



# Fact Sheet

## SOCIAL SECURITY

### 2018 SOCIAL SECURITY CHANGES

#### Cost-of-Living Adjustment (COLA):

Based on the increase in the Consumer Price Index (CPI-W) from the third quarter of 2016 through the third quarter of 2017, Social Security and Supplemental Security Income (SSI) beneficiaries will receive a 2.0 percent COLA for 2018. Other important 2018 Social Security information is as follows:

Tax Rate	2017	2018
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.

	2017	2018
<b>Maximum Taxable Earnings</b>		
Social Security (OASDI only)	\$127,200	\$128,400 <sup>1</sup>
Medicare (HI only)	No Limit	
<b>Quarter of Coverage</b>		
	\$1,300	\$1,320
<b>Retirement Earnings Test Exempt Amounts</b>		
Under full retirement age	\$16,920/yr. (\$1,410/mo.)	\$17,040/yr. (\$1,420/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	\$44,880/yr. (\$3,740/mo.)	\$45,360/yr. (\$3,780/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
---	------

	2017	2018
<b>Social Security Disability Thresholds</b>		
Substantial Gainful Activity (SGA)		
Non-Blind	\$1,170/mo.	\$1,180/mo.
Blind	\$1,950/mo.	\$1,970/mo.
Trial Work Period (TWP)	\$ 840/mo.	\$ 850/mo.
<b>Maximum Social Security Benefit: Worker Retiring at Full Retirement Age</b>		
	\$2,687/mo.	\$2,788/mo.
<b>SSI Federal Payment Standard</b>		
Individual	\$ 735/mo.	\$ 750/mo.
Couple	\$1,103/mo.	\$1,125/mo.
<b>SSI Resource Limits</b>		
Individual	\$2,000	\$2,000
Couple	\$3,000	\$3,000
<b>SSI Student Exclusion</b>		
Monthly limit	\$1,790	\$1,820
Annual limit	\$7,200	\$7,350
<b>Estimated Average Monthly Social Security Benefits Payable in January 2018</b>		
	<b>Before 2.0% COLA</b>	<b>After 2.0% COLA</b>
All Retired Workers	\$1,377	\$1,404
Aged Couple, Both Receiving Benefits	\$2,294	\$2,340
Widowed Mother and Two Children	\$2,717	\$2,771
Aged Widow(er) Alone	\$1,310	\$1,336
Disabled Worker, Spouse and One or More Children	\$2,011	\$2,051
All Disabled Workers	\$1,173	\$1,197

<sup>1</sup>This amount was updated per our November 27, 2017 press release titled, *Updated 2018 Taxable Maximum Amount Announced*.

## Social Security

**Employment Coverage Thresholds**

Automatic Determinations

**Coverage threshold definition**

Determinations of specific coverage thresholds:

Domestic employees

Election workers

Wage-indexed Amounts

A coverage threshold is an amount of earnings that triggers coverage under the Social Security program. Earnings *below* the threshold are not taxable under Social Security nor do such earnings count toward future benefits. For most wage earners, there is no coverage threshold; that is, every dollar of wages is covered and taxable.

Federal law requires specific coverage thresholds for self-employed workers, farm workers, domestic employees, and election workers. The thresholds for self-employed workers and farm workers are fixed amounts, but the thresholds for domestic employees and election workers change with changes in the national average wage index.

**Specific coverage thresholds for 2018**

For 2018, the domestic employee coverage threshold amount is \$2,100, and the coverage threshold amount for election officials and election workers is \$1,800. The table below shows the coverage thresholds for these two groups beginning with 1994.

**Coverage thresholds for domestic employees <sup>a</sup> and election officials/workers <sup>b</sup>**

Year	Domestic employees	Election workers	Year	Domestic employees	Election workers
1994	\$1,000	\$100	2009	\$1,700	\$1,500
1995	1,000	1,000	2010	1,700	1,500
1996	1,000	1,000	2011	1,700	1,500
1997	1,000	1,000	2012	1,800	1,500
1998	1,100	1,000	2013	1,800	1,600
1999	1,100	1,000	2014	1,900	1,600
2000	1,200	1,100	2015	1,900	1,600
2001	1,300	1,100	2016	2,000	1,700
2002	1,300	1,200	2017	2,000	1,800
2003	1,400	1,200	2018	2,100	1,800
2004	1,400	1,200			
2005	1,400	1,200			
2006	1,500	1,300			
2007	1,500	1,300			
2008	1,600	1,400			

<sup>a</sup> Prior to 1994, the threshold wage amount was \$50 per calendar quarter for domestic employees. For 1994 and later, the threshold applies to calendar year wages.

<sup>b</sup> The thresholds for election officials & workers apply to calendar year earnings.