



Reference Guide

Year 2025 Facts

Tax Rate

- Employed: 7.65% (6.2% + 1.45%)
- Self-employed: 15.30%

Maximum Taxable Earnings

- Social Security: \$176,100 (2024: \$168,600)
- Medicare: No limit, but if single > \$200k or married > \$250k = Additional 0.9%

Quarter of Coverage

- 1 QC = \$1,810 (2024: \$1,730)
- Max. of 4 QCs can be earned in 1 year = \$7,240
- Need 40 QCs in total to qualify for Social Security

Retirement Earnings Test Exempt Amounts

- Under FRA: \$23,400/year (\$1,950/month)
\$1 withheld for every \$2 in earnings above limit
- The year turning FRA: \$62,160/year (\$5,180/month)
\$1 withheld for every \$3 in earnings above limit
- The month turning FRA and beyond: None
- Considered earnings: Wages and net earnings from self-employment
- Not considered earnings: Pensions, annuities, capital gains, dividends, interest income, and IRA distributions

Social Security Disability Thresholds

- Non-blind: \$1,620/month
- Blind: \$2,700/month
- Trial Work Period: \$1,160/month

Maximum Social Security Benefit

- Retiring at 62 in 2025: \$2,831/month
- Retiring at 67 in 2025: \$4,043/month
- Retiring at 70 in 2025: \$5,108/month

Cost of Living Adjustment

- 2025 COLA: 2.5% (2024 COLA: 3.2%)

Estimated average monthly benefit post COLA

- All retired workers: \$1,976/month (\$23,712 annually)
- Couples: \$3,089/month (\$37,068 annually)
- All disabled workers: \$1,580/month (\$18,960 annually)

Bend Points

- Dollars: \$1,226, \$7,391
- Percentages: 90%, 32%, 15%

Full Retirement Age (FRA)

| Year of birth | Full Retirement Age |
|----------------|---------------------|
| 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 |

*Refer to previous year if born on January 1

Reduction Rates

- **Retirement Benefits:** 5/9 of 1% per month for the first 36 months and 5/12 of 1% for each additional month
- **Spousal Benefits:** 25/36 of 1% per month for the first 36 months and 5/12 of 1% for each additional month
- **Survivor Benefits:** 4.07% per year (0.34% per month) for those with FRA of 67

WEP Adjustment

| Years of substantial earnings | Percentage |
|-------------------------------|------------|
| 30 or more | 90% |
| 29 | 85% |
| 28 | 80% |
| 27 | 75% |
| 26 | 70% |
| 25 | 65% |
| 24 | 60% |
| 23 | 55% |
| 22 | 50% |
| 21 | 45% |
| 20 or less | 40% |

*The WEP Adjustment Percentage is only applied to the PIA calculation up to the first bend point

Social Security Administration
1-800-772-1213

Windfall Elimination Provision (WEP)

A non-covered pension reduces a retirement or disability benefit by up to half the amount of the pension, but cannot eliminate the entire benefit

Government Pension Offset (GPO)

A non-covered government pension reduces a **spousal or survivor** benefit by two-thirds the amount of the government pension.

Helpful Links

- [NARSSA login](#)
- [2025 SSA Fact Sheet](#)
- [Substantial earnings](#)
- [PIA Formula](#)
- [Family Maximum Benefit](#)
- [Social Security Taxation](#)
- [Annual Trustee Report](#)

Age-Based Reductions & Increases

| Age | Percentage of Your Benefit | Percentage of Spousal Benefit | Percentage of Survivor Benefit |
|-----|----------------------------|-------------------------------|--------------------------------|
| 60 | - | - | 71.50% |
| 61 | - | - | 75.6% |
| 62 | 70% | 32.5% | 79.6% |
| 63 | 75% | 35% | 83.7% |
| 64 | 80% | 37.5% | 87.8% |
| 65 | 86.66% | 41.66% | 91.9% |
| 66 | 93.33% | 45.83% | 95.9% |
| 67 | 100% | 50% | 100% |
| 68 | 108% | 50% | 100% |
| 69 | 116% | 50% | 100% |
| 70 | 124% | 50% | 100% |

*This chart assumes FRA is 67
[Click here](#) for FRA of 66

Benefit Information

Spousal Benefits

- Married at least 1 year
- Entitled to 50% of spouse's PIA if collected at your FRA
- Benefit is reduced if collecting before FRA
- Benefit is not increased if collecting after FRA
- The spouse must be collecting their retirement benefit for the other to collect a spousal benefit

Divorced / Ex-spousal Benefits

- Eligibility: Married 10 or more years, currently single, and age 62 or older
- You should claim ex-spousal benefit if larger than own
- The SSA does not automatically do this for you

Survivor Benefits

- Married at least 9 months
- The surviving spouse collects the larger of the 2 benefits
- A survivor may start collecting a survivor benefit as early as age 60 and later switch to their own retirement benefit if larger
- Maximizing this benefit is an important part of planning with a couple