
2024

Social Security Retirement Benefits Update

Full Retirement Age (FRA)

Full Retirement Age is now age 67 for those turning age 62 in 2024. The maximum Social Security Benefit for a worker retiring at FRA in 2024 is \$3,822.

Cost-of-Living Adjustment (COLA):

Based on the increase in the Consumer Price Index (CPI-W) from the third quarter of 2022 through the third quarter of 2023, Social Security and Supplemental Security Income (SSI) beneficiaries will receive a **3.2 percent COLA for 2024**.

Federal Insurance Contribution Act (FICA)

Employee: 7.65% (6.20% + 1.45%) Employers pay part of the employees FICA

Self-employed: 15.30%

The 7.65% tax rate is the combined rate for Social Security and Medicare. The Social Security portion is 6.20% on earnings up to the taxable maximum. The Medicare portion is 1.45% on all earnings. An additional .9% will be assessed on Medicare taxes for individuals with earned income of more than \$200,000 (\$250,000 for married couples filing jointly).

Maximum Taxable Earnings

Social Security: \$168,600

Medicare: No limit

Earnings Limit prior to the year attaining Full Retirement Age (FRA)

\$22,320 /yr.
\$1,860 /mo.

Excess Earnings Penalty: One dollar in benefits will be withheld for every \$2 in earnings above the limit.

Earnings Limit the year of attaining Full Retirement Age (FRA)

\$59,520 /yr.
\$4,960 /mo.

Excess Earnings Penalty: One dollar in benefits will be withheld for every \$3 in earnings above the limit.

Earnings Limit the month of attaining Full Retirement Age (FRA)

None
