

## Social Security and Medicare Quick Reference

**In alphabetical order**

### Age -- Full Retirement:

Year of Birth	Full Retirement Age	Year of Birth	Full Retirement Age
1937 and Earlier	65	1943 – 1954	66
<b>1938</b>	<b>65 and 2 months</b>	<b>1955</b>	<b>66 and 2 months</b>
1939	65 and 4 months	1956	66 and 4 months
<b>1940</b>	<b>65 and 6 months</b>	<b>1957</b>	<b>66 and 6 months</b>
1941	65 and 8 months	1958	66 and 8 months
<b>1942</b>	<b>65 and 10 months</b>	<b>1959</b>	<b>66 and 10 months</b>

Year of Birth  
**1960 and Later**

Full Retirement Age  
**67**

### Early Benefits [reduced benefits]:

*Based on Full Retirement Age of 67*

Age of Primary Spouse or Unmarried When Benefits Start	% of Reduction	Age of Spouse When Benefits Start	% of Reduction
62	30.0%	62	32.5%
<b>63</b>	<b>25.0%</b>	<b>63</b>	<b>65.0%</b>
64	20.0%	64	62.5%
<b>65</b>	<b>13.3%</b>	<b>65</b>	<b>58.3%</b>
66	6.7%	66	54.2%
		67[Maximum Benefit Amount]	50.0%

**NOTE:** Once Reduced Benefits Are Received, Full Benefits Can Not Be Received in the Future.

### Earn One Quarter – Necessary Earnings:

Calendar Year 2020	\$1,410 #
Calendar Year 2021	\$1,470 #

# If Earnings Are From Self Employment ... The Net Self Employment Earnings are further Reduced by the Self Employment Tax Deduction and Other Self Employment Related Deductions

### Eligibility Requirements:

Social Security	Age [62 reduced benefits] Plus 40 Quarters ^ [Full Benefits at Full Retirement Age]
Medicare	Age 65 plus 40 Quarters ^

^ Maximum Quarters That Can Be Earned in One Calendar Year is 4

**Maximum Compensation [Salary/Wages and/or Net Self Employment Income] Subject to Social Security Tax:**

\$142,800 ... Year 2021

\$137,700 ... Year 2020

**Maximum Compensation [Salary/Wages and/or Net Self Employment Income] Subject to Medicare Tax:** No Limit ... 100% of Compensation is Subject to Tax

**Maximum Earnings Before Benefits are Reduced** [Salary/Wages and Net Self Employment Income]:

	<u>Year 2020</u>	<u>Year 2021</u>	<u>Amount to be Reimbursed</u>
Under Full Retirement Age	\$18,240	\$18,960	\$1 for every \$2 over limit
Year Full Retirement Age is Reached:			
Months to Full Retirement Age	\$45,360	\$46,920	\$1 for every \$3 over limit
Months Full Retirement Reached and Later	No Limit	<i>No Limit</i>	

**Self Employment Tax:**

This Tax is Basically the Social Security Tax and the Medicare Tax Assessed on Salaries and Wages. This Tax is Assessed on Net Self Employment Income.

**Spousal Benefits:**

The greater of his/her earned benefit **or** 50% of his/her spouse's earned benefit

**Tax Rates:**

Social Security Tax                      6.2%  
Medicare Tax                                1.45%

**NOTE:** The Social Security Tax and the Medicare Tax is Assessed on Both the Employee and the Employer [an employer must match or remit to same amount of tax that is withheld from an employee].

The Self Employment Tax ... The Self Employed Individual Must Pay Both the Employee and Employer Tax. The Self Employed Individual Pays Double What an Employee Would Pay. The Self Employed Individual is Considered Both an Employee and an Employer.

**<see disclaimer - legal>**