



**Social Security Administration
(SSA) Offsets**

March 21, 2024

Friendly reminders

- This presentation contains general information to be used as a guide during the webinar. All participants are muted.
- Have a question?
 - » Type your question in the **Questions** box during the webinar. We will answer questions during the webinar and in the **Questions** box.
- This webinar will be recorded. Our recordings & PDFs are available at www.trsl.org/members/webinars

If you have any specific questions about your TRSL retirement (DROP window, retirement eligibility, FAC questions, etc.) please contact us at AskTRSL.org so we can look up your account and assist you directly.

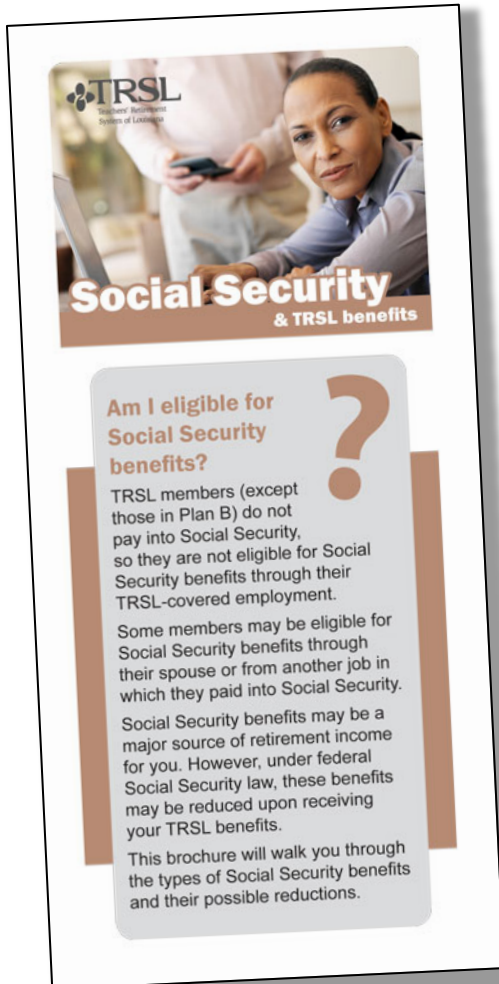
Agenda

- Types of Social Security benefits:
 - » Spouse's or widow(er)'s benefit
 - » Earned benefit
- Types of offsets:
 - » Government Pension Offset (GPO)
 - » Windfall Elimination Provision (WEP)
- SSA website tools and calculators
- Questions to ask Social Security

TRSL and Social Security

- Louisiana does not pay into Social Security for the majority of its public employees.
- However, you may still be eligible for Social Security through other employment or through your spouse's employment.
- The type of Social Security benefit you are eligible for determines which offset provision applies to you.
- Your **TRSL benefit will not be reduced.**


Social Security benefits



- **Spouse's or widow(er)'s benefit:**
Paid to spouses or surviving spouses of Social Security pensioners if those spouses did not work long enough under Social Security to have earned their own benefit, or the spouse's earned benefit is less than the pensioner's benefit.
- **Earned benefit:**
Paid to people who worked at jobs where they paid Social Security taxes long enough to earn a Social Security benefit.

Offset provisions

- **Government Pension Offset (GPO) – 1982**



Government Pension Offset

A law that affects spouses and widows or widowers

If you receive a retirement or disability pension from a federal, state, or local government based on your own work for which you didn't pay Social Security taxes, we may reduce your Social Security spouses or widows or widowers benefits. This fact sheet provides answers to questions you may have about the reduction.




How much will my Social Security benefits be reduced?


We'll reduce your Social Security benefits by two-thirds of your government pension. In other words, if you get a monthly civil service pension of \$600, two-thirds of that, or \$400, must be deducted from your Social Security benefits. For example, if you're eligible for a \$500 spouses, widows, or widowers benefit from Social Security, you'll get \$100 a month from Social Security (\$500 - \$400 = \$100). If two-thirds of your government pension is more than your Social Security benefit, your benefit could be reduced to zero.

If you take your government pension annuity in a lump sum, Social Security will calculate the reduction as if you chose to get monthly benefit payments from your government work.

Why will my Social Security benefits be reduced?

Benefits we pay to spouses, widows, and widowers are "dependent" benefits. Set up in the 1930s, these benefits were to compensate spouses who stayed home to raise a family and were financially dependent on the working spouse. It's now common for both spouses to work, each earning their own Social Security retirement benefit. The law requires a person's spouse, widow, or widower benefit to be offset by the dollar amount of their own retirement benefit.

SocialSecurity.gov |   



Windfall Elimination Provision

Your Social Security retirement or disability benefits can be reduced

The Windfall Elimination Provision can affect how we calculate your retirement or disability benefit. If you work for an employer who doesn't withhold Social Security taxes from your salary, such as a government agency or an employer in another country, any retirement or disability pension you get from that work can reduce your Social Security benefits.

When your benefits can be affected

This provision can affect you when you earn a retirement or disability pension from an employer who didn't withhold Social Security taxes and you qualify for Social Security retirement or disability benefits from work in other jobs for which you did pay taxes.

The Windfall Elimination Provision can apply if:

- You reached 62 after 1985, or
- You became disabled after 1985, and
- You first became eligible for a monthly pension based on work where you didn't pay Social Security taxes after 1985. This rule applies even if you're still working.

This provision also affects Social Security benefits for people who performed federal service under the Civil Service Retirement System (CSRS) after 1986. We won't reduce your Social Security benefit amounts if you only performed federal service under a system such as the Federal Employees' Retirement System (FERS). Social Security taxes are withheld for workers under FERS.

How it works

Social Security benefits are intended to replace only some of a worker's pre-retirement earnings.

We base your Social Security benefit on your average monthly earnings adjusted for average wage growth. We separate your average earnings into three amounts and multiply the amounts using three factors to compute your full Primary Insurance Amount (PIA).

For example, for a worker who turns 62 in 2018, the first \$895 of average monthly earnings is multiplied by 90 percent, earnings between \$895 and \$5,397 by 32 percent, and the balance by 15 percent. The sum of the three amounts equals the PIA which is then decreased

or increased depending on whether the worker starts benefits before or after full retirement age (FRA). This formula produces the monthly payment amount.

When we apply this formula, the percentage of career average earnings paid to lower-paid workers is greater than higher-paid workers. For example, workers age 62 in 2018, with average earnings of \$3,000 per month could receive a benefit at FRA of \$1,479 (49 percent) of their pre-retirement earnings increased by applicable cost of living adjustments (COLAs). For a worker with average earnings of \$6,000 per month, the benefit starting at FRA could be \$2,636 (32 percent) plus COLAs. However, if either of these workers start benefits earlier, we'll reduce their monthly benefit.

Why we use a different formula




Before 1983, people whose primary job wasn't covered by Social Security had their Social Security benefits calculated as if they were long-term, low-wage workers. They had the advantage of receiving a Social Security benefit representing a higher percentage of their earnings, plus a pension from a job for which they didn't pay Social Security taxes. Congress passed the Windfall Elimination Provision to remove that advantage.

Under the provision, we reduce the 90 percent factor in our formula and phase it in for workers who reached age 62 or became disabled between 1986 and 1989. For people who reach 62 or become disabled in 1990 or later, we reduce the 90 percent factor to as little as 40 percent.

Some exceptions

The Windfall Elimination Provision doesn't apply if:

- You're a federal worker first hired after December 31, 1983;
- You were employed on December 31, 1983, by a nonprofit organization that didn't withhold Social Security taxes from your pay at first, but then began withholding Social Security taxes;
- Your only pension is for railroad employment;
- The only work you performed for which you didn't pay Social Security taxes was before 1957; or
- You have 30 or more years of substantial earnings under Social Security.

SocialSecurity.gov |    (over)
Windfall Elimination Provision

- **Windfall Elimination Provision (WEP) – 1985**

Social Security offsets

Government Pension Offset (GPO)

- Reduces spousal SS benefit by two-thirds of your TRSL benefit
- Requires that a person's benefit as a spouse or widow(er) be offset dollar for dollar by the amount of his/her own retirement benefit
- Could completely eliminate SS spousal benefit

Windfall Elimination Provision (WEP)

- Reduces your own SS benefit if you receive a TRSL benefit
- Uses a modified formula to reduce SS benefit, based on average monthly earnings adjusted for inflation
- Does not completely eliminate SS benefit

SSA homepage: www.ssa.gov

The screenshot shows the SSA homepage with a dark blue header. On the left is the Social Security Administration logo and the text "Social Security". On the right are links for "SEARCH", "MENU", "LANGUAGES", and "SIGN IN/UP". Below the header are five large image tiles: a woman and man looking at a laptop, a young girl with an elderly man, a woman and man on a bicycle, an elderly couple talking, and a woman and man with boxes. Below these are four service tiles with icons and descriptions.

Social Security 🔍 SEARCH ☰ MENU 🌐 LANGUAGES 🔒 SIGN IN/UP

**Putting you in control...
Learn what you can do online**

Retirement

Disability

Medicare

Change of Address

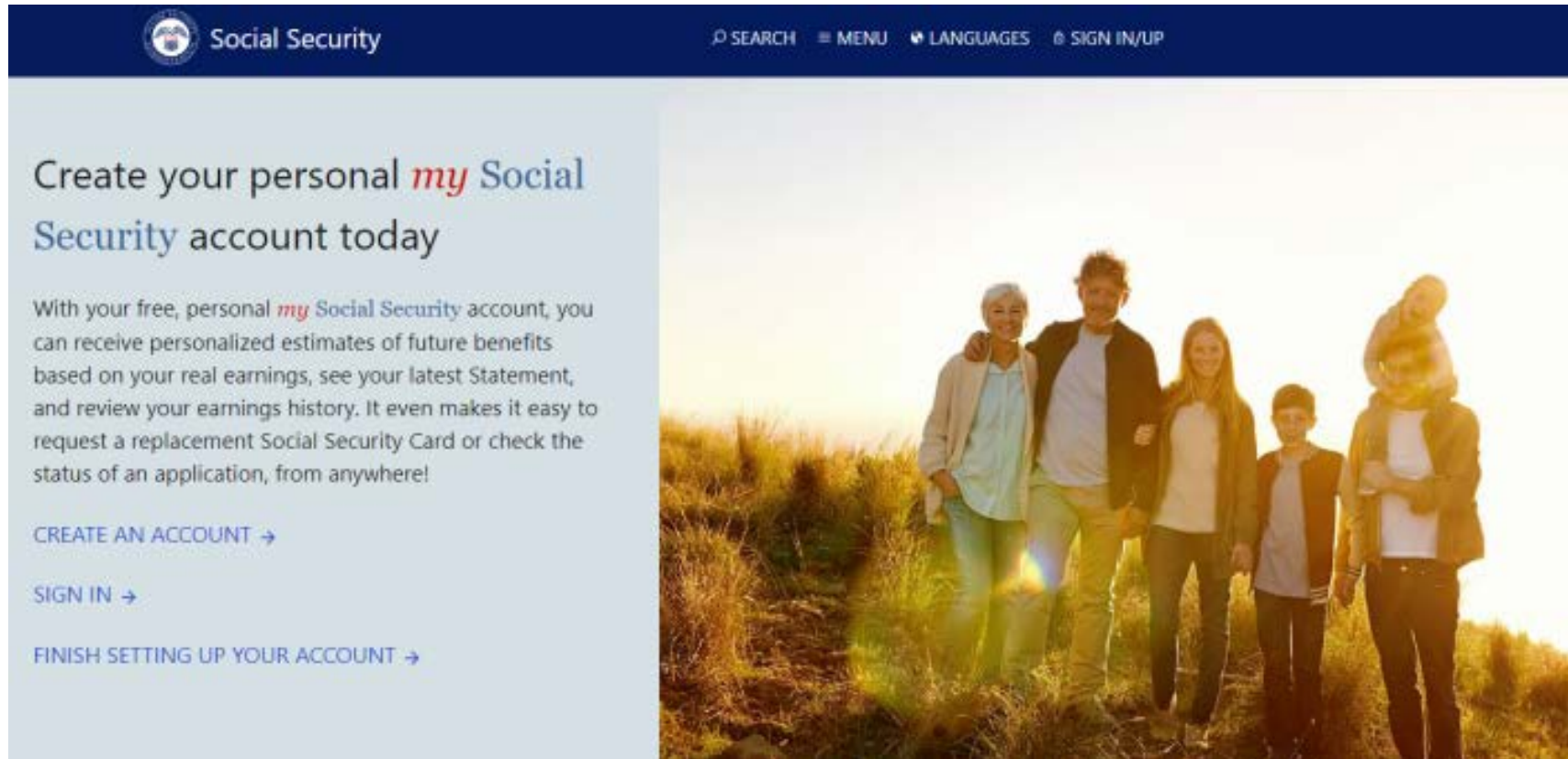
my Social Security
Check out your *Social Security Statement*, change your address & manage your benefits online today.

Social Security Number
Your Social Security number remains your first and continuous link with Social Security.

Retirement Estimator
Calculate your benefits based on your actual Social Security earnings record.

FAQs
Get answers to frequently asked questions about Social Security.

Create a “my Social Security” account



The screenshot shows the top navigation bar of the Social Security Administration website. On the left is the Social Security logo. On the right are links for SEARCH, MENU, LANGUAGES, and SIGN IN/UP. The main content area has a light blue background on the left with the heading "Create your personal *my* Social Security account today". Below this is a paragraph of text explaining the benefits of a free account, such as receiving personalized estimates and reviewing earnings history. Three blue links are provided: "CREATE AN ACCOUNT →", "SIGN IN →", and "FINISH SETTING UP YOUR ACCOUNT →". To the right of the text is a photograph of a diverse family of five (two adults and three children) walking through a field of tall grass at sunset.

Check your SS status ~ Request a replacement card
View your SS statement ~ Change your address

www.SSA.gov/myaccount

Social Security calculators

Social Security SEARCH MENU LANGUAGES SIGN IN/UP

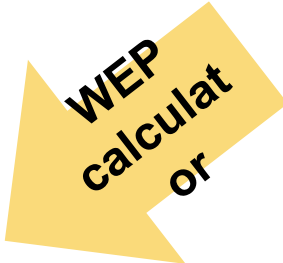
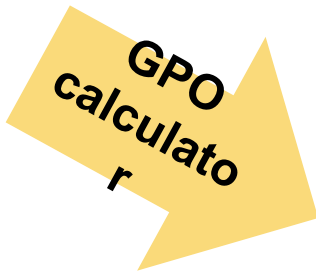
Benefits Planner: Calculators

Home Retirement Disability Survivors **Calculators**

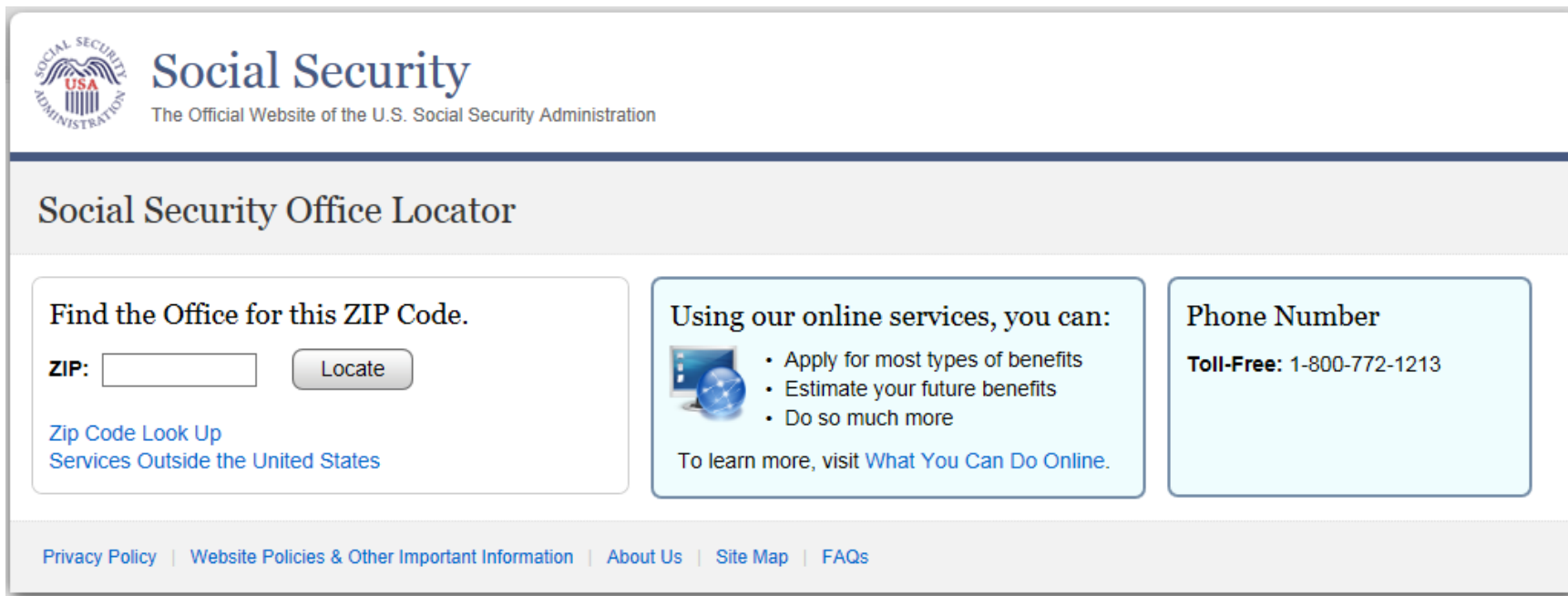
The best way to start planning for your future is by [creating a my Social Security account](#) online. With [my Social Security](#), you can verify your earnings, get your *Social Security Statement*, and much more – all from the comfort of your home or office.

We have a variety of calculators to help you plan for the future and for what you may need now.

Retirement Age Calculator Find your full retirement age and learn how your monthly benefits may be reduced if you retire before your full retirement age.	Retirement Estimator Estimate monthly benefits based on your Social Security earnings record.	Windfall Elimination Provision (WEP) Calculator Estimate if you are eligible for a pension based on work that was not covered by Social Security.
GPO Calculator Estimate of spouse benefits for yourself if you receive a pension from a government job in which you did not pay Social Security taxes. Your benefit may be offset by the Government Pension Offset (GPO).	Detailed Calculator Get the most precise estimate of your retirement, disability, and survivors benefits. The estimate includes WEP reduction. Must be downloaded and installed on your computer.	
Early or Late Retirement Calculator Compute the effect on your benefit amount if you file for early or delayed retirement benefits.	Earnings Test Calculator Learn how your earnings may affect your benefit payments if you are currently working and are eligible for retirement or survivors benefits this year.	




Social Security office locator



The screenshot shows the Social Security Administration's website header with the logo and the text "Social Security The Official Website of the U.S. Social Security Administration". Below this is a section titled "Social Security Office Locator".

Find the Office for this ZIP Code.
ZIP:
[Zip Code Look Up](#)
[Services Outside the United States](#)

Using our online services, you can:


- Apply for most types of benefits
- Estimate your future benefits
- Do so much more

To learn more, visit [What You Can Do Online.](#)

Phone Number
Toll-Free: 1-800-772-1213

[Privacy Policy](#) | [Website Policies & Other Important Information](#) | [About Us](#) | [Site Map](#) | [FAQs](#)

Bring your TRSL estimate with you to your SSA appointment for more information regarding how your SS benefit may be affected by GPO or WEP once you receive a TRSL benefit upon retirement.

Questions to ask Social Security

- At what age can I receive my full SS benefit, and how much will it be?
- What is the earliest age I can receive SS benefits, and will this amount be reduced?
- Are there earnings limits if I collect SS while I am still working and paying into TRSL?
- Do I qualify for an exception to GPO or WEP?
- If GPO or WEP does apply to me, how much will my SS benefit be?

Summary: TRSL & Social Security

- YES, it's possible to draw both TRSL and Social Security in retirement.
- If you receive a retirement benefit from TRSL and you are also eligible for Social Security benefits, your Social Security benefit may be reduced according to federal regulations.
- **TRSL benefits are not reduced.**

SSA Contact Info

- For detailed information about your Social Security benefit, please contact the Social Security Administration.
 - **Website:** *www.ssa.gov*
 - **Toll-free:** 1-800-772-1213
 - Contact your nearest SS office

Social Security Verification Request via Member Access

- If the Social Security office sends you a request for information, such as amount of monthly benefit from your public retirement plan, TRSL can provide this information.
- As a TRSL member, you can request a Social Security Verification letter via the “My Self Service” menu in Member Access.



Order SS Verification Request Letter

- You must click “Submit” in order to request the letter from TRSL via Member Access. It will be mailed to your home address on file.



TRSL Teachers' Retirement System of Louisiana

Home | My Account | My Self Service | Help | Logout

Social Security Verification Request

A Social Security verification letter is **only necessary** if the Social Security Administration (SSA) has recently requested this information from you. If you have not received a request from the SSA, you do not need to click the “Submit” button at this time. Please note that the letter should only be used to verify your income from TRSL with the SSA.

Need proof of income for other purposes? [Click here](#) to request a Standard Income Verification letter.

Submit

Things to do now

TRSL CHECKLIST

Register for Member Access

Submit important docs

Update contact info

Check beneficiary designation

Get a retirement estimate!

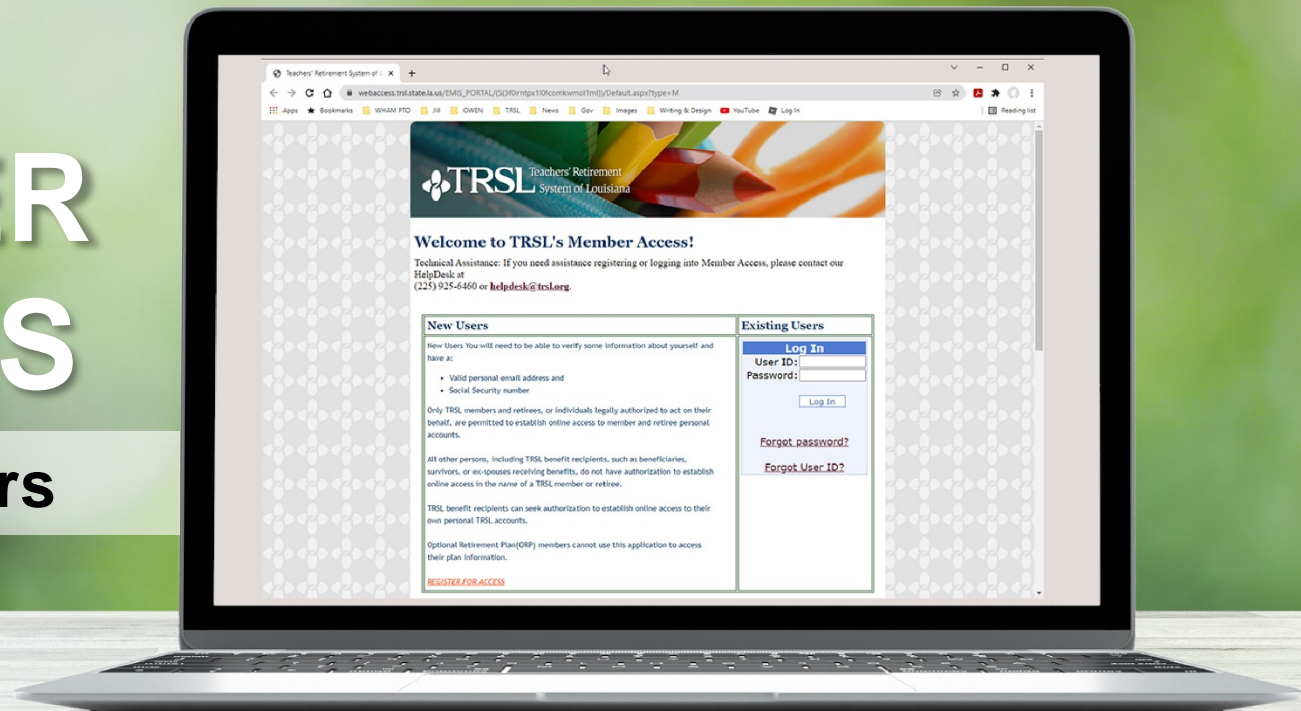
- Social Security cards (member & beneficiary)
- Birth certificates (member & beneficiary)

Divorce/separation decrees, community property settlements

- DIY via TRSL's Member Access
- Submit Form 10

MEMBER ACCESS

Active members



- Update name & mailing/email address
- Estimate future benefit with online calculators
- View annual statements
- Apply for retirement/DROP
- View DROP account
- View beneficiary(ies)
- Print income verification letter
- Request Social Security verification letter

Create a benefit estimate

Online calculators loaded with your account information



1. Log on to Member Access.
2. Under “My Retirement” drop-down menu, select “Estimate Your Retirement Benefit.”
3. Enter your desired retirement date and click “Create Estimate!”

Register for MEMBER ACCESS @ www.TRSL.org

For technical assistance with Member Access, contact support@trsl.org.



SHED SOME LIGHT ON
*Your Future with
Online Member Access*

MEMBER ACCESS



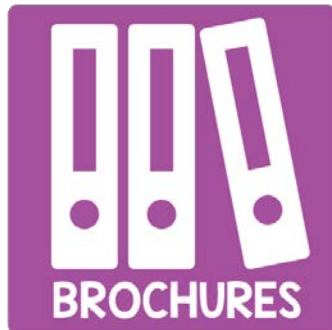
My TRSL

Members

Retirees

Employers

Find it online at www.TRSL.org



We are here for you!



Local phone: (225) 925-6446

Toll free (outside Baton Rouge):
1-877-ASK-TRSL (1-877-275-8775)

Website: *www.TRSL.org*

Questions: *AskTRSL.org*



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