



Social Security: What the Latino Community Should Know

*IT'S YOUR MONEY, IT'S YOUR FUTURE*

**NCLR**  
NATIONAL COUNCIL OF LA RAZA

The National Council of La Raza (NCLR)—the largest national Latino civil rights and advocacy organization in the United States—created this brochure for Latino workers because many Hispanics work at jobs in which they are not accumulating credits toward Social Security. For example, many Latinos are underpaid, wrongly classified as independent contractors, or paid in cash, meaning there is no record of their earnings and no taxes being paid to Social Security. This brochure explains the benefits of Social Security and why it is better to participate in the program.

To create this brochure, NCLR used information gathered directly from the Social Security Administration's English and Spanish websites: [www.ssa.gov](http://www.ssa.gov) and [www.ssa.gov/espanol](http://www.ssa.gov/espanol).





## What is Social Security?

Social Security is a government insurance program created for workers in 1935. It can provide income to eligible workers if they retire or become disabled. If the worker dies, Social Security can provide income to their dependents, such as their children. These payments replace part of the money the workers would earn if they were still working.

In 2010, the average monthly Social Security benefits were:

- \$1,164 for a retired worker
- \$1,892 for a retired couple
- \$1,064 for a disabled worker
- \$1,803 for a disabled worker with a spouse and child
- \$1,123 for a widow or widower
- \$2,391 for a young widow or widower with two children

## What is a Social Security number and how does it fit into the Social Security program?

A Social Security number (SSN) is a nine-digit number issued to U.S. citizens, permanent residents, and temporary working residents. Its main use is to track tax payments, but it is also commonly used as an identifier. The Social Security Administration uses this number to keep track of the tax payments workers make into the Social Security program.






## Who pays for Social Security?

Workers and their employers must pay a tax that goes into the Social Security program. In 2010, workers and employers each pay 6.2% of every paycheck in Social Security taxes.

## How do I qualify for Social Security?

You earn “credits” toward Social Security benefits by working and paying Social Security taxes. A worker can receive up to four credits each year. Generally, a worker needs 40 credits to qualify for benefits. This means that you need at least ten years of working and paying Social Security taxes to qualify for Social Security benefits.

	Benefit Type	How Do People Qualify?	When Can People Start Collecting Benefits?
	Retirement benefits	You must have 40 credits of work (ten years) recorded in your Social Security work history.	Workers can start collecting full benefits at age 67. The age may increase if laws change.
	Disability	You must be officially declared disabled.	You can collect six months after the time you are declared disabled.
	Survivor (spouse and dependent children)	You must have credit for at least 1.5 years of work (six credits) in the three years before you die. With more credits, your family will qualify for more income.	When you die, your survivors receive income depending on how much you worked before you died.

For more information about whether you qualify for benefits, contact the Social Security Administration at 1-800-772-1213 or visit [www.ssa.gov/espanol](http://www.ssa.gov/espanol) on the Internet.

How do I know if I'm paying the Social Security tax and how much it is?

Look at your paycheck. Your paycheck shows how much you paid in Social Security taxes. Also, make sure you are being paid for the correct amount.

CO. FILE DEPT. CLOCK NUMBER

ABC 126543 123456 12345 00000000

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ACME SUPPLIES CORP.  
475 KNAPP AVENUE  
ANYTOWN, USA 10101

Social Security Number: 999-99-9999  
Taxable Martial Stauts: Married  
Exemptions/Allowances:  
Federal: 3, \$25 Additional Tax  
State: 2  
Local: 2

Earnings	rate	hours	this period	year to date
Regular	10.00	32.00	320.00	16,640.00
Overtime	15.00	1.00	15.00	780.00
Holiday	10.00	8.00	80.00	4,160.00
Gross Pay			\$ 415.00	21,580.00
Deductions	Statutory			
Federal Income Tax			-40.60	2,111.20
Social Security Tax			-28.05	1,456.50
Medicare Tax			-6.56	341.12
NY State Income Tax			-8.43	438.36
NY Income Tax			-5.84	308.88
NY SUI/SDI Tax			-0.60	31.20
Other				
Bond			-5.00	100.00

Earnings Statement

Period ending: 12/18/2000  
Pay date: 12/26/2003

JULIA LOPEZ  
101 MAIN STREET  
ANYTOWN, USA 12345

Other Benefits and Information	this period	total to date
Group Tenn Lite	0.51	27.00
Loan Amt Paid	840.00	
Vac Hrs		40.00
Sick Hrs		16.00
Title	Operator	
Important Notes		
EFFECTIVE THIS PAY PERIOD YOUR REGULAR		
HOURLY RATE HAS BEEN CHANGED FROM \$8.00		
TO \$10.00 PER HOUR.		

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### **What if I'm an undocumented immigrant? Am I still eligible for Social Security benefits?**

Millions of undocumented workers pay Social Security taxes to the government each year. However, undocumented workers do not qualify for Social Security benefits. Undocumented workers might be able to receive credit for their work history once their legal status is adjusted. It is important to keep your pay stubs and other documents which prove that you paid Social Security taxes.

### **What if I am paid in cash and do not have Social Security taxes taken out? Isn't it better for me to not have taxes taken out of my wages?**

No. In the end, not paying Social Security taxes hurts the worker. If you do not pay taxes into the Social Security program, you will not be able to receive any benefits. Receiving your wages with a paycheck—not in cash—is the best way to make sure you are being paid correctly and are paying into Social Security and other programs. Without a paycheck, workers will have a hard time later on proving that they paid taxes and do qualify for Social Security benefits.

### **How can I find out how much I have paid already or how much I could collect in Social Security benefits?**

The Social Security Administration sends a summary each year to all workers that shows how much each worker has earned and how much in taxes they have paid throughout their lifetime. It also shows the number of credits the worker has earned to qualify for Social Security benefits.

Example of a Worker Who Earned \$43,117 in 2008



Prevent identity theft—protect your Social Security number

Your Social Security Statement

www.socialsecurity.gov

Prepared especially for Wanda Worker

Estimated Benefits

<b>*Retirement</b>	
<b>You have earned enough credits to qualify for benefits. At your current earnings rate, if you continue working until</b>	
Your full retirement age (67 years), your payment would be about	\$1,578 a month
Age 70, your payment would be about	\$1,967 a month
If you stop working and start receiving benefits at age 62, your payment would be about	\$1,088 a month
<b>*Disability</b>	
<b>You have earned enough credits to qualify for benefits. If you became disabled right now, your payment would be about</b>	
	\$1,442 a month
<b>*Family</b>	
<b>If you get retirement or disability benefits, your spouse and children also may qualify for benefits.</b>	
<b>*Survivors</b>	
<b>You have earned enough credits for your family to receive survivors benefits. If you die this year, certain members of your family may qualify for the following benefits:</b>	
Your child	\$1,125 a month
Your spouse who is caring for your child	\$1,125 a month
Your spouse, if benefits start at full retirement age	\$1,501 a month
Total family benefits cannot be more than	\$2,762 a month

**Your Earnings Record**

Years You Worked	Your Taxed Social Security Earnings
1985	580
1986	1,380
1987	2,455
1988	4,116
1989	5,618
1990	6,978
1991	8,639
1992	11,212
1993	13,289
1994	15,285
1995	17,396
1996	19,634
1997	22,084

**Your Earnings Record**

Years You Worked	Your Taxed Social Security Earnings
1998	24,407
1999	26,782
2000	29,181
2001	30,699
2002	31,719
2003	33,102
2004	35,235
2005	37,096
2006	39,352
2007	41,667
2008	43,117
2009	Not yet recorded

**Total Social Security and Medicare taxes paid over your working career through the last year reported on the chart above:**

Estimated taxes paid for Social Security:

You paid:	\$31,027
Your employers paid:	\$31,027



**Is receiving Social Security the same as receiving food stamps or unemployment?**

No. The Food Stamp Program, now known as the Supplemental Nutrition Assistance Program (SNAP), is not a part of Social Security. SNAP helps low-income people buy food. Workers who lose their jobs may be able to collect unemployment insurance benefits. Unemployment benefits are not a part of Social Security. It is a different government program that is paid for by a different tax.



**If I receive Medicaid benefits now, will this affect my Social Security check later?**

No. Medicaid and Social Security are separate programs. To determine whether you qualify for Social Security benefits, the government will review your work history. Using Medicaid benefits before you retire will not affect your Social Security retirement benefits later.







**What if I am married and did not work, but my spouse worked and died? Am I eligible for Social Security?**

If you are the spouse or dependent of a worker who was eligible for Social Security and dies, you are entitled to Social Security benefits. In the case of a divorce, an ex-spouse may also be entitled to Social Security benefits. The average monthly benefit for a young widow or widower with two children is \$2,391 in 2010.

To receive more information on Social Security from NCLR, visit our website at [www.nclr.org](http://www.nclr.org).

For help determining if you are eligible for Social Security benefits, contact a local Social Security Administration office. Call 1-800-772-1213 or visit [www.ssa.gov](http://www.ssa.gov).



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