

Social Security Benefits to Rise 2.3 Percent

By Bernard A. Krooks | 11/01/07

The nation's roughly 54 million elderly and disabled Social Security recipients will get a 2.3 percent cost of living increase in payments in 2008. This is expected to raise the average monthly payment for the typical beneficiary by \$24. The 2008 increase is down from the 3.3 percent bump recipients received in 2007. Nearly one-third of the nation's retirees depend on Social Security benefits for 90 percent or more of their income. (For the history of Social Security's cost-of-living adjustments, [click here](#).)

Starting in January 2008, the average monthly Social Security payment will rise from \$1,055 to \$1,079 a month for individuals and from \$1,722 to \$1,761 for couples. This increase will apply to both the elderly and disabled Social Security recipients, and individuals who receive both disability and retirement Social Security will see increases in both types of benefits.

The Social Security cost of living adjustment also raises the maximum amount of earnings subject to Social Security taxation to \$102,000.

Benefit-reduction thresholds for those who retire early also will rise. The Normal Retirement Age (NRA) is age 65 and 8 months for those born in 1941 and 65 and 10 months for those born in 1942. Although there is no limit on outside earnings beginning the month an individual attains full retirement, those who choose to begin receiving Social Security benefits before their NRA may have their benefits reduced, depending on how much other income they earn. Early beneficiaries who will reach their NRA after 2008 may now earn \$13,560 a year before Social Security payments are reduced by \$1 for every \$2 earned above the limit. Those early beneficiaries who will attain their NRA in 2008 will have their benefits reduced \$1 for every \$3 earned if their income exceeds \$36,120 in the months prior to the month they reach their NRA.

For 2008, the monthly federal Supplemental Security Income (SSI) payment standard for an individual will be \$637, and \$956 for a couple.

For a complete list of the 2008 Social Security changes, go to:

<http://ssa.gov/pressoffice/factsheets/colafacts2008.htm>

For more ElderLawAnswers information on Social Security, [click here](#).

For the official announcement from the SSA, go to: <http://ssa.gov/pressoffice/pr/2008cola-pr.htm>