



Fact Sheet

SOCIAL SECURITY

2020 SOCIAL SECURITY CHANGES

Cost-of-Living Adjustment (COLA):

Based on the increase in the Consumer Price Index (CPI-W) from the third quarter of 2018 through the third quarter of 2019, Social Security and Supplemental Security Income (SSI) beneficiaries will receive a 1.6 percent COLA for 2020. Other important 2020 Social Security information is as follows:

| Tax Rate | 2019 | 2020 |
|-----------------|-------------|-------------|
| 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. Also, as of January 2013, individuals with earned income of more than \$200,000 (\$250,000 for married couples filing jointly) pay an additional 0.9 percent in Medicare taxes. The tax rates shown above do not include the 0.9 percent.

| | 2019 | 2020 |
|--|-------------------------------|-------------------------------|
| Maximum Taxable Earnings | | |
| Social Security (OASDI only) | \$132,900 | \$137,700 |
| Medicare (HI only) | No Limit | |
| Quarter of Coverage | | |
| | \$1,360 | \$1,410 |
| Retirement Earnings Test Exempt Amounts | | |
| Under full retirement age | \$17,640/yr. (\$1,470/mo.) | \$18,240/yr. (\$1,520/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 | \$46,920/yr. (\$3,910/mo.) | \$48,600/yr. (\$4,050/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. | | |
| Beginning the month an individual attains full retirement age | None | |

| | 2019 | 2020 |
|---|-----------------------------|----------------------------|
| Social Security Disability Thresholds | | |
| Substantial Gainful Activity (SGA) | | |
| Non-Blind | \$1,220/mo. | \$1,260/mo. |
| Blind | \$2,040/mo. | \$2,110/mo. |
| Trial Work Period (TWP) | \$ 880/mo. | \$ 910/mo. |
| Maximum Social Security Benefit: Worker Retiring at Full Retirement Age | | |
| | \$2,861/mo. | \$3,011/mo. |
| SSI Federal Payment Standard | | |
| Individual | \$ 771/mo. | \$ 783/mo. |
| Couple | \$1,157/mo. | \$1,175/mo. |
| SSI Resource Limits | | |
| Individual | \$2,000 | \$2,000 |
| Couple | \$3,000 | \$3,000 |
| SSI Student Exclusion | | |
| Monthly limit | \$1,870 | \$1,900 |
| Annual limit | \$7,550 | \$7,670 |
| Estimated Average Monthly Social Security Benefits Payable in January 2020 | | |
| | Before 1.6% COLA | After 1.6% COLA |
| All Retired Workers | \$1,479 | \$1,503 |
| Aged Couple, Both Receiving Benefits | \$2,491 | \$2,531 |
| Widowed Mother and Two Children | \$2,888 | \$2,934 |
| Aged Widow(er) Alone | \$1,400 | \$1,422 |
| Disabled Worker, Spouse and One or More Children | \$2,141 | \$2,176 |
| All Disabled Workers | \$1,238 | \$1,258 |

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