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News Release

SOCIAL SECURITY

Social Security Announces 1.7 Percent Benefit Increase for 2015

Monthly Social Security and Supplemental Security Income (SSI) benefits for nearly 64 million Americans will increase 1.7 percent in 2015, the Social Security Administration announced today.

The 1.7 percent cost-of-living adjustment (COLA) will begin with benefits that more than 58 million Social Security beneficiaries receive in January 2015. Increased payments to more than 8 million SSI beneficiaries will begin on December 31, 2014. The Social Security Act ties the annual COLA to the increase in the Consumer Price Index as determined by the Department of Labor's Bureau of Labor Statistics.

Some other changes that take effect in January of each year are based on the increase in average wages. Based on that increase, the maximum amount of earnings subject to the Social Security tax (taxable maximum) will increase to \$118,500 from \$117,000. Of the estimated 168 million workers who will pay Social Security taxes in 2015, about 10 million will pay higher taxes because of the increase in the taxable maximum.

Information about Medicare changes for 2015 is available at www.Medicare.gov.

The Social Security Act provides for how the COLA is calculated. To read more, please visit www.socialsecurity.gov/cola.

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NOTE TO CORRESPONDENTS: Attached is a fact sheet showing the effect of the various automatic adjustments.