

Solutions, Strategies, Answers

Newsletter of the 18 Social Security Administration offices in
Bucks, Chester, Delaware, Lehigh, Monroe, Montgomery, Northampton, and Philadelphia counties



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Need a 1099? Here's the 411

In this most taxing time of the year, you may be going through scads of paper documents and find that – oh no – you misplaced your **SSA-1099**! Not to fear, we can help.

The SSA-1099 is a form we mail each January to Social Security beneficiaries. It shows the total amount of benefits received in the prior year. It also shows how much Social Security income to report to the Internal Revenue Service (IRS) on your tax return.

If you are a **noncitizen** and you received or repaid Social Security benefits last year, you should have received form SSA-1042S. **People who receive Supplemental Security Income (SSI)** are not sent either form.

You can get a replacement **1099** or **1042S** for any of the past six years for which benefits were paid. Here's the easiest way to do that:

Sign in to your personal my Social Security account and select the *Replace Your Tax Form SSA-1099/SSA-1042S* link. Go to the *Choose a year* drop-down menu to select the desired year. Then click the *Download* link. You can now instantly view, print, or save your benefit statement.

If you don't have an account, you create one at [my Social Security | SSA](#)

You can also call us weekdays at 1-800-772-1213 from 8:00 a.m. to 7:00 p.m. or **contact your local SSA office.**

[Get tax form \(1099/1042S\) | SSA](#)

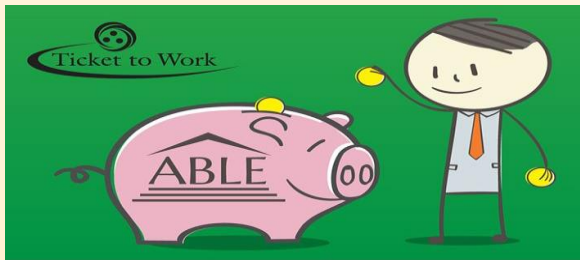
New Policy on Overpayments

Social Security Commissioner Martin O'Malley recently announced the implementation of new policies for the handling of overpayments. When someone is overpaid, SSA must try to recover those benefits. However, "doing so without regard to the larger purpose of the program can result in grave injustices to individuals," Commissioner O'Malley said.

Accordingly, SSA has made the following changes:

- **If a Social Security beneficiary fails to respond** to our request for repayment, we will now withhold 10 percent of the beneficiary's benefit. We have been withholding 100 percent. The new percentage is similar to the current rate in the Supplemental Security Income (SSI) program.
- **We will reframe our guidance and procedures** to shift the burden of proof away from the claimant in determining whether there is any evidence that the claimant was at fault in causing the overpayment.
- **For the vast majority of beneficiaries who request a repayment plan**, we have changed our policy so that we will approve plans lasting up to 60 months. To qualify, Social Security beneficiaries only need to provide a verbal summary of their income, resources, and expenses; recipients of the needs-based SSI program would not need to even provide this summary. Overall, this change extends the repayment option by an additional two years (from 36 months to 60 months).
- **We will make it much easier** for overpaid beneficiaries to request a waiver of repayment in the event they believe they are without any fault and/or without the ability to repay.

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Un-Able to Qualify? Well, Maybe Not

One of the requirements for receiving Supplemental Security Income (SSI) benefits is that disabled individuals do not have resources (assets) valued at over \$2,000. Since SSI is needs-based, it has limits on income and resources. However, there is a state-administered program which may allow individuals to qualify for SSI even if their resources exceed the normal limit.

An **Achieving a Better Life Experience (ABLE) account** is a tax-advantaged savings account to which contributions can be made to meet qualified disability expenses of the owner or designated beneficiary. ABLE accounts receive favorable treatment and are excluded from resources wholly or partly for purposes of certain means-tested federal programs.

To qualify, the individual must receive SSI, Social Security Disability Benefits, or Social Security Childhood Disability Benefits based on a disability that began before age 26.

Advantages of an ABLE Account For SSI recipients, only assets over \$100,000 count as a resource. If the ABLE balance exceeds \$102,000 – whether alone or combined with other resources - SSI payments are suspended until the resources fall below the limit.

Any person can contribute to an ABLE account Total contributions from all sources are limited to the annual gift tax exclusion, unless the account owner is employed. The 2024 excludable amount is \$18,000. Account owners who work can contribute higher amounts.

Payments from an ABLE account A “distribution” may be made only to or for the benefit of the beneficiary. Distributions for “Qualified Disability Expenses” (QDE) are not counted as taxable income. Their purpose is to improve the individual’s health, independence or quality of life. Examples include payments for transportation, assistive technology, healthcare, and employment support. If a SSI recipient receives a distribution that is not a QDE and spends it within the same month, it has no effect on SSI. If it is retained into the next month, it then counts as a resource.

[SPOTLIGHT ON ACHIEVING A BETTER LIFE EXPERIENCE \(ABLE\) ACCOUNTS \(ssa.gov\)](#)

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... Marks the Spot ... the Commissioner’s Spot, That Is

SSA Commissioner Martin O’Malley was sworn into office a little over three months ago, and now has achieved a Social Security First. He is the first Commish to join social media, as he is now on X (formerly known as Twitter).

You can follow the Commissioner [@OMalleySSA](https://twitter.com/OMalleySSA), where he looks forward to sharing important updates about agency priorities, our progress on improving customer service, and other news.



No Foolin’... These Answers are Legit!

Historians aren’t certain, but some trace all the April pranking back to the 16th century when the Gregorian calendar changed the start of the new year from April 1 to January 1. People who were slow to get on board were subjected to hoaxes and jokes, and so it continues today. But here at SSA we would never try to fool you, so rest assured all the answers below are indeed true!

What happens when a Social Security disability beneficiary reaches full retirement age?

The benefit is changed to a “retirement” benefit, with the benefit then paid from the retirement trust fund. The benefit is not increased because the disability amount is already the highest amount payable on a person’s record.

Can I change the day my Social Security benefit is paid?

Your date of birth determines when you are paid – either the second, third or fourth Wednesday of the month. You cannot appeal your assigned day.

Would someone who has power of attorney automatically be selected as representative payee?

No. The Treasury Department does not recognize POA for negotiating federal benefits. Also, POA typically makes no finding as to an individual’s competency or capability, which must be determined in representative payee cases.

Is it legal for an employer to withhold Social Security taxes from my earnings?

In 1982 the Supreme Court upheld earlier Social Security rulings affirming the constitutionality of the law. So, yes, it is legal.