

## 20 THINGS YOU MUST KNOW ABOUT YOUR SOCIAL SECURITY BENEFITS

**How big will my  
payouts be?**

Payouts will be reflected on the  
Social Security Administration's  
Benefit Statement....

**When can I start getting  
payouts?**

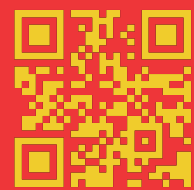
The earliest you can start  
collecting Social Security  
retirement benefits is age 62....

**How does Social  
Security Work?**

The program is based on  
contributions that workers make  
to the system....

# Bonus!

Scan the QR code to get  
your ebook copy of "20  
Important Facts You Must  
Know About Your Social  
Security!"



**WAKE THE**

**FICA UP!**  
T A K E A S T A N D

**CONVENIENCE COMES AT A COST!**

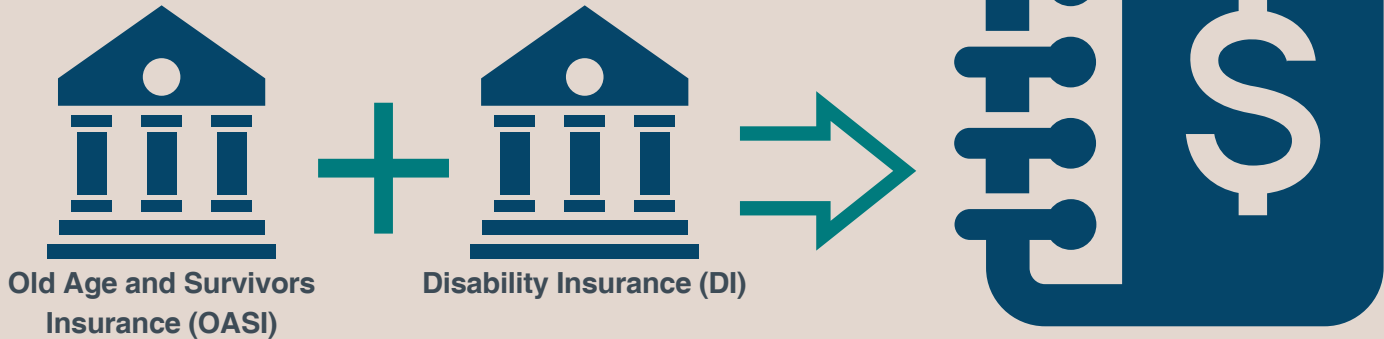
# Will Social Security Be There For Me?



Securing today and tomorrow

## Our Trust

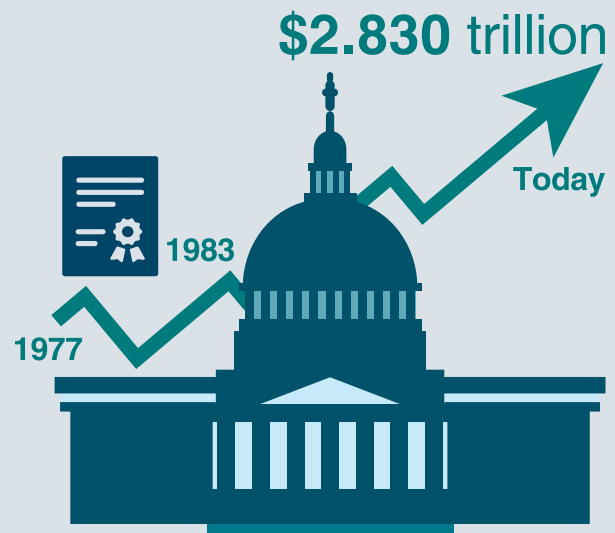
There are two Social Security trust funds.



We can only pay benefits if there is money in the trust funds.

## Transforming to Meet the Needs of Our Customers

The OASI and DI Trust Funds have reached the brink of depletion of asset reserves in the past.

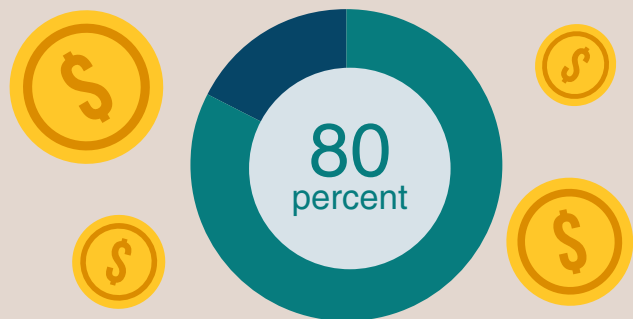


However, in 1977 and 1983, Congress made substantial changes to the program that resulted in the \$2.830 trillion in the trust funds today.

## Social Security in the Future



The combined OASI and DI Trust Funds will be able to pay all benefits in full and on time until 2034.



Even if legislative changes are not made before 2034, we'll still be able to pay 80 percent of each benefit due.

Social Security is with you through life's journey, securing today and tomorrow.



# THE COST OF SELF-CHECKOUT CONVENIENCE

1

The US government uses the **FEDERAL INSURANCE CONTRIBUTION ACT (FICA)** taxes to fund Social Security benefits.

2

The **FICA** payroll tax is money that employers, employees, and the self-employed pay into the Social Security system from their paychecks.

3

The US government takes this money and pays out retirement benefits to Social Security beneficiaries.

4

If the amount of money it would cost to pay Social Security beneficiaries is more than what is paid into **FICA**, then the government has to pull from the Social Security Trust Fund Reserves.

SCAN ME



5

When this happens, it leads to Social Security being defunded over time. It's time to Wake The **FICA** Up! Don't get bamboozled by the convenience of Artificial Intelligence. It's a major contributor to the defunding of Social Security!

To cover the cost of paying Social Security beneficiaries, due to the decreasing amount of money collected in FICA payroll taxes, Social Security estimates that it will deplete all \$3 Trillion in reserve funds over the next 7-11 years

Below are the Best and Worst Case Scenarios of the billions of dollars that will be spent each year from the reserves.

*\*In 2021 \$59 Billion was Defunded from Trust Fund*

## Best Case Scenario

\$47 billion – 2022  
\$56 billion – 2023  
\$84 billion – 2024  
\$108 billion – 2025  
\$123 billion – 2026  
\$146 billion – 2027  
\$170 billion – 2028  
\$194 billion – 2029  
\$219 billion – 2030  
\$245 billion – 2031  
\$272 billion – 2032  
\$300 billion – 2033  
\$329 billion – 2034  
Depleted – 2035

## Worst Case Scenario

\$76 billion – 2022  
\$143 billion – 2023  
\$167 billion – 2024  
\$203 billion – 2025  
\$232 billion – 2026  
\$273 billion – 2027  
\$318 billion – 2028  
\$363 billion – 2029  
\$410 billion – 2030  
Depleted – 2031

WAKE THE

**FICA UP!**  
TAKE A STAND

waketheFICAUp.org





# CONTENTS

TAKE A STAND



16

Will Social Security still exist when I retire?

## SOCIAL SECURITY

**05** | How does Social Security Work?

**05** | Does Social Security cover retirees only?

**06** | How does my work now equal benefits later?

**06** | Am I eligible for Social Security benefits?

**06** | How do I know I'm getting credit for the years I worked?

## ELIGIBILITY

**07** | What about my eligibility for Medicare benefits?

**07** | When can I start getting payouts?

**07** | Should I Wait Past Age 62 to Start Collecting?

**09** | How much will my payouts be if I collect at 62?

**12** | How much will my payouts be if I wait until 70?

## BENEFITS

**12** | Can I start collecting benefits if I'm still working?

**12** | What's the best age to start getting payouts?

**13** | How big will my payouts be?

**13** | What if I want to work part-time in retirement?

**14** | Will my spouse and kids receive benefits when I die?

## DISABILITY

**14** | How do Social Security disability payments work?

**15** | Will I get taxed on my Social Security Payouts?

**16** | How Does Social Security fit into my retirement plan?



17

Who Can Get Parent's Benefits & How Much Can A Parent Get?



# HOW DOES SOCIAL SECURITY WORK?

Social Security was established in 1935 by the **Social Security Act** to serve as a safety net for Americans when they get older.

Before that, support for the elderly wasn't a federal concern - it primarily fell to states, towns, and, of course, families. The program is based on contributions that workers make into the system. While you're employed, you pay

into Social Security; you then receive benefits later on, when it's your turn to retire.

Contributions take the form of the Federal Insurance Contributions Act (FICA) taxes that are withheld from most paychecks. Medicare benefits are commonly considered part of Social Security benefits, although technically **Medicare is a separate program**.

Medicare contributions are withheld from your paycheck in much the same way as your Social Security contributions; FICA taxes support Social Security and Medicare.

## DOES SOCIAL SECURITY COVER RETIREES ONLY?

Not at all. Disability and survivor benefits are included in the program. Contributions you make will provide insurance should you become disabled; they also may cover your adult child if he or she becomes disabled before age 22. And, assuming you worked enough to qualify for retirement benefits, your spouse and children can receive **Social Security survivor benefits** after you die.



# How Does My Work Now Equal Benefits Later?



You accumulate Credits based on your earnings. In 2023, you get one Credit for every \$1,640 you earn (that figure is adjusted higher each year), up to a limit of four Credits per year.

These Credits remain on your record even if you change jobs or stop working for a while. If you were born after 1929, you

need 40 Credits to receive Social Security retirement benefits.

## Am I Eligible for Social Security Benefits?

Yes, so long as you've worked for at least 10 years (for those born in 1929 or later).

Ten years is the minimum amount of time required to

earn the **mandatory 40 Credits**. However, even if you have accumulated your 40 Credits, you can't start getting payouts until you're 62 or older.

## How Do I know I'm Getting Credit for the Years I Worked?

Your online statement provides a record of

your earnings history, the number of credits you've accumulated to date, and an estimate of the retirement benefits available if you wait until full retirement age.

Because your benefits depend on your lifetime earnings, check the statement closely to ensure all the information is accurate.





# WHAT ABOUT MY ELIGIBILITY FOR MEDICARE BENEFITS?

You are eligible for **Medicare benefits** once you reach 65, provided you have accumulated the **necessary 40 credits**.

## When Can I Start Getting Payouts?

The earliest you can start collecting Social Security retirement benefits is age 62; the latest is age 70. When you start collecting payouts in that eight-year span is up to you.

Your actual retirement date doesn't matter. You can retire before 62 if you like, *and* you can retire after 70. If you retire before 62, though, you'll have to make sure you have enough money to support yourself until Social Security payments kick in.

## Should I Wait Past Age 62 to Start Collecting?

The longer you wait to start getting payments, the bigger the payments will be.

The longer you wait to start getting payments, the bigger the payments will be. This may get complicated – but hang in there. The government makes you wait until “full retirement age” in order to start collecting the full retirement payout that you’ve earned. So what’s the full retirement age? Good question. It used to be 65, but Congress voted in 1983 to raise it to 67 for everyone born in 1960 or later. For those workers born between 1938 and 1960, the full retirement age varies depending on your birth year.



**\*Age to Receive Full Social Security Benefits**  
(Called "full retirement age" or "normal retirement age.")

<b>Year of Birth *</b>	<b>Full Retirement Age</b>
1937 or earlier	65
1938	65 and 2 months
1939	65 and 4 months
1940	65 and 6 months
1941	65 and 8 months
1942	65 and 10 months
1943--1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67



# HOW MUCH WILL MY PAYOUTS BE IF I COLLECT AT 62?

It depends on when you were born. For example, if you were born between 1943 and 1954, your payouts will be reduced 25% if you start receiving benefits at age 62. That reduction is permanent - that is, the 25% reduction applies not only to the money you collect between age 62 and 67 but all the money you'll collect for the rest of your life.

To figure out the reductions based on your age, check out the **table** below published by the \*Social Security Administration.

Full Retirement and Age 62 Benefit By Year Of Birth						
Year of Birth <sup>1.</sup>	Full (normal) Retirement Age	Months between age 62 and full retirement age <sup>2.</sup>	At Age 62 <sup>3.</sup>			
			A \$1000 retirement benefit would be reduced to	The retirement benefit is reduced by <sup>4.</sup>	A \$500 spouse's benefit would be reduced to	The spouse's benefit is reduced by <sup>5.</sup>
1937 or earlier	65	36	\$800	20.00%	\$375	25.00%
1938	65 and 2 months	38	\$791	20.83%	\$370	25.83%
1939	65 and 4 months	40	\$783	21.67%	\$366	26.67%
1940	65 and 6 months	42	\$775	22.50%	\$362	27.50%

Full Retirement and Age 62 Benefit By Year Of Birth						
Year of Birth <sup>1.</sup>	Full (normal) Retirement Age	Months between age 62 and full retirement age <sup>2.</sup>	At Age 62 <sup>3.</sup>			
			A \$1000 retirement benefit would be reduced to	The retirement benefit is reduced by <sup>4.</sup>	A \$500 spouse's benefit would be reduced to	The spouse's benefit is reduced by <sup>5.</sup>
1941	65 and 8 months	44	\$766	23.33%	\$358	28.33%
1942	65 and 10 months	46	\$758	24.17%	\$354	29.17%
1943-1954	66	48	\$750	25.00%	\$350	30.00%
1955	66 and 2 months	50	\$741	25.83%	\$345	30.83%
1956	66 and 4 months	52	\$733	26.67%	\$341	31.67%
1957	66 and 6 months	54	\$725	27.50%	\$337	32.50%
1958	66 and 8 months	56	\$716	28.33%	\$333	33.33%
1959	66 and 10 months	58	\$708	29.17%	\$329	34.17%
1960 and later	67	60	\$700	30.00%	\$325	35.00%



## Pros & Cons

As a general rule, early or late retirement will give you about the same total Social Security benefits over your lifetime. If you retire early, the monthly benefit amounts will be smaller to take into account the longer period you will receive them. If you retire late, you will get benefits for a shorter period of time but the monthly amounts will be larger to make up for the months when you did not receive anything. There are advantages and disadvantages to taking your benefit before your full retirement age. The advantage is that you collect benefits for

a longer period of time. The disadvantage is your benefit is reduced. Each person's situation is different, so remember:

- + remember that, if you delay your benefits until after the full retirement age, you may be eligible for **delayed retirement credits** that would increase your monthly benefit;
- + keep in mind that there are **other things to consider** when making the correct decision about your retirement benefits.

- + You should contact Social Security before you decide when to retire.

## Alert

If you decide to delay your benefits until after age 65, you should still **apply for Medicare benefits** within three months of your 65th birthday. If you wait longer, your Medicare medical insurance (Part B) and prescription drug coverage (Part D) may cost you more money.





# HOW MUCH WILL MY PAYMENTS BE IF I WAIT UNTIL AGE 70?

Your benefits payment goes up 8% every year after **full retirement age** that you delay collecting payments. Until you turn 70, of course - that's the longest you can delay. There's no benefit to delaying past age 70; you'd just be throwing money away.

## Can I Start Collecting Benefits If I'm Still Working?

Sure. But collecting Social Security when you're still working full-time is usually not a great move. That's because if you decide to start collecting benefits when you're not yet retired, the government will cut your payouts according to a formula based on how much you earn. For details, see [What's the best age to start getting payouts?](#)

## What's the Best Age to Start Getting Benefits?

It depends on how long you'll live. Since none of us has that particular crystal ball handy, you'll have to assess the best age based on how long you think you'll be around. If you think you'll die relatively early - sorry, this gets morbid - you'll want to start getting payouts as soon as possible (at age 62). However, if your grandparents lived to 100 and you think you probably will too, your best strategy is to put off taking payments until you turn 70.

If you live past a specific break-even date, waiting to receive your full benefit amount provides more money in the long run than if you retire early and take the reduced payment. However, if you were to die before that break-even point, you would have been better off going with the early (albeit reduced) benefits.





# HOW BIG WILL MY PAYOUTS BE?

The **benefits statement** that the Social Security Administration sends you every five years estimates how much you'll get if you wait until full retirement age.

**If you would like help estimating your estimated Social Security Retirement benefits, set a one-on-one appointment with us, and we will be happy to help you.**

The younger you are, the less accurate your estimate will be because your as-yet-unknown future earnings will play an important role in all of this.

## What If I Want to Work Parttime in Retirement?

That's a crucial question. When you earn some income and haven't yet reached what

Social Security considers **full retirement age**, your payouts will typically be smaller when you're working.

Specifically, if you start receiving your Social Security payouts early but, you're still working and earning more than \$21,240 (the annual limit for 2023), your benefit is reduced by \$1 for every \$2 above that limit. However, Social Security will make an

adjustment when you reach full retirement age to reflect the additional income you earned.

In the last year, before reaching your full retirement age, the earnings limit rises to \$56,520, and your benefits are reduced by \$1 for every \$3 above that limit. The month you reach full retirement age, your benefits are not affected by any earnings limits.

## Will My Spouse and Kids Receive Benefits When I Die?

Survivor benefits are available for certain family members as long as you accumulated the 40 credits before dying.

Your children may qualify for 75% of your Social Security benefits based on your record of contributions until they turn 18 years old (or 19, in the case of a child still in elementary or secondary school). As for your spouse, he or she can receive a reduced benefit (71.5% of your benefits) as early as age 60 or your full benefit after reaching full retirement age. Those benefits will continue indefinitely unless your spouse remarries.

Benefits for your spouse and kids are also limited by a **family maximum**, which is the maximum amount that can be paid from your earnings

record. For more details on survivor benefits, check out the Social Security Administration's website.

## How Do Social Security Disability Payments Work?

Your eligibility for these benefits works on the same credit system as retirement payouts, but there are slightly different rules about who is eligible. Eligibility for disability benefits depends on how old you are when you become disabled and the nature of your disability. You can't qualify for disability benefits if you are able to work and earn more than \$1,470 per month or \$2,460 per month if you are blind (in 2022). Your disability also must be considered severe enough to affect your everyday work-related activities.

Disability benefit payments start only after you have been disabled for five months, and they continue until your condition has improved enough that you can start working again.

If your adult child is disabled before the age of 22, he or she can qualify for benefits based on your earnings record. Anyone who becomes disabled after turning 22 needs to pass the recent work test, a measure of how many years of work you have performed depending on your age.



If you are still receiving disability insurance by the time you reach full retirement age, your payments switch over to retirement benefits. The amount of your payments remains the same.



# WILL I GET TAXED ON MY SOCIAL SECURITY PAYOUTS?

Maybe, depending on how much other income (such as pension or IRA distributions or salary) you receive in retirement.

Your benefits generally are not taxable if half of your benefits, plus all your other income, is less than \$25,000 if you are single (\$32,000 if you are married filing jointly). If half of your benefits, plus all of your other income, is more than \$34,000 (for singles) or \$44,000 (married filing jointly), then 85% of your benefits are subject to income tax. If you fall

somewhere between the lower and upper limits, then the percentage of your taxable benefits varies between 0% and 85%.

## **Percentage of Social Security benefits subject to tax if Single:**

Under \$25,000 – 0%, \$25,000 - \$34,000 – 50%,  
Over \$34,000 - 85%

## **Percentage of Social Security benefits subject to tax if Married:**

Under \$32,000 – 0%, \$32,000 - \$44,000 – 50%,  
Over \$44,000 - 85%







## Will Social Security Still Exist When I Retire?

The existence of Social Security is the question everyone loves to debate. Indeed, Social Security will soon start paying out more benefits than it receives in contributions as the bulk of the baby-boomer generation phases into retirement.

The government's official position is that there is enough money saved to pay benefits at the currently scheduled amounts until 2029. The Congressional budget office **admits on its website** that benefits will likely be reduced after that, barring

changes that improve the system's financial strength.

**Social Security's cash flow** has been negative since 2010, meaning that the program has paid out more than it takes in via taxes. Right now it is covering that shortfall with interest on its Treasuries, but that can't continue indefinitely. While it's unlikely Congress will do away with Social Security, to close the gap it's going to have to scale back benefits for future recipients, increase taxes, or both.

## How Does Social Security Fit into My Retirement Plan?

If you're 55 or older now, you'll probably get the full benefit you're supposed to. Most of the recent discussions about reforming Social Security don't propose to change the benefits of current retirees or near-retirees.

If you're younger, you could face a 20% - 24% reduction in your payouts in 2034, with the likelihood of further reductions each year after that.

If you're under 55, set aside as much of your own money in retirement savings accounts and invest it wisely. Bottom line: Your financial security in retirement is your responsibility.



## Who can get parent's benefits?

For a parent to be eligible for a benefit, all of the following must be true:

- + The parent is at least age 62.
- + The parent was receiving at least one-half of their support from the deceased worker at the time of death (or at the beginning of the deceased worker's disability).
- + The parent has provided timely documents that prove the deceased worker was providing at least one-half of their support.
- + The parent is not entitled to a Social Security retirement benefit equal to or exceeding the parent's new benefit.
- + The parent is the natural parent of the deceased worker (or became the stepparent or adoptive parent before the deceased worker reached the age of 16).
- + The parent has not married after the worker's death.
- + The deceased worker had enough work credits.

## How much can a parent get?

One parent may receive 82 ½% of the deceased worker's full retirement or disability benefit. If there are two parents who will receive benefits, each may receive 75%.

## Source for workbook

Social Security Administration website – [ssa.gov](https://ssa.gov)

## Disclaimer

The "Take A Stand" Members, Campaign Survey Takers, nor this workbook is affiliated or endorsed by the Social Security Administration.

The information in this workbook is for general use, and while we believe the information is reliable and accurate, it is important to remember individual situations may be entirely different. Therefore, information should be relied upon only when coordinated with personal, professional tax, and/or financial advice.

This workbook is designed to provide accurate and authoritative information with regard to the subject matter covered.

If legal advice or other expert assistance is required, the services of a competent professional should be sought.





# WTFU MERCH

[www.WakeTheFICAUp.org](http://www.WakeTheFICAUp.org)  
Proceeds will go towards  
funding the cause.



Use a smartphone or tablet to scan the QR code by pointing the camera at the QR code and tap the pop-up notification for access to our merch instantly.



## ARE YOU READY TO WAKE THE FICA UP AND JOIN THE FIGHT?



Follow rapper, songwriter, and producer Keybeaux's lead and become a Wake The FICA Up Member Advocate. Utilize your skills to spread the word and help protect our future!

**SIGN UP TODAY, LIKE, SUBSCRIBE, AND SHARE TO the Wake The FICA Up YouTube Channel.**

**Together we can make a difference! Take A Stand and Wake The FICA Up!**

Are you ready to take your music to the next level? Let's make it happen together! I'm Keybeaux, and I'm here to help you find your sound and amplify it. Whether you need help creating a song, producing a beat, or shooting and editing videos, I'm your guy. Get in touch with me today to start crafting your masterpiece!





**SELF-CHECKOUT  
“CONVENIENCE” COMES  
AT A COST SO SHOULD  
YOUR TIME AND LABOR!**



## **WAKE THE FICA UP!** **STOP DEFUNDING SOCIAL SECURITY AND MEDICARE!**

### **A Possible Solution: UNPAID TECHNOLOGY STAFF TAX (UTST)**



The Unpaid Technology Staff Tax is an urgently needed revision of the Federal Insurance Contribution Act (**FICA**).



This tax will provide funding for Social Security and Medicare and will be paid for by companies that knowingly or unknowingly use technology to exploit consumer labor for their own benefit.



Using consumer labor to power automated systems or Artificial Intelligence (AI) Technology should never be at the expense of an employee's or customers future Social Security and Medicare benefits!

**01**

#### **CONSUMER LABOR**

Consumer labor provided by customers.



**02**

#### **TECHNOLOGY TAX**

Taxes paid into FICA by companies that benefit from using consumer labor paired with technology to do work formerly done by their paid employees.



**03**

#### **FICA FUNDING**



**UNPAID TECHNOLOGY  
STAFF TAX PROVIDES  
CONTINUED REVENUE FOR  
SOCIAL SECURITY AND  
MEDICARE**



#### **HOW WOULD THE UTST BE CALCULATED**

The Unpaid Technology Staff Tax would equal 15.3% multiplied by each self-checkout machine calculated every hour.

#### **EXAMPLE**

A Company pays an average hourly rate of \$15 per hour to their employees:  
UTST = \$15 x 15.3% = \$2.30 in **FICA** funding every hour per self-checkout machine!

#### **CONTACT**

[www.WakeTheFICAUp.org](http://www.WakeTheFICAUp.org)



Wake The FICA Up  
YouTube Podcast

Come hang out with Stanley, Oppie, and Randall while they chat about the impact of emerging technologies on FICA funded programs and our collective future!

@waketheficaup

YouTube

# PODCAST TALKS

WAKE THE

FICA UP!  
TAKE A STAND

