

Social Security's Family Maximum Benefits: Does It Affect You?

Author : saragkhaki



It is common that more than one person in a household receives some sort of Social Security Benefits – disability, retirement, or survivor’s benefits. What you may not be aware of is that there is a family maximum that can be received in Social Security benefits. While it’s not a very common concern for most families, it does kick in occasionally. Usually this is when there are multiple household members receiving benefits. In the case of disability, one scenario this could occur in is when one person receives retirement, another receives disability and a child receives dependent benefits.

The family maximum is computed each year by the SSA. It is based on a worker’s primary insurance (PIA) which is the amount of Social Security benefits a worker would receive if benefits start at the full retirement age which is around 65 years old. There is a formula to compute for the retirement and survivor family maximum, and a special formula for a family with a member that is considered a disabled worker. These formulas can get complicated, but the basic idea is that the maximum is a percentage of the primary insurance amount. However, it’s important to note that the PRIMARY benefit does not change. It’s the benefits to the rest of the family that is lowered. In addition, the rules are more restrictive. One major restriction is that the family maximum can only fall in between 100% and 150% of their PIA. It’s important to know what your family maximum is so you don’t find yourself owing the SSA money in an overpayment case. Below is an example provided from the Social Security Administration.

Characteristic

Monthly benefit amount (\$)

Rule a

The Khaki Law Firm

Use our expertise to get through the Social Security Disability

<http://thekhakilawfirm.com>

Note: This information only reflects Social Security, Retirement and Survivors benefits and does not involve Supplemental Security Income (SSI) which has its own household maximum.