



Fact Sheet

SOCIAL SECURITY

2015 SOCIAL SECURITY CHANGES

o **Cost-of-Living Adjustment (COLA):**

Based on the increase in the Consumer Price Index (CPI-W) from the third quarter of 2013 through the third quarter of 2014, Social Security and Supplemental Security Income (SSI) beneficiaries will receive a 1.7 percent COLA for 2015. Other important 2015 Social Security information is as follows:

| | <u>2014</u> | <u>2015</u> |
|---------------------------|-------------|-------------|
| o <u>Tax Rate:</u> | | |
| Employee | 7.65% | 7.65% |
| Self-Employed | 15.30% | 15.30% |

NOTE: The 7.65% tax rate is the combined rate for Social Security and Medicare. The Social Security portion (OASDI) is 6.20% on earnings up to the applicable taxable maximum amount (see below). The Medicare portion (HI) is 1.45% on all earnings. Also, as of January 2013, individuals with earned income of more than \$200,000 (\$250,000 for married couples filing jointly) pay an additional 0.9 percent in Medicare taxes. The tax rates shown above do not include the 0.9 percent.

o **Maximum Taxable Earnings:**

| | | |
|------------------------------|---------------|-----------|
| Social Security (OASDI only) | \$117,000 | \$118,500 |
| Medicare (HI only) | N o L i m i t | |

o **Quarter of Coverage:**

| | | |
|--|---------|---------|
| | \$1,200 | \$1,220 |
|--|---------|---------|

o **Retirement Earnings Test Exempt Amounts:**

| | | |
|---------------------------|-------------------------------|-------------------------------|
| Under full retirement age | \$15,480/yr. (\$1,290/mo.) | \$15,720/yr. (\$1,310/mo.) |
|---------------------------|-------------------------------|-------------------------------|

NOTE: One dollar in benefits will be withheld for every \$2 in earnings above the limit.

| | | |
|----------------------------------------------------|-------------------------------|-------------------------------|
| The year an individual reaches full retirement age | \$41,400/yr. (\$3,450/mo.) | \$41,880/yr. (\$3,490/mo.) |
|----------------------------------------------------|-------------------------------|-------------------------------|

NOTE: Applies only to earnings for months prior to attaining full retirement age. One dollar in benefits will be withheld for every \$3 in earnings above the limit.

There is no limit on earnings beginning the month an individual attains full retirement age.

o **Social Security Disability Thresholds:**

Substantial Gainful Activity (SGA)

| | | |
|-------------------------|-------------|-------------|
| Non-Blind | \$1,070/mo. | \$1,090/mo. |
| Blind | \$1,800/mo. | \$1,820/mo. |
| Trial Work Period (TWP) | \$ 770/mo. | \$ 780/mo. |

o **Maximum Social Security Benefit: Worker Retiring at Full Retirement Age:**

| | | |
|--|-------------|-------------|
| | \$2,642/mo. | \$2,663/mo. |
|--|-------------|-------------|

o **SSI Federal Payment Standard:**

| | | |
|------------|-------------|-------------|
| Individual | \$ 721/mo. | \$ 733/mo. |
| Couple | \$1,082/mo. | \$1,100/mo. |

o **SSI Resources Limits:**

| | | |
|------------|---------|---------|
| Individual | \$2,000 | \$2,000 |
| Couple | \$3,000 | \$3,000 |

o **SSI Student Exclusion:**

| | | |
|---------------|---------|---------|
| Monthly limit | \$1,750 | \$1,780 |
| Annual limit | \$7,060 | \$7,180 |

o **Estimated Average Monthly Social Security Benefits Payable in January 2015:**

| | <u>Before 1.7% COLA</u> | <u>After 1.7% COLA</u> |
|-----------------------------------------------------|------------------------------------|-----------------------------------|
| All Retired Workers | \$1,306 | \$1,328 |
| Aged Couple, Both Receiving Benefits | \$2,140 | \$2,176 |
| Widowed Mother and Two Children | \$2,635 | \$2,680 |
| Aged Widow(er) Alone | \$1,253 | \$1,274 |
| Disabled Worker, Spouse and One or More Children | \$1,943 | \$1,976 |
| All Disabled Workers | \$1,146 | \$1,165 |