



# Fact Sheet

## SOCIAL SECURITY

### 2016 SOCIAL SECURITY CHANGES

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

Monthly Social Security and Supplemental Security Income (SSI) benefits will not automatically increase in 2016 as there was no increase in the Consumer Price Index (CPI-W) from the third quarter of 2014 to the third quarter of 2015. Other important 2016 Social Security information is as follows:

	<u>2015</u>	<u>2016</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. 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)	\$118,500	\$118,500*
Medicare (HI only)	N o L i m i t	

o <b><u>Quarter of Coverage:</u></b>	\$1,220	\$1,260
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o **Retirement Earnings Test Exempt Amounts:**

Under full retirement age	\$15,720/yr. (\$1,310/mo.)	\$15,720/yr.* (\$1,310/mo.)
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NOTE: One dollar in benefits will be withheld for every \$2 in earnings above the limit.

The year an individual reaches full retirement age	\$41,880/yr. (\$3,490/mo.)	\$41,880/yr.* (\$3,490/mo.)
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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	\$1,090/mo.	\$1,130/mo.
Blind	\$1,820/mo.	\$1,820/mo.*
Trial Work Period (TWP)	\$ 780/mo.	\$ 810/mo.

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

\$2,663/mo.	\$2,639/mo.**
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o **SSI Federal Payment Standard:**

Individual	\$ 733/mo.	\$ 733/mo.*
Couple	\$1,100/mo.	\$1,100/mo.*

o **SSI Resources Limits:**

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

o **SSI Student Exclusion:**

Monthly limit	\$1,780	\$1,780*
Annual limit	\$7,180	\$7,180*

o **Estimated Average Monthly Social Security Benefits Payable in January 2016:**

All Retired Workers	\$1,341
Aged Couple, Both Receiving Benefits	\$2,212
Widowed Mother and Two Children	\$2,680
Aged Widow(er) Alone	\$1,285
Disabled Worker, Spouse and One or More Children	\$1,983
All Disabled Workers	\$1,166

\* Because there is no COLA, by law these amounts remain unchanged in 2016.

\*\* A decrease in full maximum benefits occurs when there is no COLA, but there is an increase in the national average wage index.