

Motley Fool's *Rule Your Retirement* Newsletter

25 Facts About Social Security Everyone Should Know

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Social Security is one of the most popular and important social programs in the U.S. Yet a survey conducted by MassMutual Financial Group in 2015 showed that just one person out of more than 1,500 respondents was able to answer **just 10** multiple choice or true/false questions about the program correctly. That's a troubling number.

Here's a look at 25 Social Security facts and figures that can help you to increase your knowledge about this important program.

1. August 14, 1935

The date President Franklin Roosevelt signed the Social Security Act into law.

2. 12.4%

The total Social Security tax rate paid by employees and employers. This number is split equally between the two so that employees are responsible for just 6.2% of the total. There's also an upper limit to earnings that are subject to Social Security taxes. For 2017, that figure is \$127,200.

3. 61 million

The number of Americans who received benefits last year. This total includes more than 43.7 million retired workers and dependents, 10.8 million disabled workers and dependents, and 6.1 million survivors.

4. \$918 billion

How much money those 61 million Americans received in benefits in 2016.

5. 5.4 million

The number of people who were newly awarded benefits in 2015.

6. 90%

Nearly nine out of every 10 citizens over age 65 receives a monthly Social Security check.

7. 55%

The percentage of recipients who are women. The primary reason this figure isn't 50% is because women tend to live longer than men, so they usually receive benefits for a longer time.

8. 34%

The percentage of the average elderly person's income that comes from Social Security, though some retirees are *far* more dependent on the program than others.

9. 21% and 43%

The percentage of married and single persons, respectively, who rely on Social Security for more than 90% of their income.

10. 10%

The proportion of Social Security recipients who live below the poverty line (as of 2014). An additional 5.2% of recipients qualify as "near poor," meaning they make between 100% to 125% of the poverty rate.

11. 171 million

The number of workers currently covered by Social Security. That's important because slightly more than half of the private workforce does not have pension coverage.

12. 31%

The percentage of workers who have yet to set aside any money for their retirement.

13. 20 years

How much longer the average 65-year-old can expect to live, based on life expectancy figures. Rewind the clock to 1940, and this figure was only 14 years.

14. 79 million

The estimated population of Americans age 65 or older in the year 2035. By contrast, this figure is only 48 million today.

15. 2.2 to 1

The estimated worker-to-beneficiary ratio expected by 2035. This ratio is 2.8 today.

16. 90%

Roughly 90% of workers between 21 and 64 years old are protected by Social Security in the event of a long-term disability. That's a nice benefit because two out of every three workers in the private sector do not have long-term disability coverage.

17. 40

The number of work credits you need to earn during your working years to qualify for Social Security benefits. Because you can earn a maximum of four work credits each year, it takes at least 10 full working years to reach this figure.

18. 0.3%

The cost-of-living adjustment (COLA) that was added to recipients' benefits in 2017. Although this rate was the lowest increase rate on record, Social Security's COLA was 0% in three of the past eight years.

19. 75%

The portion of a retiree's benefit that he or she receives by opting to take benefits at age 62 instead of waiting until full retirement age.

20. 67

The full retirement age of anyone born in 1960 or later. By contrast, this figure is 65 for anyone born before 1937.

21. \$1,360

The average monthly benefit paid to a retired worker in 2017. For couples who are both receiving benefits, this figure comes to \$2,260.

22. \$318 more

The difference in how much the average man receives in monthly benefits compared with the average woman. Women tend to have shorter lifetime work histories than men.

23. 85%

The upper limit of your benefits that could be taxable. Some recipients are shocked to find out that their Social Security benefits are subject to income taxes. If you file as an individual and earn more than \$34,000 — or \$44,000 if you file a joint return — then up to 85% of your benefits may be taxable.

24. \$2.8 trillion

The amount of money Social Security has in asset reserves. Despite all the talk about the Social Security fund running out of money, the 2016 Social Security Board of Trustees report showed that the fund carried more than \$2.8 trillion in asset reserves. If current spending patterns hold, this figure is expected to remain in positive territory until 2033.

25. \$11.4 trillion

The present value of *unfunded* obligations owed between now and 2090. That same 2016 Social Security Board of Trustees report showed that the present value of *unfunded* obligation owed between now and 2090 stands at \$11.4 trillion if no changes are made to the program.

Thankfully, there's still plenty of time left for the government to make changes to the program that could keep it solvent. And the public is even [supportive of the proposed changes](#). But will they become the law of the land? Only time will tell.S