



# Fact Sheet

## SOCIAL SECURITY

### 2009 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 2007 through the third quarter of 2008, Social Security and Supplemental Security Income (SSI) beneficiaries will receive a 5.8 percent COLA for 2009. Other important 2009 Social Security information is as follows:

	<u>2008</u>	<u>2009</u>
o <b><u>Tax Rate:</u></b>		
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.

o **Maximum Taxable Earnings:**

Social Security (OASDI only)	\$102,000	\$106,800
Medicare (HI only)	No Limit	

o **Quarter of Coverage:**

Earnings needed to earn one Social Security Credit	\$1,050	\$1,090
--	---------	---------

o **Retirement Earnings Test Exempt Amounts:**

Under full retirement age	\$13,560/yr. (\$1,130/mo.)	\$14,160/yr. (\$1,180/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	\$36,120/yr. (\$3,010/mo.)	\$37,680/yr. (\$3,140/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	\$ 940/mo.	\$ 980/mo.
Blind	\$1,570/mo.	\$1,640/mo.
Trial Work Period (TWP)	\$ 670/mo.	\$ 700/mo.

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

	\$2,185/mo.	\$2,323/mo.
--	-------------	-------------

o **SSI Federal Payment Standard:**

Individual	\$637/mo.	\$674/mo.
Couple	\$956/mo.	\$1,011/mo.

o **SSI Resources Limits:**

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

o **SSI Student Exclusion:**

Monthly limit	\$1,550	\$1,640
Annual limit	\$6,240	\$6,600

o **Estimated Average Monthly Social Security Benefits Payable in January 2009:**

	<b><u>Before 5.8% COLA</u></b>	<b><u>After 5.8% COLA</u></b>
All Retired Workers	\$1,090	\$1,153
Aged Couple, Both Receiving Benefits	\$1,773	\$1,876
Widowed Mother and Two Children	\$2,268	\$2,399
Aged Widow(er) Alone	\$1,051	\$1,112
Disabled Worker, Spouse and One or More Children	\$1,695	\$1,793
All Disabled Workers	\$ 1,006	\$1,064