

Press Office

Press Releases

Press Release

Tuesday, October 18, 2016

For Immediate Release

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Social Security Announces 0.3 Percent Benefit Increase for 2017

Monthly Social Security and Supplemental Security Income (SSI) benefits for more than 65 million Americans will increase 0.3 percent in 2017, the Social Security Administration announced today.

The 0.3 percent cost-of-living adjustment (COLA) will begin with benefits payable to more than 60 million Social Security beneficiaries in January 2017. Increased payments to more than 8 million SSI beneficiaries will begin on December 30, 2016. 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 adjustments 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 \$127,200 from \$118,500. Of the estimated 173 million workers who will pay Social Security taxes in 2017, about 12 million will pay more because of the increase in the taxable maximum.

Information about Medicare changes for 2017, 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.

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

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