply if you are covered by certain group health plans through work.

Disability Benefits
You have earned enough credits to qualify for disability benefits. If you became disabled right now, your Social Security benefits are temporary. If you qualify, you can receive Social Security benefits starting as early as age 50 (as long as you have earned enough credits). If you become disabled after the early eligibility age (EEA), your benefit will be lower than what you would get if you waited until full retirement age. To find out more, visit ssa.gov/socialsecurity/benefits/disability.

Survivors Benefits
You have earned enough credits for your eligible family members to receive survivors benefits. If you die, members of your family may qualify for monthly benefits include:
• Minor child: $2,129
• Spouse, if caring for a disabled child or child younger than age 16: $2,129

Exclusions
Total family benefits cannot be more than:
• $4,968

Your spouse or minor child may be eligible for an additional onetime death benefit of $255.

We base benefit estimates on current law, which Congress has revised before and may revise again to address needed changes. Learn more about Social Security’s future at ssa.gov/ThereForMe.

Important Things to Know about Your Social Security Benefits
• Social Security benefits are not intended to be your only source of retirement income. You may need other savings, investments, pensions, or retirement accounts to make sure you have enough money when you retire.
• You need at least 10 years of work (40 credits) to qualify for retirement benefits. Your benefit amount is based on your highest 35 years of earnings. If you have fewer than 35 years of earnings, years without work count as zero and may reduce your benefit amount.
• We use cost of living adjustments so your benefits will keep up with inflation.
• The age you claim benefits will affect the benefit amount for your surviving spouse.
• If you get retirement or disability benefits, your spouse and children also may qualify for benefits.
• If you are divorced and were married for 10 years, you may be able to claim benefits on your ex-spouse’s record. If your divorced spouse receives benefits on your record, that does not affect your or your current spouse’s benefit amounts.
• When you apply for either retirement or spousal benefits, you may be required to apply for the other benefit as well.
• For more information about benefits for you and your family, visit ssa.gov/benefits/retirement/apply.
• When you are ready to apply, visit us at ssa.gov/benefits/retirement/apply.
• The Statement is updated annually. It is available upon request, either online or by mail.

Earnings Not Covered by Social Security
You may also have earnings from work not covered by Social Security. This work may have been for federal, state, or local government or in a foreign country.

Earnings Record
Review your earnings history below to ensure it is accurate. This is important because we base your future benefits on our record of your earnings. There’s a limit to the amount of earnings you pay Social Security taxes on each year. Earnings above the limit do not appear on your earnings record. We have combined your earlier years of earnings, but you can view them online with my Social Security. If you find an error view your full earnings record online and call 1-800-772-1213.

Form SSA-7005-SM-OL (05/21)

Visit ssa.gov/myaccount

Securing today and tomorrow

SSA.gov

Follow us on social media ssa.gov/socialmedia

www.ssa.gov
Your Retirement Benefit Estimate

The age that you start your benefits determines how much you receive each month.

We created estimates for you at three common retirement ages using your earnings information. You can also add your own custom estimates by changing your stop work age and future earnings.

<table>
<thead>
<tr>
<th>If you start your benefits:</th>
<th>And you earn an average of:</th>
<th>Your benefit will be about:</th>
</tr>
</thead>
<tbody>
<tr>
<td>At age 65</td>
<td>$45,000 a year (from now until age 65)</td>
<td>$1,434 a month</td>
</tr>
<tr>
<td>At full retirement (age 67)</td>
<td>$40,000 a year (from now until full retirement)</td>
<td>$1,525 a month</td>
</tr>
<tr>
<td>At age 70</td>
<td>$40,000 a year (from now until age 70)</td>
<td>$1,891 a month</td>
</tr>
<tr>
<td>At age 62</td>
<td>$40,000 a year (from now until age 62)</td>
<td>$1,040 a month</td>
</tr>
</tbody>
</table>

- Convenient, secure, and quick financial planning tool
- Immediate and accurate benefit estimates
- Create “What if” scenarios based on different ages and earnings

www.ssa.gov/myaccount
How You Qualify for Benefits

• You need to work to earn Social Security "credits"

• Each $1,730 in earnings gives you one credit

• You can earn a maximum of 4 credits per year

Example: To earn 4 credits in 2024, you must earn at least $6,920. Earning 40 credits (10 years of work) throughout your working life will qualify you for a retirement benefit.
How Social Security Determines Your Benefit

Social Security benefits are based on your lifetime earnings

- **Step 1** – We adjust or “index” your actual earnings to account for changes in average wages over time

- **Step 2** – We find your average indexed monthly earnings using the 35 years in which you earned the most (do not need to be consecutive and do not need to be most recent)

- **Step 3** – We apply a formula to your “average indexed monthly earnings” and arrive at your basic benefit or primary insurance amount
Your Age at the Time You Elect Retirement Benefits Affects the Amount

<table>
<thead>
<tr>
<th>Year of Birth</th>
<th>Full Retirement Age</th>
<th>% at age 62</th>
<th>% at age 70</th>
</tr>
</thead>
<tbody>
<tr>
<td>1943-1954</td>
<td>66</td>
<td>75.0%</td>
<td>132.00%</td>
</tr>
<tr>
<td>1955</td>
<td>66 + 2 months</td>
<td>74.2%</td>
<td>130.67%</td>
</tr>
<tr>
<td>1956</td>
<td>66 + 4 months</td>
<td>73.3%</td>
<td>129.33%</td>
</tr>
<tr>
<td>1957</td>
<td>66 + 6 months</td>
<td>72.5%</td>
<td>128.00%</td>
</tr>
<tr>
<td>1958</td>
<td>66 + 8 months</td>
<td>71.7%</td>
<td>126.67%</td>
</tr>
<tr>
<td>1959</td>
<td>66 + 10 months</td>
<td>70.8%</td>
<td>125.33%</td>
</tr>
<tr>
<td>1960 or later</td>
<td>67</td>
<td>70.0%</td>
<td>124.00%</td>
</tr>
</tbody>
</table>

If You’re a Worker and Start Retirement Benefits

- At age 62, you get a permanent lower monthly payment
- At your full retirement age, you get your full benefit
- After your full retirement age, you get an even higher monthly payment for delaying

www.ssa.gov/benefits/retirement/planner/ageincrease.html
## You Can Work and Receive Benefits

<table>
<thead>
<tr>
<th>If You Are</th>
<th>You Can Make Up To</th>
<th>If You Make More, Some Benefits Will Be Withheld</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under FRA* in 2024</td>
<td>$22,320/yr. ($1,860/mo.)</td>
<td>$1 for every $2</td>
</tr>
<tr>
<td>Turning FRA in 2024</td>
<td>$59,520/yr. ($4,960/mo.)</td>
<td>$1 for every $3</td>
</tr>
<tr>
<td>Month You Attain Full Retirement Age &amp; Continuing</td>
<td>No Limit</td>
<td>No Limit</td>
</tr>
</tbody>
</table>

*FRA = Full Retirement Age

**Note:** If some of your retirement benefits are withheld because of your earnings, your benefits will be increased starting at your full retirement age to take into account those months in which benefits were withheld.
Earnings Test Calculator
www.ssa.gov/OACT/COLA/RTeffect.html

Retirement Earnings Test Calculator

Automatic Determinations

Complete the form to see the effect of the Retirement Earnings Test on retirement benefits.

Please note that the retirement earnings test always uses the normal (full) retirement age applicable to retired workers.

Exempt amounts under the Retirement Earnings Test

Enter your date of birth: Month 6 Day 2 Year 1954

Your estimated earnings: $ 32000

If you reach your normal (or full) retirement age this year, enter only those earnings made prior to the month you reach this age. The retirement earnings test does not apply once you reach normal retirement age.

Your estimated monthly benefit: $ 1355 (before application of the retirement test)

Is the current year the first year you are receiving benefits?

☐ Yes ☐ No

Note: special rules apply in the first year you retire.

Submit request Reset
Special Payments After Retirement

Bonuses, Vacation Pay, Commissions, Sick Pay, Insurance Commissions, Carryover Crops, and Other Special Payments

What are “special payments”?
After you retire, you may receive payments for work you did before you started to receive Social Security benefits. Usually, those payments will not affect your Social Security benefit if they are for work done before you retired. This fact sheet describes some of the more common types of special payments, helps you to decide if you received any, and tells you what steps to take if you did.

What qualifies as a special payment?
If you worked for wages, income received after retirement counts as a special payment. This applies if the last task you did to earn the payment was completed before you stopped work. Some special payments to employees include bonuses, accumulated vacation or sick pay, severance pay, back pay, standby pay, sales commissions, and retirement payments. Another example of a special payment is deferred compensation reported on a W-2 form for 1 year but earned in a previous year. These amounts may be on your W-2 in the box labeled “Nonqualified Plan.”

How do earnings limits affect benefits?
If a person who gets Social Security retirement benefits is younger than their full retirement age, there are limits to how much they can earn from work before it affects their benefits. Your full retirement age varies based on the year you were born. You can visit www.ssa.gov/benefits/retirement/planner/ageincrease.html to find your full retirement age. We reduce benefits, if earnings exceed certain limits.

- If you are younger than your full retirement age, we deduct $1 in benefits for each $2 you earn above the earnings limit. In 2024, the limit is $22,320.
- In the year you reach your full retirement age, we reduce your benefits $1 for every $3 you earn above the earnings limit. In 2024, the limit is $59,520.
- Starting with the month you reach full retirement age you can receive full benefits no matter how much money you earn.

If you think you received a special payment
Other Benefits on the Retiree’s Record

www.ssa.gov/benefits/retirement/planner/applying7.html

Your Child

• Not married-under 18 (under 19 if still in high school)
• Not married and disabled before age 22

Your Spouse

• Age 62 or older
• At any age, if caring for a child under age 16 or disabled
Spouse’s Benefit Computation

www.ssa.gov/benefits/retirement/planner/applying7.html#h2

50% - Spousal benefits

You could be entitled up to half of your spouse's benefit.

• Benefit is 50% of worker’s unreduced benefit

• Permanent Reduction for early retirement

• If spouse’s own benefit is less than 50% of the worker’s, the benefits are combined

• Does not reduce payment to worker
Divorced Spouse’s Benefits
www.ssa.gov/benefits/retirement/planner/applying7.html#h4

- Marriage lasted at least 10 years
- Be unmarried at the time of filing
- Ex-spouse 62 or older
- Divorced at least two years and you and your ex-spouse are at least 62, you can get benefits even if ex-spouse is not receiving benefits
- Ex-spouse’s benefit amount has no effect on the amount the worker or the worker’s current spouse can receive
Deemed Filing Rules
www.ssa.gov/benefits/retirement/planner/claiming.html

For those born BEFORE January 2, 1954

At your full retirement age, you can choose to receive only spouse’s benefits and delay receiving your retirement benefit until a later date.

For those born on January 2, 1954 or LATER

You do not have the option of filing for just spouse’s benefits. If you file for spouse’s benefits, you must also file for retirement benefits.

Basically, you file for one benefit and you will be effectively filing for all retirement or spousal benefits.
Survivor Benefits
www.ssa.gov/benefits/survivors

Widow or Widower:

• Full benefits at full retirement age
• Reduced benefits at age 60
  If disabled as early as age 50
• At any age if caring for child under
  16 or disabled
• Remarriage after age 60
  (50 if disabled) is protected
• Divorced widows/widowers
  may qualify

Your Child if:

• Not married under age 18
  (under 19 if still in high school)
• Not married and disabled
  before age 22
100% - Survivor benefit

You could be entitled up to 100% of your deceased spouse’s (divorced spouse’s) benefit

• You will be entitled up to 100% of a deceased spouse's (divorced spouse’s) benefit or your own, *whichever benefit is higher*

• At full retirement age, 100% of deceased worker’s benefit

• At age 60, **71.5%** of deceased worker’s benefit
  (remember there is a permanent reduction for starting benefits early)

• Option to reduced benefits on one record and switch to other record later
Social Security Benefits and Taxation

**Combined income is:**

- Your adjusted gross income + Nontaxable interest + \( \frac{1}{2} \) of your Social Security = Your “Combined Income”

If you file as an “**individual**” and your combined income ** is:

- Between $25,000 and $34,000, you have to pay income tax on up to 50% of your benefits.
- More than $34,000, up to 85% of your benefits may be taxable.

If you file a “**joint return**” and your combined income ** is:

- Between $32,000 and $44,000, you have to pay income tax on up to 50% of your benefits.
- More than $44,000, up to 85% of your benefits may be taxable.
2024 Retirement Benefit Formula

If your average monthly earnings are = $7,500
Then your full monthly benefit would be = $3,009

90% of First................................................................. $1,174 = $1,057

32% of Earnings over $1,174 through $7,078....... $5,904 = $1,889
($7,078-$1,174 = $5,904)

15% of Earnings over $7,078.............................. $422 = $63
($7,500-$7,078 = $422)

$7,500 = $3,009

*Payments rounded to whole dollar amounts
When part of your pension is from work not covered by Social Security two laws may affect your Social Security benefit amount:

- **Windfall Elimination Provision (WEP)** applies when you have at least 40 Social Security credits and you are eligible for Social Security benefits on your own work record.

- **Government Pension Offset (GPO)** applies only to Social Security spouse or widow(er)’s benefits.
Applying for Benefits

Online [www.ssa.gov](http://www.ssa.gov)

By phone 1-800-772-1213
If deaf or hard of hearing, call Social Security’s TTY number, 1-800-325-0778.

Local office information ([www.ssa.gov/locator](http://www.ssa.gov/locator))

*You choose the most convenient option for you!*

- You can apply for benefits three months before you want your payments to start.
- Benefits are paid the month after they are due.  
  (Go to [https://www.ssa.gov/pubs/EN-05-10031.pdf](https://www.ssa.gov/pubs/EN-05-10031.pdf) for a payment calendar)

**Note:** Child and survivor claims can only be done by phone or in a field office (not online)
What should I do if I get a call claiming there's a problem with my Social Security number or account?
Disclaimer

This information is current at the time of the presentation, but Social Security policy is subject to change. Please visit SSA.gov for up-to-date information on our programs.
Q&A Session

Note: This event is public. Please do not share any personal information, such as dates of births or social security numbers, about yourself or others during the event.
IU HUMAN RESOURCES

askhr@iu.edu
812-856-1234
hr.iu.edu