



News Release

SOCIAL SECURITY

Social Security Announces 1.7 Percent Benefit Increase for 2013

Monthly Social Security and Supplemental Security Income (SSI) benefits for nearly 62 million Americans will increase 1.7 percent in 2013, the Social Security Administration announced today.

The 1.7 percent cost-of-living adjustment (COLA) will begin with benefits that more than 56 million Social Security beneficiaries receive in January 2013. Increased payments to more than 8 million SSI beneficiaries will begin on December 31, 2012.

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 \$113,700 from \$110,100. Of the estimated 163 million workers who will pay Social Security taxes in 2013, nearly 10 million will pay higher taxes as a result of the increase in the taxable maximum.

Information about Medicare changes for 2013, when announced, will be available at www.Medicare.gov. For some beneficiaries, their Social Security increase may be partially or completely offset by increases in Medicare premiums.

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: A [fact sheet](#) showing the effect of the various automatic adjustments is attached.