



Fact Sheet

SOCIAL SECURITY

2008 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 2006 through the third quarter of 2007, Social Security and Supplemental Security Income (SSI) beneficiaries will receive a 2.3 percent COLA for 2008. Other important 2008 Social Security information is as follows:

	<u>2007</u>	<u>2008</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.

o **Maximum Taxable Earnings:**

Social Security (OASDI only)	\$97,500	\$102,000
Medicare (HI only)	No Limit	

o **Quarter of Coverage:**

	\$1,000	\$1,050
--	---------	---------

o **Retirement Earnings Test Exempt Amounts:**

Under full retirement age	\$12,960/yr. (\$1,080/mo.)	\$13,560/yr. (\$1,130/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	\$34,440/yr. (\$2,870/mo.)	\$36,120/yr. (\$3,010/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	\$ 900/mo.	\$ 940/mo.
Blind	\$1,500/mo.	\$1,570/mo.
Trial Work Period (TWP)	\$ 640/mo.	\$ 670/mo.

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

	\$2,116/mo.	\$2,185/mo.
--	-------------	-------------

o **SSI Federal Payment Standard:**

Individual	\$623/mo.	\$637/mo.
Couple	\$934/mo.	\$956/mo.

o **SSI Resources Limits:**

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

o **SSI Student Exclusion:**

Monthly limit	\$1,510	\$1,550
Annual limit	\$6,100	\$6,240

o **Estimated Average Monthly Social Security Benefits Payable in January 2008:**

	<u>Before 2.3% COLA</u>	<u>After 2.3% COLA</u>
All Retired Workers	\$1,055	\$1,079
Aged Couple, Both Receiving Benefits	\$1,722	\$1,761
Widowed Mother and Two Children	\$2,192	\$2,243
Aged Widow(er) Alone	\$1,017	\$1,041
Disabled Worker, Spouse and One or More Children	\$1,652	\$1,690
All Disabled Workers	\$ 981	\$1,004