

Monthly Information Package May 2017

Columns & Features

Produced at U.S. taxpayer expense.

Social Security Column

What you can teach your grandchild about social security

By Barbara Duckett

Social Security Public Affairs Specialist in Las Vegas, NV



One of the greatest gifts you can give a grandchild is the gift of financial literacy. Helping them save money early in life and showing them how to make wise spending decisions goes a long way toward a bright financial future. As they get older, they may want to save for special purchases or their college education. You can encourage them when they get their first job to begin saving for the future, including their retirement.

Planning for the Future with *my Social Security*

When you celebrate their graduation from high school, you can also remind them to set up a *my Social Security* account. They need to be age 18 or older, have a U. S. mailing address and a valid email address, and have a Social Security number. And while their retirement is many years away, you can explain the importance of reviewing their earnings record each year since Social Security uses the record of earnings to compute their future benefits. As they start their first major job and begin saving, they'll be able to monitor the growth of the estimates of benefits available to them. You can access *my Social Security* at www.socialsecurity.gov/myaccount.

Saving For Retirement with *myRA*

The U. S. Treasury recently introduced a retirement savings account for a simple, safe, and affordable way to save for retirement. It's perfect for people whose employer doesn't offer a savings plan. There are no costs or fees to open and maintain a *myRA* account. The account won't lose money and is backed by the U. S. Treasury. The individual chooses the amount to save. The account is portable and moves with them from job to job. The account owner can withdraw the money they put in without tax or penalty. You can learn more about *myRA* at www.myra.gov.

Share How Social Security Works

You can share your knowledge about Social Security with your young savers by explaining how the program works and how it has worked for you. About 96 percent of all Americans are covered by Social Security. Social Security is financed through workers' contributions, which are matched by their employers. We use the contributions to pay current benefits. Any unused money goes into a trust fund. Nearly all working people pay Social Security taxes and about 61 million people receive monthly Social Security benefits. About 42 million of those beneficiaries are retirees and their families. Encourage them to watch our Social Security 101 video at www.socialsecurity.gov/multimedia/webinars/social_security_101.html.

Share Your Retirement Stories

Social Security replaces about 40 percent of an average worker's income, but financial planners suggest that most retirees need about 70 percent to live comfortably in retirement. Americans need more than Social Security to achieve that comfortable retirement. They need private pensions, savings, and investments. That means starting to save early and monitoring your Social Security record for accuracy. You can share lessons from your own life about saving and planning for retirement. Remember, the best place anyone of any age can visit for quick, easy information about Social Security is www.socialsecurity.gov.

Your personal stories about how you prepared for retirement and what role Social Security plays can help them see what is needed for a secure financial future. Give them the gift of financial literacy today.

###

Social Security Column

Access social security online resources when you travel

By Barbara Duckett

Social Security Public Affairs Specialist in Las Vegas, NV



Social Security is here for you when you're traveling, whether it's just a state away or when you're abroad. When you open a personal and secure *my Social Security* account, you can access it on your terms. We put you in control of your finances and your future.

With *my Social Security*, you can:

- Request a replacement Social Security or Medicare card if you meet certain requirements;
- Check the status of your application or appeal.
- See your lifetime earnings on your Social Security Statement.
- Get a benefit verification letter stating that:
 - You receive retirement, disability, Supplemental Security Income (SSI), or Medicare benefits; or
 - You never received Social Security benefits, Supplemental Security Income (SSI) or Medicare; or
 - You received benefits in the past, but do not currently receive them. (The letter will include the date your benefits stopped and how much you received that year.); or
 - You applied for benefits but haven't received an answer yet.

There's a lot more you can do with your *my Social Security* account. We're always adding new features and resources to make your life easier and give you greater control over your benefits. Placing the "Application Status" feature behind our *my Social Security* portal provides a secure

service delivery channel that allows us to provide detailed status on your claim without requiring a confirmation number.

With the new Application Status, you can see:

- the Re-entry number for in-progress applications;
- detailed information about the current status of the application or appeal;
- the location where your claim is being processed; and
- scheduled hearing information for appeals.

Visit *my Social Security* to see what other personalized features are available to you at www.socialsecurity.gov/myaccount.

###

Social Security Column

Honoring our heroes on Memorial Day

By Barbara Duckett

Social Security Public Affairs Specialist in Las Vegas, NV



On Memorial Day, we honor the soldiers and service members who have given their lives for our nation. Social Security respects the heroism and courage of our military service members, and

we remember those who have given their lives in defense of freedom. Part of how we honor service members is the way we provide Social Security benefits.

The unexpected loss of a family member is a difficult experience for anyone. Social Security helps by providing benefits to protect service members' dependents. Widows, widowers, and their dependent children may be eligible for Social Security survivors benefits. You can learn more about Social Security survivors benefits at www.socialsecurity.gov/survivors.

It's also important to recognize those service members who are still with us, especially those who have been wounded. Just as they served us, we have the obligation to serve them. Social Security has benefits to assist veterans when an injury prevents them from returning to active duty.

Wounded military service members can also receive expedited processing of their Social Security disability claims. For example, Social Security will provide expedited processing of disability claims filed by veterans who have a U.S. Department of Veterans Affairs (VA) Compensation rating of 100 percent Permanent & Total (P&T). Depending on the situation, some family members of military personnel, including dependent children and, in some cases, spouses, may be eligible to receive benefits. You can get answers to commonly asked questions and find useful information about the application process at www.socialsecurity.gov/woundedwarriors.

Service members can also receive Social Security in addition to military retirement benefits. The good news is that your military retirement benefit does not reduce your Social Security retirement benefit. Learn more about Social Security retirement benefits at www.socialsecurity.gov/retirement. You may also want to visit the Military Service page of our Retirement Planner, available at www.socialsecurity.gov/planners/retire/veterans.html.

Service members are also eligible for Medicare at age 65. If you have health insurance from the VA or under the TRICARE or CHAMPVA programs, your health benefits may change, or end, when you become eligible for Medicare. Learn more about Medicare benefits at www.socialsecurity.gov/medicare.

In acknowledgment of those who died for our country, those who served, and those who serve today, we at Social Security honor and thank you.

###

Social Security Column

Social security helps small businesses

By Barbara Duckett
Social Security Public Affairs Specialist in Las Vegas, NV



Social Security is one of the cornerstones of financial security for the nation. So are small businesses. Millions of Americans own and operate small businesses, making the “mom and pop” shop — from retailers to restaurants — one of the nation’s most valuable resources. National Small Business Week started on April 30, making this a perfect time to tell you more about how Social Security helps this not-so-small industry.

Small businesses can take advantage of our Business Services Online suite of services. These services allow organizations, businesses, individuals, employers, attorneys, non-attorneys representing Social Security claimants, and third-parties to exchange information with Social Security securely over the internet. For small business owners, we’ve made it especially easy to file W-2s online to help ensure the privacy of their employees’ personal information. You can register and create your own password to access Business Services Online at www.socialsecurity.gov/bsa

Social Security’s Office of Small and Disadvantaged Business Utilization (OSDBU) was established in October 1979 pursuant to Public Law 95-507. The law assigned the office the task of fostering the use of small and disadvantaged businesses as federal contractors. To accomplish this, the OSDBU develops and implements appropriate outreach programs aimed at heightening the awareness of the small business community to the contracting opportunities available within Social Security.

Outreach efforts include activities such as sponsoring small business fairs and procurement conferences, as well as participating in trade group seminars, conventions, and other forums that promote the utilization of small and disadvantaged businesses as contractors.

The OSDBU encourages buyers and program officials to consider small businesses, and to support all the socio-economic contracting programs in place under the Federal Acquisition Regulations.

You can learn more about the OSDBU at www.socialsecurity.gov/agency/osdbu.

Business is booming in America, and you might be a part of the job-creating machine that we call small businesses. You're strengthening everybody's future, for today and tomorrow.

###

Social Security Column

Your social security tax supports millions

By Barbara Duckett

Social Security Public Affairs Specialist in Las Vegas, NV

What is FICA?

Securing today and tomorrow

FICA is a U.S. federal payroll tax. It stands for the **Federal Insurance Contributions Act** and is deducted from each paycheck.

Your nine-digit number helps Social Security accurately record your covered wages to self-employment. As you work and pay FICA taxes, you earn credits for Social Security benefits.

How much is coming out of my check?

6.2% of your gross wages goes to Social Security tax.*

1.45% of your gross wages goes to Medicare tax.*

*Your employer matches these percentages for a total of 15.3%.

An estimated 171 million workers are covered under Social Security.

FICA helps fund both Social Security and Medicare programs, which provide benefits for retirees, the disabled, and children.

Think about FICA like this...

The money you pay in taxes is not held in a personal account for you to use when you get benefits. Today's workers help pay for current retirees' and other beneficiaries' benefits. Any unused money goes to the Social Security trust funds to help secure today and tomorrow for you and your family.

Open a my Social Security account to see how your Social Security benefits grow over time.

SocialSecurity.gov

Produced at U.S. taxpayer expense

You are making America stronger through Social Security. Chances are, people you know and love benefit in some way from this social safety net. Retirees, Wounded Warriors, the disabled, and people who are chronically ill rely on Social Security for monthly benefits. The Social Security taxes you pay are helping millions of Americans — and financially securing your today and tomorrow.

By law, employers must withhold Social Security taxes from workers' paychecks. While usually referred to as "Social Security taxes" on an employee's pay statement, sometimes the deduction is labeled as "FICA." This stands for Federal Insurance Contributions Act, a reference to the original Social Security Act. In some cases, you will see "OASDI," which stands for Old Age Survivors Disability Insurance, the official name for the Social Security Insurance program.

The taxes you pay now mean a lifetime of protection — for a comfortable retirement in your senior years or in the event of disability. And when you die, your family (or future family) may be able to receive survivors benefits based on your work as well.

Social Security is fully funded through 2033. At that point, we'll be able to fund retirement benefits at 79 percent unless changes are made to the law. Social Security has evolved to meet the needs of a changing population — and you can count on Social security in the future.

If you're a long way from retirement, you may have a tough time seeing the value of benefit payments that could be many decades in the future. But keep in mind that the Social Security taxes you're paying can provide valuable disability or survivors benefits in the event the unexpected happens. Studies show that of today's 20-year-olds, about one in four will become disabled, and about one in eight will die, before reaching retirement.

Check out our webinar, "Social Security 101: What's in it for me?" The webinar explains what you need to know about Social Security. You can find it at www.socialsecurity.gov/multimedia/webinars/social_security_101.html.

If you'd like to learn a little more about Social Security and exactly what you're earning for yourself by paying Social Security taxes, take a look at our online booklet, *How You Earn Credits*, at www.socialsecurity.gov/pubs/10072.html.

You can also learn more at www.socialsecurity.gov.

###