



Your Social Security Statement

Prepared especially for **Michal H. Siemaszko**

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See inside for your
personal information ➔



What Social Security Means to You

We are pleased to provide you with the *Social Security Statement* you requested. We hope you find the *Statement* useful in planning your financial future, and we hope it helps you better understand what Social Security means to you and your family.

Please read this *Statement* carefully. If you think there might be a mistake, please let us know. That's important because your benefits will be based on our record of your lifetime earnings. Remember, the future's in your hands when you read your *Social Security Statement*.

Social Security is for people of all ages

Social Security is more than a program for retired people. It can help people of all ages in many ways, whether you're young or old, male or female, single or with a family. For example, it can provide benefits if you become severely disabled and help support your family when you die. And, of course, it is there for you when you retire.

Work to build a secure future

Social Security is the largest source of income for most elderly Americans and plays a major role in keeping them out of poverty. But Social Security can't do it all. Social Security benefits were not intended to be the only source of income for you and your family when you retire. You'll need to supplement your benefits with income from a pension plan, savings or investments. Think of Social Security as a foundation on which to build your financial future.

About Social Security's future...

Will Social Security be there when you retire? Of course it will. But changes will be needed to meet the demands of the times. We're living longer, healthier lives; 76 million "baby boomers" will start retiring in about 2010; and, in about 30 years, there will be nearly twice as many older Americans as there are today.

Social Security now takes in more in taxes than it pays out in benefits. The excess funds are credited to Social Security's trust funds, which are expected to grow to over \$4 trillion before we need to use them to pay benefits. In 2015, we will begin to pay out more in benefits than we collect in taxes. By 2037, the trust funds will be exhausted and the payroll taxes collected will be enough to pay only about 72 percent of benefits owed. We're working to resolve these issues. For more information about the present and what may lie ahead, call us to ask for a copy of the booklet, *The Future of Social Security*.

Kenneth S. Apfel

Kenneth S. Apfel
Commissioner of Social Security

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Your Estimated Benefits

To qualify for benefits, you earn "credits" through your work—up to four each year. This year, for example, you earn one credit for each \$780 of wages or self-employment income. When you've earned \$3,120, you've earned your four credits for the year. Most people need 40 credits, earned over their working lifetime, to receive retirement benefits. For disability and survivors benefits, young people need fewer credits to be eligible.

We checked your record to see whether you have earned enough credits to qualify for benefits. If you haven't earned enough yet to qualify for any type of benefits, we can't give you an estimate now. If you continue to work, we'll give you an estimate when you do qualify.

What we assumed — If you have enough work credits, we estimated the amount of your benefits, using your average earnings over your working lifetime. For the first retirement amount shown and your credits through 2000, we assumed you would work up to the expected retirement age you gave us. For later retirement ages, we assumed you will continue working up to those ages and earn the average future earnings you gave us for 1999 and 2000.

We can't provide your actual benefit amount until you apply for benefits. **And that amount may differ from the estimates stated below because —**

(1) Your earnings may increase or decrease over the years.

(2) Your benefit figures shown here are only estimates based on current law, and the laws governing benefit amounts may change because, by 2037 the payroll taxes collected will be enough to pay only about 72 percent of benefits owed.

(3) Other factors, such as receiving a pension for government work not covered by Social Security, may affect your benefit amount.

Generally, estimates for older workers are more accurate than those for younger workers because they're based on a longer earnings history with fewer uncertainties, such as earnings fluctuations and future law changes.

These estimates are in current dollars. As you receive benefits, they will be adjusted for cost-of-living increases.

- ▼ **Retirement** To get retirement benefits, you need 40 credits of work. Your record shows you have at least 12 credits at this time.
- ▼ **Disability** You have earned enough credits to qualify for benefits. If you become severely disabled right now...
Your payment would be about... \$875 a month
- ▼ **Family** If you get retirement or disability benefits, your spouse and children also may qualify for benefits.
- ▼ **Survivors** You have earned enough credits for your family to receive the following benefits if you die this year.
Total family benefits can not be more than... \$1,919 a month
Your child... \$780 a month
Your spouse who is caring for your child... \$780 a month
Your spouse who reaches full retirement age... \$1,041 a month
Your spouse or minor child may be eligible for a special one-time death benefit of \$255.
- ▼ **Medicare** To get Medicare benefits at age 65, you need the same number of work credits that you need for retirement benefits (shown above). You do not have enough credits to qualify at this time.

We based your benefit estimates on these facts:

Your name...	Michal H. Siemaszko
Your Social Security number...	022-70-1811
Your date of birth...	February 7, 1979
1999 earnings...	\$25,000
2000 earnings...	\$30,000
Your estimated future average yearly earnings...	\$50,000
Age you plan to stop working...	55

Help Us Keep Your Earnings Record Accurate

You, your employer and Social Security share responsibility for the accuracy of your earnings record. From the first year you began working, we recorded your reported earnings under your name and Social Security number. Since then, we have updated your record each time your employer (or you, if you're self-employed) reported your earnings.

Remember, it's your earnings — not the amount of taxes you paid or the number of credits you have — that determine your benefit amount. When we figure that amount, we base it on your average earnings over your lifetime. If our records are wrong, you may not receive all the benefits to which you are entitled.

▼ **Review this chart carefully** using your own documents (pay stubs, W-2 forms and tax returns) to make sure our information is correct.

▼ **Make sure we have recorded every year you worked.**

▼ **Check the earnings to see if they are correct.**

You are the only person who can look at the earnings chart and know whether it is complete. If you worked for more than one employer during the year, or if you had both earnings and self-employment income, we combined your earnings for that year.

▼ Remember, **there is a limit on the amount of earnings on which you pay Social Security taxes each year.** This limit usually increases yearly. Only the maximum amount that was taxable will appear on the chart. (For Medicare taxes, the maximum earnings amount began rising in 1991. Since 1994, *all* of your earnings are taxed for Medicare.)

▼ **Act right away** if any of your earnings are shown incorrectly. Call us at **1-800-772-1213**. If possible, have your W-2 or tax return for those years available. (If you live outside the U.S., follow the directions at the bottom of page 4.)

Your Earnings Record at a Glance

Years You Worked	Your Taxed Social Security Earnings	Your Taxed Medicare Earnings
1997	\$ 548	\$ 548
1998	17,584	17,584
1999	25,366	25,366

Did you know... Social Security is more than just a retirement program? It's here to help you when you need it most.

For instance, Social Security helps you if you become disabled — even at an early age. It is possible for a young person who has worked and paid Social Security taxes for as few as 18 months to become eligible for disability benefits. If you become disabled, you could receive valuable benefits to help you for as long as you're completely disabled.

Social Security has another important feature. It is portable and moves with you from job to job throughout your career.

Totals over your working career:

Estimated taxes paid for Social Security:

You paid: \$2,695
Your employers paid: \$2,695

Estimated taxes paid for Medicare:

You paid: \$628
Your employers paid: \$628

Note: If you are self-employed, you pay the total tax on your net earnings.