



# Social Security

## A "Snapshot"

[www.socialsecurity.gov](http://www.socialsecurity.gov)

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This publication provides a snapshot of the most important features of the Social Security, Supplemental Security Income (SSI) and Medicare programs. You can find specific information about these programs, including our publications, by visiting [www.socialsecurity.gov](http://www.socialsecurity.gov) on the Internet.

## Your Social Security number

The benefits you receive from Social Security are based on the earnings your employer (or you, if you are self-employed) reported using your Social Security number. So it is important that you always use the correct Social Security number. Also, you should make sure the name you use at work is the same as the name shown on your Social Security card. If you ever change your name, you should change your name on your Social Security card, too. Social Security does not charge for this service. You should get a Social Security number for your children as soon as they are born. You will need their numbers to claim them as dependents on your federal income tax return.

## Identity theft

Be careful with your Social Security card and number to prevent identity theft. Show your card to your employer when you start a job so your records are correct. Then, put it in a safe place. **DO NOT** carry your card with you.

## Make sure your records are accurate

It is critical that your name and Social Security number on your Social Security card agree with your employer's payroll records and W-2 form so that we can credit your earnings to your record. If your Social Security card is incorrect, contact any Social Security office to make changes. Check your W-2 form to make sure your employer's record is correct and, if it is not, give your employer the accurate information.

If you are a worker age 25 or older who is not receiving Social Security benefits, you receive a *Social Security Statement* every year which summarizes your earnings. Review this *Statement* to make sure that all your earnings are included. If your *Statement* does not include all your earnings, let your employer and Social Security office know about any incorrect information.

## Paying Social Security taxes

If you work for someone else, your employer withholds Social Security and Medicare taxes from your paycheck and sends those taxes to the Internal Revenue Service (IRS). Your employer also sends the IRS a matching amount equal to what was withheld from your paycheck. All of your earnings are reported to Social Security by your employer.

If you are self-employed, you pay all your Social Security and Medicare taxes when you file your tax return and the IRS reports your earnings to Social Security. You pay a rate equal to the combined employee/employer share, but there are special income tax deductions you can take that offset your taxes.

The Social Security and Medicare taxes you pay are not put in a special account for you. They are used to pay benefits for people getting benefits today, just as your future benefits will be paid for by future workers.

## Earning Social Security “credits”

As you work and pay Social Security taxes, you earn “credits” that count toward your eligibility for Social Security benefits (depending on your earnings, you can earn up to four credits each year). Most people need

10 years of work (40 credits) to qualify for benefits. Younger people need fewer credits to qualify for disability benefits or for their families to qualify for survivors benefits.

## Figuring Social Security benefits

Generally, your Social Security benefit is a percentage of your average lifetime earnings. Low-income workers receive a higher percentage of their average lifetime earnings than those in the upper income brackets. A worker with average earnings can expect a retirement benefit that replaces about 40 percent of his or her average lifetime earnings.

Social Security never was intended to be your only source of income when you retire or become disabled or your family's only income if you die. It is intended to supplement your savings, investments, pensions and insurance plans.

## Social Security benefits

Your Social Security taxes pay for three kinds of benefits: retirement, disability and survivors.

If you are eligible for retirement or disability benefits, other members of your family might receive benefits, too. These include: your spouse if he or

she is at least 62 years old or under 62 but caring for a child under age 16 or 16 and older but disabled and entitled to benefits on your record; and your children if they are unmarried and are under age 18, age 18 – 19 and attending elementary or high school full-time or 18 or older but disabled. If you are divorced, your ex-spouse could be eligible for benefits on your record.

## Retirement

We pay you benefits at full retirement age (with reduced benefits available as early as age 62) if you have worked long enough. If you were born before 1938, your full retirement age was 65. The full retirement age gradually rises until it reaches 67 for people born in 1960 or later. If you delay your retirement beyond full retirement age, you will get special credit for each month you do not take benefits until age 70. If you choose to delay your retirement past age 65, you still should file for Medicare within three months of your 65th birthday.

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## Disability

Benefits can be paid to you at any age if you have worked long enough and you have a severe physical or mental impairment that prevents you from working for a year or more or if you have a medical condition that is expected to result in your death. Do not delay filing until you have been out of work for a year as it can take several months to process a disability claim.

## Survivors

If you die before certain members of your family, some of your survivors may be eligible for benefits. These include widows, widowers (and divorced widows and widowers), children and dependent parents.

## Medicare

Health care benefits are provided under the four parts of Medicare. Medicare taxes you pay while working finance hospital insurance (Part A) that helps pay for inpatient hospital and skilled nursing care and other services. The other three parts of Medicare that are generally paid for by monthly premiums are: medical insurance (Part B) that helps pay for doctors' fees, out-patient hospital visits and other medical services and supplies; Medicare Advantage (Part C) plans that allow people with Parts A and B to receive all of their health care services

through one provider organization; and prescription drug coverage (Part D) that helps pay for medications doctors prescribe for treatment.

**NOTE:** *Regardless of your full retirement age, you are eligible for Medicare when you turn 65.*

## Supplemental Security Income

SSI makes monthly payments to people who have low incomes and few resources. To get SSI, you also must be 65 or older, blind or disabled. Children as well as adults may qualify for SSI disability payments.

The amount of SSI payments you can receive depends on your income, resources and where you live. The federal government pays a basic benefit and some states add money to that amount. Check with your local Social Security office for the SSI payment amount in your state. Generally, people who get SSI also can get Medicaid, food stamps and other assistance.

You do not have to have worked to get SSI payments. SSI payments are financed through general tax revenues, not through Social Security taxes.

## When and how to apply for Social Security or SSI

You should apply for benefits about three months before the date you want your benefits to start. If you are not quite



ready to retire, but are thinking about doing so in the near future, you may want to visit Social Security's website. If you already have enough Social Security credits to qualify for benefits, you can use our online Retirement Estimator at [\*\*www.socialsecurity.gov/estimator\*\*](http://www.socialsecurity.gov/estimator). The Retirement Estimator is a convenient, secure and quick financial planning tool that allows you to create your own personalized "what if" scenarios. If you do not already have enough credits to qualify for benefits, we have other benefit calculators at [\*\*www.socialsecurity.gov/planners\*\*](http://www.socialsecurity.gov/planners). You also can apply for your retirement benefits online at [\*\*www.socialsecurity.gov\*\*](http://www.socialsecurity.gov).

You should apply for Social Security or SSI disability benefits if you become too disabled to work. If a family wage earner dies, you should contact us to see if you and other family members are eligible for benefits.

When you file for benefits, you need to submit documents that show you are eligible, such as a birth certificate for each family member applying for benefits, a marriage certificate if your spouse is applying and your most recent W-2 form (or tax return if you are self-employed).

## Contacting Social Security

For more information and to find copies of our publications, visit our website at [www.socialsecurity.gov](http://www.socialsecurity.gov) or call toll-free, **1-800-772-1213** (for the deaf or hard of hearing, call our TTY number, **1-800-325-0778**). We treat all calls confidentially. We can answer specific questions from 7 a.m. to 7 p.m., Monday through Friday. We can provide automated phone service 24 hours a day.

We also want to make sure you receive accurate and courteous service. That is why we have a second Social Security representative monitor some telephone calls.



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