

5 Social Security Changes Coming in 2015

Social Security recipients will receive 1.7 percent [bigger checks in 2015](#), the Social Security Administration announced today. And some groups of workers will begin receiving benefit statements in the mail with a list of taxes paid and an estimate of their future retirement benefit. Here's a look at the new Social Security benefits, taxes and services workers and retirees will experience in 2015:

Bigger payments. The 1.7 percent cost-of-living adjustment is expected to result in the typical retiree getting about \$22 more per month. This change will increase the average monthly benefit for retired workers in January 2015 from \$1,306 before the cost-of-living adjustment to \$1,328 after. The average benefit for retired couples who are both receiving benefits is projected to increase by \$36 to \$2,176 per month. Benefits will increase at the same rate for other groups covered by Social Security--including people with disabilities and families whose primary breadwinner has died--as well as the 6.3 million people who qualify for Supplemental Security Income payments, which go to the poor and disabled.

Social Security payments are [automatically adjusted each year](#) to keep up with inflation as measured by the Consumer Price Index for Urban Wage Earners and Clerical Workers. Previous cost-of-living adjustments have ranged from zero in 2010 and 2011 to 14.3 percent in 1980. The 1.7 percent increase retirees will receive in January is similar to the 1.5 percent adjustment for 2014 and 1.7 percent increase in 2013.

Higher tax cap. Most workers pay [6.2 percent of every paycheck](#) into the Social Security system until their earnings exceed the tax cap. The maximum taxable earnings will increase next year from \$117,000 in 2014 to \$118,500 in 2015. About 10 million of the 168 million workers who pay into Social

Security are expected to face higher taxes as a result of this change. People who earn more than the taxable maximum do not pay Social Security taxes on that amount or have those earnings factored into their future Social Security payments.

Larger earnings limits. Social Security beneficiaries who are under age 66 can earn as much as \$15,720 in 2015, before \$1 in benefits will be withheld for every \$2 earned above the limit. Retirees who will [turn 66 in 2015](#) and have signed up for Social Security can earn up to \$41,880 before every \$3 earned above the limit will result in one benefit dollar being withheld. However, once a retiree turns age 66 there is no limit on earnings and Social Security payments are recalculated to give the retiree credit for the withheld benefits.

The maximum benefit increases. The maximum possible [Social Security payment](#) for a worker who signs up at full retirement age will be \$2,663 per month in 2015, up \$21 from \$2,642 in 2014.

Your statement might be in the mail. If you will turn age 25, 30, 35, 40, 45, 50, 55 or 60 next year and don't have a Social Security online account, you can expect to receive a [paper Social Security statement](#) that lists your earnings history, taxes paid and expected benefit about 3 months before your birthday. And after age 60 workers will receive a statement annually. The SSA expects to send nearly 48 million Social Security statements each year. These mailings, which were sent annually to all workers age 25 and older between 1999 and 2011, were suspended in April 2011 to save money. Statements are also available online at any time via [socialsecurity.gov/myaccount](#), and 14 million people have created personalized accounts using this service.

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