



It's a New Year!

Here are some things your employees may need to know for 2020.

1. Your employees that are [working and collecting](#) a Social Security benefit (other than disability) have earnings limits until the month they turn full retirement age.
 - If under full retirement age for all of 2020, Social Security deducts \$1 from their benefit payments for every \$2 that they earn above \$18,240.
 - If turning full retirement age in 2020, Social Security deducts \$1 in benefits for every \$3 earned above \$48,600 **BUT – Social Security only counts earnings before the month of attainment of full retirement age.**
 - If your employee's earnings in 2020 are well over the limit **BUT** they are retiring in 2020, there is a [special monthly earnings limit rule](#) that applies in the first year only.
2. The standard monthly Medicare Part B premium in 2020 is \$144.60/ month. However, [employees that have higher income](#) may pay more than the standard premium. If your employee files taxes as "married, filing jointly" and their MAGI is greater than \$174,000, they will pay a higher premium. If they file taxes using a different status, and their MAGI is greater than \$87,000, they will pay higher premiums.
3. Social Security beneficiaries will receive their 2019 SSA-1099 by January 31. They can request a [replacement 1099 online](#) after February 1. Your employees need this to determine if 50% or 85% of their [Social Security benefits are taxable](#).
 - If your employee files a federal tax return as an "individual" and their combined income is between \$25,000-\$34,000, they may have to pay income tax on 50% of their benefits and, if more than \$34,000, up to 85% of their benefits may be taxable.
 - If your employee files a joint tax return and their combined income is between \$32,000 and \$44,000, they may have to pay income tax on up to 50% of their benefits and, if more than \$44,000, up to 85% of their benefits may be taxable.
 - If your employee does have to pay taxes on their Social Security benefits, they can choose to have [federal taxes withheld from their benefits](#) by completing [Form W-4V](#).