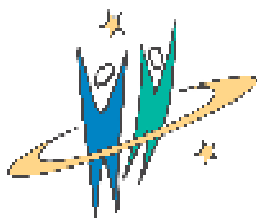




U.S. Social Security



Social Security Fact Sheet

Update 2005

Cost-of-Living Adjustment (COLA):

This update provides new information for 2005 for many items such as Social Security taxes and benefits. By law, these numbers change automatically each year to keep the program up to date with increases in price and wage levels. Whether you are working or you are already getting Social Security benefits, these changes are important to you.

Information for people who are working: Social Security and Medicare		
Social Security Taxes	2004	2005
Employee/employer (each)	6.2 % on earnings up to \$87,900	6.2 % on earnings up to \$90,000
Self-Employed * Can be offset by income tax provisions	12.4 % * on earnings up to \$87,900	12.4 % * on earnings up to \$90,000

Medicare Taxes:	2004	2005
Employee/employer (each)	1.45% on all earnings	1.45 % on all earnings
Self-Employed * Can be offset by income tax provisions	2.9 % * on all earnings	2.9 % * on all earnings
<i>Work Credits – When you work, you earn credits toward Social Security benefits.</i> You need a certain number of credits to be eligible for Social Security benefits. The number you need depends on your age and the type of benefit for which you are applying. You can earn a maximum of four credits each year. Most people need 40 credits to qualify for retirement benefits.		
	2004	2005
	\$900 earn one credit	\$920 earns one credit

Information for people who receive Social Security benefits

Social Security Disability Thresholds:	2004	2005
Substantial Gainful Activity (Non-Blind)	\$ 810/mo.	\$ 830/mo.
Substantial Gainful Activity (Blind)	\$1,350/mo.	\$1,380/mo.
Trial work period month	\$580/mo.	\$ 590/mo.

Retirement Earnings Test Exempt Amounts	2003	2004
Under full retirement age NOTE: One dollar in benefits will be withheld for every \$2 in earnings above the limit.	\$11,640/yr.	\$12,000yr.
The year an individual reaches full retirement age 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.	\$31,080/yr. (\$2,560/mo.)	\$31,800 (\$2,590/mo.)

Earnings Limits:

Under Federal Law, people who are receiving Social Security benefits who have not reached full retirement age are entitled to receive all of their benefits as long as their earnings are under the limits indicated above. Full retirement age is 65 and 6 months. The full retirement age will increase gradually each year until it reaches age 67 for people born in 1960 or later.

Information for people who receive Supplemental Security Income (SSI)

Monthly Maximum Federal SSI Payment	2004	2005
Individual	\$ 564	\$ 579
Couple	\$ 846	\$ 869

Monthly Income Limits		
Individual whose income is only from wages	\$1,213	\$1,243
Individual whose income is not from wages	\$584	\$599
Couple whose income is only from wages	\$1,777	\$1,823
Couple whose income is not from wages	\$866	\$889

Information for people on Medicare

Most Medicare costs are increasing this year to keep up with the rise in health care costs

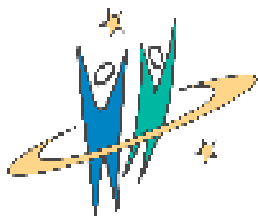
	2004	2005
Hospital Insurance (Part A)	\$876	\$912
For First 60 days in a hospital, patient pays	\$219	\$228 per day
For 61 st through 90 th days in a hospital, patient pays	\$438 per day	\$456 per day
Beyond 90 days in a hospital, patient pays (for up to 60 more days)	\$0	\$0
For first 20 days in a skilled nursing facility, patient pays	\$109.50 per day	\$114 per day

Part A Premium Buy-In: The amount of the premium you pay to buy Medicare Part A depends on the number of Social Security credits you have earned. If you have:

40 credits	\$0	\$0
30-39 credits	\$189 per month	\$206 per month
Less than 30 credits	\$343 per month	\$375 per month

Medical Insurance (Part B)

Premium	\$66.60 per month	\$78.20 per month
Deductible	\$100 per year	\$110 per year
	After the patient has paid the deductible, Part B pays for 80 % of covered services	



Social Security Numbers for Non Citizens

Contents

- How do you get a number?
- What can you do if you need a number for tax purposes?
- Do you need a number for other government services?
- Contacting Social Security

How do you get a number?

To apply for a Social Security number:

- Call or visit one of our local offices;
- Complete an Application For A Social Security Card (Form SS-5); and
- Provide original documents showing your age, identity and lawful non citizen status (including Department of Homeland Security (DHS) permission to work in the U.S.).

You may apply for a Social Security number if you do not have permission to work:

- If a federal law requires that you show your Social Security number to get a particular benefit or service; or
- If a state or local law requires you to show your Social Security number to get general assistance benefits.

To get a number to meet a state or local government requirement, you must provide a letter, on letterhead stationery (no form letters or photocopies), from the government agency requiring you to get a number. The letter must:

- Specifically identify you as the applicant;
- Cite the law requiring you to have a Social Security number;
- Indicate that you meet all the agency's requirements, except having the number; and
- Contain an agency contact name and telephone number.

If you are assigned a number for non-work purposes, you cannot use it to work. If you use it to work, we may inform DHS.

You will receive your number and card as soon as we verify your immigration status with DHS. Your employer can use your immigration documents as proof of your authorization to work in the U.S.

What can you do if you need a number for tax purposes?

If you need a number for tax purposes and you are not authorized to work in the U.S., you can apply for an Individual Taxpayer Identification Number from the Internal Revenue Service (IRS).

Visit IRS in person or call the IRS toll-free number, **1-800-TAXFORM (1-800-829-3676)**, and request Form W-7, Application For An Individual Taxpayer Identification Number.

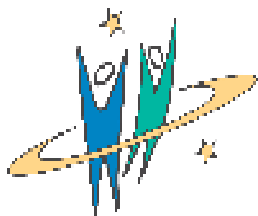
Do you need a number for other government services?

Lawfully admitted non citizens can get many benefits and services without having a Social Security number. You do not need a number to purchase savings bonds, conduct business with a bank, register for school or apply for educational tests, obtain private health insurance, apply for school lunch programs or apply for subsidized housing.

Contacting Social Security

For more information, visit our website at <http://www.ssa.gov/> or call toll-free 1-800-772-1213 (for the deaf or hard of hearing, call our TTY number, 1-800-325-0778). We can answer specific questions and provide information by automated phone service 24 hours a day.

We treat all calls confidentially. We also want to make sure you receive accurate and courteous service. That is why we have a second Social Security representative monitor some telephone calls.



Identity Theft and Your Social Security Number

Identity theft is one of the fastest growing crimes in America. When a dishonest person has your Social Security number, the thief can use it to get other personal information about you. Most of the time identity thieves use your number and your good credit to apply for more credit in your name. Then, they use the credit cards and do not pay the bills. You do not find out that someone is using your number until you are turned down for credit, or you begin to get calls from unknown creditors demanding payment for items you never bought.

Someone illegally using your Social Security number and assuming your identity can cause a lot of problems.

Contents

- Your number is confidential
- Don't make it easy for someone to steal your number
- Be careful with your Social Security card and number to prevent theft
- How Can I Report That Someone Is Using My Social Security Number?
- What if I think someone is using my number and creating credit problems for me?
- Getting a new Social Security number

➤ **Your number is confidential**

Your Social Security number and our records are confidential. We do not give your number to anyone, except when authorized by law. You should be careful about sharing your number with anyone who asks for it (even when you are provided with a benefit or service).

➤ **Don't make it easy for someone to steal your number**

Identity thieves get your personal information by:

- Stealing wallets, purses and your mail (bank and credit card statements, pre-approved credit offers, telephone calling cards and tax information);

- Stealing personal information you provide to an unsecured site on the Internet, from business or personnel records at work and personal information in your home;
- Sorting through trash for personal data;
- Posing as someone who legitimately needs information about you, such as employers or landlords; or
- Buying personal information from “inside” sources. For example, an identity thief may pay a store employee for information about you that appears on an application for goods, services or credit.

Be careful with your Social Security card and number to prevent theft

Show your card to your employer when you start a job so your records are correct. Then, put it in a safe place. DO NOT carry your card with you.

How Can I Report That Someone Is Using My Social Security Number?

You should file a complaint with the Federal Trade Commission by:

- Internet— www.consumer.gov/idtheft
- Telephone— 1-877-IDTHEFT (1-877-438-4338)
- TTY— 1-866-653-4261

If you think someone is using your number for work purposes, you should contact Social Security. One way to find out whether someone is using your number in order to work is to check your Social Security Statement. The *Statement* lists earnings posted to your Social Security record. If you find an error on your *Statement*, contact Social Security right away.

What if I think someone is using my number and creating credit problems for me?

If someone used your Social Security number to get credit, Social Security cannot fix your credit record. To fix your credit record:

- Call the creditors who approved the credit (follow up with a letter).
- File a police report.
- Contact the fraud department of the major credit bureaus. Ask:
 - To have a flag placed on your record, requiring creditors to contact you before approving additional credit using your name and number;
 - How long your account will be flagged and how you can extend the flag, if necessary; and
 - To have a statement added to your credit report—include your name, explain the problem and provide a telephone number where someone can call you.

Request a copy of your credit report from each major credit bureau and check to see if it contains any entries you do not know about. If you are denied credit, you may be entitled to a free copy of your report.

The major credit reporting agencies are:

Equifax

www.equifax.com

Report fraud:

1-800-525-6285

Order a credit report:

1-800-685-1111

P.O. Box 740241

Atlanta, GA 30374-0241

Experian

www.experian.com

Report fraud:

1-888-397-3742

Order a credit report:

1-888-EXPERIAN

(1-888-397-3742)

P.O. Box 1017

Allen, TX 75013-0949

TransUnion

www.tuc.com

Report fraud:

1-800-680-7289

Order a credit report:

1-800-916-8800

Fraud Victim Assistance Department

P.O. Box 6790

Fullerton, CA 92834

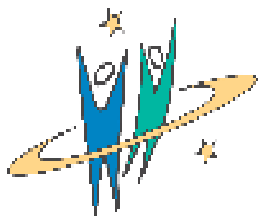
Getting a new Social Security number

If you have done all you can to fix the problem and someone still is using your number, we may assign you a new number. We cannot guarantee that a new number will solve your problem.

You cannot get a new Social Security number if:

- You filed for bankruptcy;
- You intend to avoid the law or your legal responsibility; or

Your Social Security card is lost or stolen, but there is no evidence that someone is using your number.



How You Earn Credit

Contents

- How You Earn Credits
- Special rules for some jobs
- How long do you have to work to qualify for Social Security?
- Not every kind of work counts toward Social Security benefits
- Make sure your records are accurate

How You Earn Credits

You qualify for Social Security benefits by earning Social Security credits when you work in a job and pay Social Security taxes.

The credits are based on the amount of your earnings. We use your work history to determine your eligibility for retirement or disability benefits or your family's eligibility for survivors benefits when you die.

In 2005, you receive one credit for each \$920 of earnings, up to the maximum of four credits per year.

Each year the amount of earnings needed for credits goes up slightly as average earnings levels increase. The credits you earn remain on your Social Security record even if you change jobs or have no earnings for a while.

Special rules for some jobs

Special rules for earning Social Security coverage apply to certain types of work.

If you are self-employed, you earn Social Security credits the same way employees do (one credit for each \$920 in net earnings, but no more than four credits per year). Special rules apply if you have net annual earnings of less than \$400. For more information, call us for a free copy of the publication, *If You Are Self-Employed* (Publication No. 05-10022).

If you are in the military, you earn Social Security credits the same way civilian employees do. You also may get additional earnings credits under certain conditions. For more information, call us for a free copy of the publication, *Military Service And Social Security* (Publication No. 05-10017).

We also have special rules about how you earn credits for other kinds of work. Some of these jobs are:

- Domestic work;
- Farm work; or
- Work for a church or church-controlled organization that does not pay Social Security Taxes.

Call us if you have a question about how you earn credits in your job.

How long you have to qualify for a Social Security?

The number of credits you need to eligible for benefits depends on your age and type of benefit.

➤ Retirement benefits

Anyone born in 1929 or later needs 10 years of work (40 credits) to be eligible for retirement benefits. People born before 1929 need fewer years of work.

➤ Disability benefits

How many credits you need for disability benefits depends on how old you are when you become disabled.

- If you become disabled before age 24, you generally need 1_ years of work (six Credits) in three years before you became disabled.
- If you are 24 through 30, you generally need credits for half of the time between age 21 and the time you become disabled.
- If you are disabled at age 31 or older, you generally need at least 20 credits in the 10 years immediately before you became disabled. The following table shows examples of how many credits you would need if you became disabled at various selected ages. This table does not cover all situations.

Disabled at age	Credits needed	Years of work
31 through 42	20	5
44	22	5
46	24	6
48	26	6
50	28	7
52	30	7
54	32	8
56	34	8
58	36	9
60	38	9
62 or older	40	10

➤ Survivors benefits

Certain family members of a deceased worker may be able to get survivors benefits, even though the deceased worker did not work long enough to qualify for retirement benefits. Dependent children may get survivors benefits if the deceased person had 1 _ years of work (6 credits) in three years before his or her death. Their benefits could continue until they reach age 18 (or age 19 if they are attending an elementary or secondary school full time).

A widow or widower may be able to get benefits.

Contact us if you need more information about your family's situation

➤ Medicare

The Social Security credits you earn also count toward eligibility for Medicare when you reach age 65. You may be eligible for Medicare at an earlier age if you get disability benefits for 24 months or more. Your dependents or survivors also may be eligible for Medicare at age 65 or earlier if they are disabled. People who have permanent kidney failure and need kidney dialysis or a kidney transplant may be eligible for Medicare at any age.¹¹

Not every kind of work counts toward Social Security

Not all employees work in jobs covered by Social Security. Some of these employees are:

- Most federal employees hired before 1984 (but since January 1, 1983, all federal employees have paid the Medicare hospital insurance part of the Social Security tax);

Source: Medicare (Publication No. 05-10043).

- Railroad employees with more than 10 years of service;
- Employees of some state and local governments that chose not to participate in social Security; or
- Children younger than age 21 who do household chores for a parent (except a child age 18 or older who works in the parent's business).

Make sure your records are accurate

Each year your employer sends a copy of your W-2 (wage and tax Statement) to Social Security. Social Security compared your name and Social Security Number on the W-2 with your records. When we find your name and number, your earnings shown on the W-2 are recorded on your lifelong earnings record. Your lifelong earnings record is what we use to figure whether you can get the future benefits and the benefit amount.

It is critical that your name and Social Security number on your Social Security card agree with your employer's payroll records and W-2. If they don't agree, your employer may get a letter from Social Security. This letter does not mean that your employer should change your job, lay you off, fire you or take other actions against you. You need to correct the error. It is up to you to make sure your records are correct. If your social Security card is not correct, contact any Social Security office. Tell your employer if your name and Social Security number are incorrect on the employer's record.

Contacting Social Security

For more information and to find our publication, visit our website at www.socialsecurity.gov or call toll-free, 1-800-772-1213 (for deaf or hard of hearing, call our TTY number, 1-8-00325-0778).