

TRSL and Social Security Benefits

Estimating Social Security benefits

Social Security benefits may be a major source of retirement income for you. Knowing what benefits you qualify for can help you plan better for your retirement.

The Social Security Administration offers an online *Retirement Estimator* that computes your projected Social Security benefits. This online service is located at www.ssa.gov/estimator.

The *Retirement Estimator* provides estimates based on your actual Social Security earnings record. Please note these are **just** estimates, and will vary slightly from the actual benefit you may get in the future. If you have any questions or need more information, please visit your local Social Security office or call 1-800-772-1213.

Social Security reductions if you receive a TRSL benefit

If you receive a retirement benefit from TRSL and you are also eligible for Social Security benefits, your Social Security benefit may be reduced according to federal regulations. Your TRSL benefit will not be reduced.

Because your first eligible date of retirement is one of the criteria used by Social Security to determine if your Social Security benefit will be subject to reductions, TRSL provides you and Social Security with your first eligible date of retirement.

Your first eligible date of retirement is the earliest date that you could have received a TRSL benefit if you had applied for retirement. This is not the date you became vested. The date you became vested

is the date you accumulated the minimum amount of service credit necessary to receive a benefit once you have met the age requirement.

NOTE: To request a letter verifying your first eligible date of retirement, contact TRSL at 225-925-6446 or toll free (outside the Baton Rouge area) at 1-877-ASK-TRSL (1-877-275-8775), or send an email to web.master@trsl.org.

Types of Social Security benefits

There are two types of Social Security benefits:

- A **spouse's or widow(er)'s benefit** is paid to spouses or surviving spouses of Social Security pensioners if those spouses did not work long enough under Social Security to have earned their own benefit, or the spouse's earned benefit is less than the pensioner's benefit. The spouse's benefit is generally one-half of the benefit paid to the Social Security pensioner.
- An **earned benefit** is paid to people who worked at other jobs where they paid Social Security taxes long enough to earn a Social Security benefit.

The type of Social Security benefit you receive determines what formula will be used to calculate your Social Security reduction. The Government Pension Offset (GPO) is used for a spouse's or widow(er)'s benefit, and the Windfall Elimination Provision (WEP) is used for an earned benefit.

Government Pension Offset: reduction for spouse's or widow(er)'s benefit

Normally, when your spouse retires on Social Security, you are eligible for 50 percent of your spouse's

benefit if you are at least age 62. However, since you are eligible for a benefit from TRSL, you may be subject to the GPO.

The GPO formula reduces your Social Security spouse's or widow(er)'s benefit by two-thirds of your TRSL benefit. In some cases this offset could entirely eliminate your Social Security benefit.

EXAMPLE:

Suppose that you are retired and receive a TRSL benefit of \$1,500 per month. Your spouse retires and will receive a Social Security benefit of \$1,625 per month. You would be eligible for 50 percent of your spouse's Social Security benefit of \$1,625, which amounts to \$812.50 per month.

The offset is calculated by multiplying \$1,500 (the amount of your TRSL benefit) by two-thirds, which equals \$1,000. Your Social Security benefit would be \$812.50 but two-thirds of your TRSL retirement benefit is \$1,000.

Since the offset of \$1,000 is more than the Social Security benefit of \$812.50, you would receive no spousal benefit from Social Security.

Exceptions to the GPO

Your Social Security benefit will not be reduced if you meet one of the following conditions:

- You were eligible to retire on or before November 30, 1982, and you meet all the requirements for a Social Security spouse's benefit in effect in January 1977. (A divorced woman's marriage must have lasted at least 20 years, and a husband or widower must have received one-half of his support from his wife.); or

- You were eligible to retire before July 1, 1983, and were receiving one-half of your support from your spouse; or
- You were not eligible for retirement when you withdrew your contributions to TRSL.

Windfall Elimination Provision: reduction for earned benefit

If you receive a TRSL retirement benefit, the WEP, a modified benefit formula, is usually used to reduce your own Social Security earned benefit. However, your Social Security benefit cannot be completely eliminated.

The Social Security Administration gradually implemented the WEP in 1986, and it is now in full effect when you reach age 62 or become disabled.

Exceptions to the WEP

The WEP does not apply in the following situations:

- You were age 62 or disabled before 1986; or
- You qualified for a TRSL retirement benefit (including a reduced benefit) before 1986, even if you continued to work beyond 1986 (excludes LSA-R.S. 11:272[D], as amended by Act 132 of 1995); or
- You have at least 30 years of “substantial” earnings in a job where you paid Social Security taxes.

REMEMBER: When you receive an estimate of your Social Security benefit, the amount probably will not have been reduced by either the GPO or WEP. You should specifically ask Social Security to calculate the reduction for you.

For more information, contact:

Teachers’ Retirement System of Louisiana

8401 United Plaza Boulevard, Suite 300
Baton Rouge, LA 70809-7017

P.O. Box 94123
Baton Rouge, LA 70804-9123

Telephone: 225-925-6446
Toll free (outside Baton Rouge area):
1-877-ASK-TRSL (1-877-275-8775)

Fax: 225-925-4779

Email: web.master@trsl.org
Website: www.trsl.org

Last revised August 2013

This public document was published at a cost of \$399. Two thousand copies of this document were published by the Teachers’ Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, to inform TRSL members of laws and policies that affect them. Printing of this material was purchased in accordance with the provisions of Title 43 of the Louisiana Revised Statutes.

~ TRSL and Social Security Benefits ~

TRSL and Social Security Benefits

 **TRSL**
Teachers’ Retirement System of Louisiana