



2013 Social Security Changes

Cost-of-Living Adjustment (COLA):

Based on the increase in the Consumer Price Index (CPI-W) from the third quarter of 2011 through the third quarter of 2012, Social Security and Supplemental Security Income (SSI) beneficiaries will receive a 1.7 percent COLA for 2013. Other important 2013 Social Security information is as follows:

	<u> 2012</u>	<u>2013</u>
Tax Rate:		
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.

Maximum Taxable Earnings:

Social Security (OASDI only) \$110,100 \$113,700

Medicare (HI only) No Limit

Quarter of Coverage:

\$1,130 \$1,160

Retirement Earnings Test Exempt Amounts:

Under full retirement age \$14,640/yr. \$15,120/yr. (\$1,220/mo.) (\$1,260/mo.)

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

^{*}The Temporary Payroll Tax Cut Continuation Act of 2011 reduced the Social Security payroll tax rate by 2% on the portion of the tax paid by the worker through the end of February 2012. The Middle Class Tax Relief and Job Creation Act of 2012 extended the reduction through the end of 2012. Under current law, this temporary reduction expires at the end of December 2012.

The year an individual reaches full	\$38,880/yr.	\$40,080/yr.
retirement age	(\$3,240/mo.)	(\$3,340/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.

Social Security Disability Thresholds:

Substantial Gainful Activity (SGA)

Non-Blind	\$1,010/mo.	\$1,040/mo.
Blind	\$1,690/mo.	\$1,740/mo.
Trial Work Period (TWP)	\$ 720/mo.	\$ 750/mo.

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

\$2,513/mo. \$2,533/mo.

SSI Federal Payment Standard:

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Individual	\$698/mo.	\$710/mo.
Couple	\$1,048/mo.	\$1,066/mo.
SSI Resources Limits:		
Individual	\$2,000	\$2,000
Couple	\$3,000	\$3,000
SSI Student Exclusion:		

Monthly limit	\$1,700	\$1,730
Annual limit	\$6,840	\$6,960

Estimated Average Monthly Social Security Benefits Payable in January 2013:

	Before 1.7% COLA	After 1.7% COLA
All Retired Workers	\$1,240	\$1,261
Aged Couple, Both Receiving Benefits	\$2,014	\$2,048
Widowed Mother and Two Children	\$2,549	\$2,592
Aged Widow(er) Alone	\$1,194	\$1,214

Disabled Worker, Spouse and One or More Children	\$1,887	\$1,919
All Disabled Workers	\$1,113	\$1,132