



Agreement Between the United States and Uruguay

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Introduction

Effective November 1, 2018, an agreement between the United States and Uruguay improves social security protection for people who work or have worked in both countries. It helps many people who, without the agreement, would not be eligible for monthly retirement, disability, or survivors benefits under the social security system of one or both countries. It also helps people who would otherwise have to pay social security taxes to both countries on the same earnings.

For the **United States**, the agreement covers Social Security taxes (including the U.S. Medicare portion) and Social Security retirement, disability, and survivors benefits. It does **not** cover benefits under the U.S.

Medicare program or the Supplemental Security Income program.

For **Uruguay**, the agreement covers the laws governing benefits paid on account of old-age, disability, and death under the different schemes governing social insurance in Uruguay.

This booklet covers highlights of the agreement and explains how it may help you **while you work** and **when you apply for benefits**.

The agreement may help you, your family, and your employer:

- **While you work** — If your work is covered by the U.S. and Uruguayan social security systems, you and your employer previously would have paid social security taxes to both countries on the same earnings. However, the agreement eliminates double

coverage so you pay taxes to only one country. The section titled “Eliminating dual coverage for employment” explains these rules. If you are self-employed, see the section titled “Eliminating dual coverage for self-employment.”

- **When you apply for benefits** — You may have some social security credits in both the United States and Uruguay, but not enough to qualify for benefits in one country or the other. The agreement makes it easier to qualify for benefits by letting you combine your social security credits in both countries. For more details, see the section on “Monthly benefits.”

Coverage and Social Security taxes

Eliminating dual coverage for employment

Before the agreement, both the United States and Uruguay, under certain circumstances, could require employers and employees to pay social security taxes to both countries on the same earnings.

Under the agreement, if you work as an employee in the United States, you and your employer will normally only pay Social Security taxes to the United States. If you work as an employee in Uruguay, you and your employer will normally only pay Uruguayan social security taxes.

On the other hand, if your employer sends you from one country to work for that employer or an

affiliate in the other country for five years or less, you and your employer will pay social security taxes only to the country from which your employer sent you, and you won’t pay social security taxes in the other country. For example, if a U.S. company sends an employee to work for that company or an affiliate in Uruguay for no more than five years, the employee and employer will continue to pay only U.S. Social Security taxes. They won’t pay social security taxes in Uruguay.

Eliminating dual coverage for self-employment

Under U.S. law, U.S. Social Security covers self-employed workers if they are U.S. citizens or U.S. resident aliens even if they live and work outside the United States. The agreement says that a person who is self-employed in one country and temporarily transfers his or self-employment activity to the other country will remain covered in the country from which he or she transferred the activity.

Summary of agreement rules

The following tables show whether the U.S. or the Uruguayan social security system covers your work as an employee. If U.S. Social Security covers your work, you and your employer must pay U.S. Social Security taxes. If the Uruguayan system covers your work, you and your employer must pay the required Uruguayan taxes. The next section explains how to get a form from one country to prove you are exempt from paying taxes to the other country.

Your Work Status	Coverage and taxes
You are working in Uruguay:	
<i>For a U.S. employer who:</i>	
• Sent you to work in Uruguay for five years or less	United States
• Sent you to work in Uruguay for more than five years	Uruguay
• Hired you in Uruguay	Uruguay
<i>For a non U.S. private employer</i>	Uruguay
<i>For the U.S. Government and you are a:</i>	
• U.S. national	United States (either Social Security or federal retirement program)
• Uruguayan national	Uruguay

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<i>You are working in the United States:</i>	
<i>For an employer in Uruguay who:</i>	
• Sent you to work in the United States for five years or less	Uruguay
• Sent you to work in the United States for more than five years	United States
• Hired you in the United States	United States
<i>For a non-Uruguayan private employer</i>	United States
<i>For the Uruguayan Government and you are a:</i>	
• Uruguayan national	Uruguay
• U.S. national	United States
<i>You are self-employed and you:</i>	
• Work only in the United States	United States
• Normally work in the United States but transfer your business activity To Uruguay for five years or less	United States
• Work only in Uruguay	Uruguay
• Normally work in Uruguay but transfer your business activity to the United States for five years or less	United States
<i>If this table does not seem to describe your situation and you are:</i>	
• Working in the United States	Write to the U.S. address (Office of Research Agreements, International Agreements, and Policy) shown in the section titled, "For more information."
• Working in Uruguay	Write to the Uruguayan address shown in the section titled, "For more information."

NOTE: As the table indicates, a U.S. worker assigned temporarily to Uruguay can be covered by U.S. Social Security only if he or she works for a **U.S. employer**. A U.S. employer includes a corporation organized under the laws of the United States or any state, a partnership if at least two-thirds of the partners are U.S. residents, a person who is a resident of the United States or a trust if all the trustees are U.S. residents. The term also includes a foreign affiliate of a U.S. employer if the U.S. employer has entered into an agreement with the Internal Revenue Service (IRS) under section 3121(l) of the Internal Revenue Code to pay Social Security taxes for U.S. citizens and residents employed by the affiliate.

Certificate of coverage for employment

A certificate of coverage issued by one country serves as proof of exemption from social security coverage and contributions on the same earnings to the other country.

U.S. certificates

To establish an exemption from compulsory coverage and taxes under the Uruguayan system, your employer must request a U.S. certificate of coverage (USA/UY-1) from this address:

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Social Security Administration

Office of Earnings and International Operations
P.O. Box 17741
Baltimore, MD 21235-7741
USA

Your employer and self-employed individuals may request a certificate of U.S. coverage over the internet using a special online request form available at opts.ssa.gov. If preferred, send the request by FAX to **410-966-1861**. Please note, use this FAX number **only** to request a U.S. certificate of coverage.

No special form is required to request a certificate but the request must be in writing and provide the following information:

- Full name of worker;
- Date and place of birth;
- Citizenship;
- Country of worker's permanent residence;
- U.S. Social Security Number;
- Uruguayan ID number;
- Date of hire;
- Country of hire;
- Name and address of the employer in the United States and Uruguay; and
- Date of transfer and anticipated date of return.

In addition, your employer must indicate if you will remain an employee of the U.S. company while working in Uruguay or if you will become an employee of the U.S. company's affiliate in Uruguay. If you will become an employee of the company's affiliate, your employer must indicate if the U.S. company has an agreement with the IRS under section 3121(l) of the Internal Revenue Code to pay U.S. Social Security taxes for U.S. citizens and residents the affiliate employs and, if so, the effective date of the agreement.

When we issue a certificate of U.S. coverage, we mail two copies (one for the employer and one for the employee) to the requesting employer. It is the employer's responsibility to present the certificate to the Uruguayan authorities when they ask for it.

Uruguayan certificates

To establish your exemption from paying U.S. Social Security taxes during temporary assignments in the United States, your employer in Uruguay must request a certificate of coverage (UY-1/USA) from Uruguay at the address below.

Banco de Previsión Social

Sector Convenios y Asuntos Internacionales
Colonia 1881 piso 6,
CP, 112000
Montevideo, Uruguay

To get a Uruguayan certificate of coverage, include the same information listed in the previous section that you would include for a U.S. certificate of coverage. It is important that you provide your Uruguayan ID number in your request. The employer in the United States should retain a copy of the Uruguayan certificate of coverage, in case of an audit by the IRS. Do **not** send a copy to the IRS. The IRS will specifically request a copy if it needs one.

Certificate of coverage for self-employed persons

If you're self-employed and would normally have to pay social security taxes to both the United States and the Uruguayan social security systems, you can apply for an exemption under the agreement from paying taxes in one of the two countries.

If you reside in the United States, the U.S. system will cover your self-employment activity (see table beginning on page 2). You can request a certificate of U.S. coverage by writing to us at the address listed above or sending a fax to **410-966-1861**. You can also request a certificate of U.S. coverage over the internet using a special online request form available at <https://opts.ssa.gov>.

If you reside in Uruguay, write to the Banco de Previsión Social. Be sure to include the following information in your letter.

- Full name of worker;
- Date and place of birth;
- Country of permanent residence;
- U.S. Social Security Number;

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- Uruguayan social security identification number (CPF or NIT);
- Nature of self-employment activity;
- Dates the activity was or will be performed; and
- Name and address of your trade or business in both countries.

Attach a photocopy of the certificate to your U.S. income tax return each year as proof of the exemption.

Effective date of coverage exemption

The certificate of coverage you receive from one country will show the effective date of your exemption from paying social security taxes to the other country. Generally, this will be the beginning date of your temporary assignment in the other country or the beginning date of your self-employment activity there. To avoid any difficulties, your employer (or you, if you are self-employed) should request a certificate of coverage as early as possible, preferably before your work in the other country begins.

If you or your employer requests a certificate of coverage, you should read the *Privacy Act* and *Paperwork Reduction Act* notices at the end of this booklet.

Monthly benefits

The following table shows the various social security benefits payable under the U.S. and

Uruguayan social security systems and briefly describes the eligibility requirements that normally apply for each type of benefit. If you do not meet the requirements for these benefits, the agreement may help you qualify.

This table is only a general guide. Get additional information about U.S. benefits by visiting Social Security’s website at www.socialsecurity.gov. You also can visit any U.S. Social Security office or call our toll-free number at **1-800-772-1213**. If you are deaf or hard of hearing, you may call our TTY number, **1-800-325-0778**.

You can get more information about the Uruguayan system by writing to the Banco de Previsión Social or visiting the INSS’s website at www.bps.gub.uy.

Under U.S. Social Security, you may earn up to four credits each year depending on the amount of your covered earnings. The amount needed to earn a work credit increases slightly each year. For more information, call our toll-free number, **1-800-772-1213** or visit our website, www.socialsecurity.gov and read our publication *How You Earn Credits* (Publication No. 05-10072).

The Uruguayan social security system measures periods of coverage in months. For example, three months of Uruguayan coverage is equal to one U.S. credit. For simplicity, the following table shows the amount of credits a person needs to qualify for a Uruguayan benefit in terms of years.

Old-Age and Retirement Benefits	
United States	Uruguay
<p>Worker — Full benefit at full retirement age.* Reduced benefit as early as age 62. Required work credits range from 6 to 40 (40 credits if age 62 in 1991 or later).</p>	<p>Worker — Full benefit at age 60 with a minimum of 30 years of contributions. Women receive one year credit (up to five years) if caring for biological or adopted child. Additional years credited to teachers and workers in hazardous occupations.</p> <p>Deferred benefit payable at age 70 with at least 15 years of contributions or reaching 25 years of contributions, whichever occurs first.</p>

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Disability Benefits	
United States	Uruguay
<p>Worker — Under full retirement age* can get benefit if unable to do any substantial gainful work for at least a year. Depending on age at date of onset, from 6 to 40 credits needed. Some recent work credits also needed unless worker is blind.</p>	<p>Worker — Must have a loss of at least 66 percent of working capacity and at least age 26, and have a minimum of 2 years of covered earnings (at least six months coverage immediately prior to disability onset.</p> <p>If disabled under age 26, the two-year minimum contribution is waived; six month requirement remains.</p> <p>If disability onset is a result of work activity, both coverage requirements waived.</p>

Family Benefits to Dependents of Retired or Disabled Persons	
United States	Uruguay
<p>Spouse — Full benefit at full retirement age* or at any age if caring for the worker's entitled child under age 16 (or disabled before age 22). Reduced benefit as early as age 62 if not caring for a child.</p>	<p>Spouse — No provision.</p>
<p>Divorced Spouse — Full benefit at full retirement age.* Reduced benefit as early as age 62. Must be unmarried and have been married to worker for at least 10 years.</p>	<p>Divorced Spouse — No provision.</p>
<p>Children — If unmarried, up to age 18 (age 19 if in an elementary or secondary school full time) or any age if disabled before age 22.</p>	<p>Children — No provision.</p>

**Full retirement age for people born 1943-1954 is age 66. The full retirement age increases gradually until it reaches age 67 for people born in 1960 or later.*

Survivor Benefits	
United States	Uruguay
<p>Widow or Widower — Full benefit at full retirement age* or at any age if caring for the deceased's entitled child under age 16 (or disabled before age 22). Reduced benefit as early as age 60 (or age 50 if disabled) if not caring for child. Benefits may continue if remarriage occurs after age 60 (or age 50 if disabled).</p> <p>Divorced Widow or Widower — Same as widow or widower if marriage lasted at least 10 years.</p> <p>Children — Same as for children of retired or disabled worker.</p>	<p>Widow(er) or partner — must have lived with the deceased for at least five years or had children with the deceased.</p> <p>Children — must be younger than age 18 (age 25, if a student, no limit if disabled).</p> <p>Dependent parents and dependent siblings with disability.</p> <p>Divorced spouses entitled to alimony at time of worker's death.</p> <p>Registered partners and disabled parents of the worker who were dependent on the worker at the time of his or her death.</p> <p><i>Deceased worker must have been working, receiving, or eligible to receive:</i></p> <ul style="list-style-type: none"> • Old-age; • Disability benefits; • Sickness; • Maternity; • Work injury; or • Unemployment benefits.
<p>Lump-Sum Death Benefit — A one-time payment not to exceed \$255 payable on the death of an insured worker.</p>	<p>Lump-Sum Death Benefit — No provision.</p>

**For U.S. Social Security benefits, full retirement age for people born 1943-1954 is age 66. The full retirement age increases gradually until it reaches age 67 for people born in 1960 or later.*

How each country pays benefits

If you have social security credits in both the United States and Uruguay, you may be eligible for benefits from one or both countries. If you meet all the basic requirements under one country's system, you will get a regular benefit from that country. If you do not meet the basic requirements, here is how the agreement may help you qualify for a benefit:

Benefits from the United States — If you don't have enough U.S. work credits to qualify for regular benefits, you may be able to qualify for a partial benefit from the United States with both U.S. and Uruguayan credits. However, for us to count your Uruguayan credits, you must have at least six credits (generally one-and-one half years of work) under the U.S. system. If

you already have enough credits under the U.S. system to qualify for a benefit, the United States cannot count your Uruguayan credits.

Benefits from Uruguay — If you don't have enough work credits under the Uruguayan system to qualify for benefits, Uruguay can count your credits under the U.S. Social Security system to help you qualify for Uruguayan benefits. There is no minimum work requirement for Uruguay to count U.S. credits.

How each country counts credits

You don't have to do anything for one country to count your credits in the other country. If we need to count your credits under the Uruguayan system to help you qualify for a U.S. benefit, we will get a copy of your Uruguayan record

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directly from Uruguay when you apply for the U.S. benefit. If Uruguayan officials need to count your U.S. credits to help you qualify for a Uruguayan benefit, they'll get a copy of your U.S. record directly from us when you apply for the Uruguayan benefit.

Although each country may count your credits in the other country, your credits do not actually transfer from one country to the other. They remain on your record in the country where you earned them. You can also use those credits to qualify for benefits there.

Computation of U.S. benefit under the agreement

When a U.S. benefit is payable because of credits you earned in the United States and Uruguay, we determine a theoretical benefit based on your U.S. earnings as if you completed your entire career under the U.S. Social Security system. Then, we reduce the theoretical benefit based on the number of Uruguayan credits we used to make the benefit payable. The amount of the reduction will depend on the number of U.S. credits you have. The more U.S. credits you earn, the smaller the reduction.

A Uruguayan benefit may affect your U.S. benefit

If you qualify for social security benefits from both the United States and Uruguay based on your own work and you did not need the agreement to qualify for either benefit, U.S. law may require us to reduce the amount of your U.S. benefit. For more information, call our toll-free number, **1-800-772-1213** or visit our website, www.socialsecurity.gov, and read our publication *Windfall Elimination Provision* (Publication No. 05-10045). If you are outside the United States, write to us at the address shown in the section titled, "For more information."

What you need to know about Medicare

Medicare is the U.S. national health insurance program for people who are age 65 or older or who are disabled. Medicare has four parts:

- Part A: Hospital insurance, which helps pay for inpatient hospital care and certain follow-up services;
- Part B: Medical insurance, which helps pay for doctors' services;
- Part C: Medicare Advantage plans are available in many areas. People with Medicare Parts A and B can receive all of their health care services through a provider organization under Part C; and
- Part D: Prescription drug coverage, which helps pay for medications doctors prescribe for medical treatment.

You are eligible for free hospital insurance at age 65 if you have worked long enough under the U.S. Social Security system to qualify for retirement benefits. People born in 1929 or later need 40 credits (about 10 years of covered work) to qualify for retirement benefits.

Although the agreement between the United States and Uruguay allows us to count your Uruguayan credits to help you qualify for U.S. retirement, disability or survivors benefits, the agreement does not cover Medicare benefits. As a result, we can't count your credits in Uruguay to establish entitlement to free Medicare hospital insurance.

For more information about Medicare, call our toll-free number, **1-800-772-1213**, or visit Medicare's website at www.medicare.gov. You can also visit our website at www.socialsecurity.gov and read our publication *Medicare* (Publication No. 05-10043).

Claims for benefits

If you live in the United States and want to apply for U.S. or Uruguayan benefits:

- Visit or write any U.S. Social Security office; or
- Phone our toll-free number, **1-800-772-1213**, 7 a.m. to 7 p.m. any business day. People who are deaf or hard of hearing may call our toll-free TTY number, **1-800-325-0778**.

You can apply for Uruguayan benefits at any U.S. Social Security office by completing the U.S. application Form SSA-2490-

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BK (*Application for Benefits Under a U.S. International Social Security Agreement*).

If you live in Uruguay and wish to apply for benefits, contact:

- The Federal Benefits Unit, U.S. Embassy, 4300 Columbia, 1425 Buenos Aires, Argentina (phone: **+506-2519-2228**, fax: **+5411-5777-4492**) to ask about U.S. benefits; or
- The Banco de Previsión Social to ask about Uruguayan benefits.

You can apply in one country and ask that country to consider your application as a claim for benefits from the other country. Each country will process your claim under its own laws, count credits from the other country as the agreement requires, and notify you of its decision.

If you have not applied for benefits before, you may need to provide certain information and documents when you apply. This may include:

- The worker's U.S. Social Security number;
- Uruguayan ID number;
- Proof of age for all claimants;
- Evidence of the worker's U.S. earnings in the past 24 months; and
- Information about the worker's coverage under the Uruguayan system.
- You may wish to call the social security office before you go there to see if you need to provide any other information.

Payment of benefits

Each country pays its own benefit. The U.S. Department of the Treasury makes U.S. payments each month that cover benefits for the preceding month. Under the Uruguayan system, the Uruguayan Social Insurance Bank makes payments each month.

Absence from U.S. territory

Generally, people who are not U.S. citizens may get U.S. Social Security benefits while outside the United States only if they meet certain requirements. However, under the agreement you can receive benefits as long as you live in Uruguay, regardless of your nationality. If you are not a U.S. or Uruguayan citizen and live in a country other than the United States or Uruguay, you may not be

able to receive benefits. The publication *Your Payments While You Are Outside the United States* (Publication No. 05-10137) explains the restrictions on U.S. benefits payments.

Appeals

If you disagree with the decision on your claim for benefits from either country, contact any U.S. or Uruguayan social security office. They can tell you what you need to do to appeal the decision.

The Uruguayan social security authorities will review your appeal if it affects your rights under the Uruguayan system. U.S. Social Security authorities will review your appeal if it affects your rights under the U.S. system. Since each country makes its own decisions independently of the other, a decision by one country on an issue may differ from the decision made by the other country on the same issue.

Authority to collect information for a certificate of coverage

Privacy Act Notice

Section 233 of the *Social Security Act* as amended [42 U.S.C. 433] authorizes us to collect this information. We will use the information you provide to determine if the U.S. system, in accordance with a social security agreement, covers your current work. The information you provide on this form is voluntary. However, failure to provide all or part of the requested information may prevent us from making an accurate and timely decision on your request for a certificate of coverage. Without the certificate, both the U.S. and the foreign social security systems may continue to cover and tax your earnings.

We rarely use the information you provide on this form for any purpose other than for the reasons explained above. However, we may use it for the administration and integrity of Social Security programs. We may also disclose information to another person or to another agency in accordance with approved routine uses, which include but are not limited to the following:

- To enable a third party or an agency to assist Social Security in establishing rights to Social Security benefits or coverage;

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- To comply with federal laws requiring the release of information from Social Security records (e.g., to the Government Accountability Office, General Service Administration, National Archives and Records Administration, and the Department of Veterans Affairs);
- To make determinations for eligibility in similar health and income maintenance programs at the federal, state, and local level; and
- To facilitate statistical research, audit, or investigate activities necessary to assure the integrity of Social Security programs.

We may also use the information you provide in computer matching programs. Matching programs compare our records with records kept by other federal, state, or local government agencies. We can use information from these matching programs to establish or verify a person's eligibility for federally funded or administered benefit programs and for overpayments or delinquent debts under these programs.

A complete list of routine uses for this information is available in our System of Records Notice entitled *Earnings Records and Self-Employment Income System* (Publication No. 60-0059). This notice, additional information regarding this form, and information regarding our programs and systems are available online at www.socialsecurity.gov or at any Social Security office.

Paperwork Reduction Act Notice

This information collection meets the clearance requirements of 44 U.S.C. Section 3507, as amended by Section 2 of the *Paperwork Reduction Act* of 1995. You don't need to answer these questions unless we display a valid Office of Management and Budget control number. We estimate that it will take you about 30 minutes to read the instructions, gather the necessary facts, and write down the information to request a certificate of coverage.

Contacting Social Security

Visit our website

The most convenient way to conduct Social Security business from anywhere at any time, is to visit www.socialsecurity.gov. There, you can:

- Apply for retirement, disability, and Medicare benefits;
- Find copies of our publications;
- Get answers to frequently asked questions; and
- So much more!

Call our toll-free number

If you don't have access to the internet, we offer many automated services by telephone, 24 hours a day, 7 days a week. If you're in the United States, call us toll-free at **1-800-772-1213** or at our TTY number, **1-800-325-0778**, if you're deaf or hard of hearing.

If you need to speak to a person, we can answer your calls from 7 a.m. to 7 p.m., Monday through Friday. We ask for your patience during busy periods since you may experience a higher than usual rate of busy signals and longer hold times to speak to us. We look forward to serving you.

For more information

To file a claim for U.S. or Uruguayan benefits under the agreement, follow the instructions in the section titled "Claims for benefits."

If you live outside the United States, write to:

Social Security Administration
 OEIO
 P.O. Box 17769
 Baltimore, MD 21235-7769
 USA

For more information about Uruguayan social security, write to:

Banco de Previsión Social
 Sector Convenios y Asuntos Internacionales
 Colonia 1881 piso 6,
 CP, 112000
 Montevideo, Uruguay

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If you **don't wish to file a claim for benefits**, but would like more information about the agreement, write to:

Social Security Administration

Office of Research Agreements, International Agreements, and Policy
4700 Annex Bldg.
6401 Security Blvd.
Baltimore, MD 21235-7741

For additional information, visit our website at [**www.socialsecurity.gov/international**](http://www.socialsecurity.gov/international).



Securing today
and tomorrow

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