

## SOCIAL SECURITY RULE

1. The Social Security Administration takes back \$1 for every \$2 over \$15,120 that you earn until you reach full retirement.
2. The Social Security Administration takes back \$1 for every \$3 over \$40,080 in the year you reach full retirement age.
3. After 66+ some months (full retirement age) you may earn any amount, no pay back.

## IRS RULE

Age does not matter; filing status does.

- If you file "Single" and your income is over \$25,000, you may pay income tax on up to 85% of your social security.
- If you file "Married Filing Jointly" and your income is over \$32,000, you may pay income tax on up to 85% of your social security.
- If you file "Married Filing Separately", you may each pay income tax on up to 85% of social security with no threshold.

There is a special formula to calculate your TOTAL income. Please call or stop in to discuss.