

Solutions, Strategies, Answers

Newsletter of the 18 Social Security Administration offices in
Bucks, Chester, Delaware, Lehigh, Monroe, Montgomery, Northampton, and Philadelphia counties

October 2022



Issue 126

Annual Earnings Limits: Rationale



On October 13, the 2023 Cost-of-Living-Adjustment (COLA) for Social Security beneficiaries and Supplemental Security Income recipients will be announced. As of now, the Consumer Price Index numbers indicate about an 8.1 percent increase, but nothing is official until the COLA is announced. Along with the COLA, other 2023 changes will be posted as well, including how much Social Security beneficiaries (*those not receiving disability*) can earn working before some benefits are withheld. Now, keep in mind that for beneficiaries who have reached Full Retirement Age, the limit no longer applies as of the month they reached FRA. They can earn as much as they wish and still receive all their benefits starting with their FRA month. So, let's say a beneficiary reaches his full age in July; he would have an earnings limit for the months of January through June only. No matter how much he earns from July on, he will be paid in full.

We reduce benefits to beneficiaries who retire earlier than their FRA because they will receive benefits for a longer time. Also, eliminating the earnings limit before FRA might encourage more people to retire early and receive permanently reduced benefits; when beneficiaries who claimed reduced benefits later stop working, they may not have sufficient resources to offset the reduction in their benefits. This could make for a difficult financial situation.

Furthermore, the widows and widowers of workers who retired before FRA also receive permanently reduced benefits because of the worker's decision to retire early. If we eliminated the retirement earnings limit earlier, say at age 62, and more workers elected reduced benefits, there would be a negative impact on the number of elderly widows and widowers living in poverty.

You can read more about the earnings test at: [Benefits Planner: Retirement | Receiving Benefits While Working](#)



Don't Be "Scared" to Ask a Question ... We Have "Boo-tiful" Answers

Sometimes people are a bit timid in reaching out to us with their Social Security questions. Here we will try to allay those fears by providing answers to questions that really are not so frightful after all. As for those things that soon will go bump in the night? Uh, there you're on your own!

I applied for disability but was denied because you said I was performing "SGA." Please explain. "SGA" is Substantial Gainful Activity. "Substantial" work is the performance of physical or mental duties that are productive in nature, and "gainful" work is work for pay or profit. After deducting disability-related work expenses, we consider average earnings of more than \$1,350 per month an indication that you can perform SGA. We adjust the amount annually to reflect changes in general wages.

Is there any retroactivity for retirement benefits? That depends on your age when filing. If filing after reaching your Full Retirement Age, you can have as much as six months retroactivity (*but never back before the month you reached FRA*). There is no retroactivity if filing before FRA.

Why does my baby need a Social Security number? Your child may need a SSN if you are planning to open a bank account, buy savings bonds, obtain medical coverage, or apply for government services for the child. Your child will also need a SSN if you are going to declare him/her on your taxes.

View more frequently asked questions at:

[FAQ Home](#) · [FAQ | SSA](#)

Hiring a Foreign Worker? What Employers Need to Know

To help ensure that only those who should receive a Social Security number do so, SSA has taken extra steps to ensure the integrity of our process. The changes to the way we assign numbers and issue cards may cause a delay of several weeks or months in receiving a SSN. Employers have responsibilities when hiring foreign workers (*e.g., students or cultural exchange visitors*) who have applied for and are waiting to receive a SSN and card. Note that the employee may work while the SSN application is being processed.

What causes delays when foreign workers apply for SSNs?

We must verify documents directly with the Department of Homeland Security (DHS). Most applications are verified immediately, but there can be delays. We understand that this process may affect companies, but direct verification from DHS is vital to ensuring the integrity of the SSN.

What are an employer's responsibilities when hiring foreign workers who don't have SSNs? Advise workers that they are required to apply for an SSN and card. If a worker applied for but has not yet received an SSN, you should record the following information:

Worker's full name — Address — Date of birth — Place of birth — Father's full name — Mother's full maiden name — Sex identification — Date of SSN application

What if the worker doesn't have an SSN when wage reports (Forms W-2) are due to us?

Paper Filers: If the worker applied for a card but didn't receive the number in time for filing, enter "Applied For" in Box a.

Electronic Filers: If the worker applied for a card but didn't receive the number in time for filing, enter all zeros in the field for the SSN. Remember to instruct the worker to tell you the number and the exact name printed on the card when received.

My foreign worker received their SSN after I filed my wage report. What do I do? When you receive the worker's SSN, file Form W-2c (Corrected Wage and Tax Statement) to show the worker's number.

[EN-05-10011- Employer Responsibilities When Hiring Foreign Workers \(March 2022\) \(ssa.gov\)](#)

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Teachable Moments

The past two-plus years have been difficult for everyone, especially educators and students. But teachers have adapted and provided for their students in so many ways. A round of applause please!

To assist teachers, SSA has created an **Educator's Toolkit**. It's a shareable online resource for teachers to engage students and educate them about the basics of Social Security. The toolkit includes:

- Lesson plans with objectives
- Infographics and handouts for each lesson plan
- Links to Social Security webpages
- Talking points
- Quiz questions and answers

We value and welcome the efforts that teachers make to educate America's young people, and we want to help spark discussion about Social Security. Access the Toolkit on our Information for Educators page:

[Information for Educators | Social Security Administration \(ssa.gov\)](#)

Women & Social Security: A Look Ahead

In 2025 more than half of women over age 60 will receive benefits based exclusively on their own work record; they will not receive any benefit through their spouse. By contrast, in time fewer and fewer women will have their **entire benefit** based on spousal earnings; by the end of 21st century, only six to seven percent will be in that situation.

[Beneficiary Projection: Women & Dual Entitlement, 2025-2090 \(ssa.gov\)](#)