The term “notch” refers to Social Security benefits paid to people born between 1917 and 1921. The notch resulted from a 1972 change in the Social Security law that provided an annual automatic cost-of-living adjustment (COLA) for benefits. The formula used to calculate the COLA was flawed, and the benefit levels actually rose faster than the rate of inflation. Before the Congress corrected this error in 1977, the benefits for many people born between 1910 and 1916 were calculated using the flawed benefit formula, and they received an unintended windfall from Social Security.

When the Congress fixed the mistake, it wanted to avoid an abrupt change for those who were about to retire, so it provided a transition period. Therefore, when Social Security benefits are calculated for people born between 1917 and 1921, two computations are used. One calculation uses the new (and correct) 1977 formula, and the other uses a special transition formula. Benefits are based on whichever calculation pays the higher benefit. Benefits for everyone born in 1922 and later are calculated using only the new and correct 1977 formula which generally results in lower benefits than those computed using the “notch” calculation method.

Contacting Social Security

For more information, visit our website at 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 can answer specific questions and provide information by automated phone service 24 hours a day.

We treat all calls confidentially. 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.