What Social Security Means to Women

Women's Bureau
Pamphlet Three
1957

U. S. DEPARTMENT OF LABOR
James P. Mitchell, Secretary

WOMEN'S BUREAU
Mrs. Alice K. Leopold, Director

This pamphlet is issued by the Women's Bureau of the United States Department of Labor for the convenience of the millions of women who have a stake in old-age and survivors insurance, either through their own earnings or those of members of their families. The writing was done by Miriam Keeler of the Division of Program Planning, Analysis, and Reports, of which Anna Jo W. Behrens is Chief. Grateful acknowledgment is made to the Bureau of Old-Age and Survivors Insurance of the Social Security Administration, Department of Health, Education, and Welfare, whose technical experts reviewed the manuscript and whose liaison officer was always available for consultation.

CONTENTS

What Social Security Means to Women

WOMEN'S STAKE IN SOCIAL SECURITY

Women have a tremendous stake in old-age and survivors insurance. Nearly 44 million women have accumulated insurance credits through employment, or self-employment, in covered work in the 20 years since the social security system came into operation. The vast majority of married women who are not wage earners are protected through their husbands' employment, and some other women are eligible for payments as widows or dependent parents of insured workers. Altogether, some 4.2 million women were receiving monthly benefits at the end of December 1956.

The amendments to the social security law enacted by Congress in 1956 greatly increased the number of women eligible for benefits at the present time by lowering from 65 to 62 years the age at which they may qualify. For women workers and wives of retired workers who apply before reaching age 65, the monthly benefit is reduced. The effect of the reduction and other points that a woman should consider in deciding when to apply for benefits are discussed in chapter 2.

Chapter 3, on workers brought under old-age and survivors insurance since 1950, includes pertinent material from the 1956 amendments. Social security information useful to women workers, to women employers, to women who are dependent on their husbands or on their unmarried children, and to older women is highlighted in chapter 4. Additional information on 1956 amendments relating to disabled workers and children, self-employed professional workers, farmworkers, and servicemen and veterans may be obtained from the district office of the Social Security Administration, U. S. Department of Health, Education, and Welfare. If you do not know the address of your nearest district office, ask at the post office or look in the telephone book under "U. S. Government, Department of Health, Education, and Welfare."

General information on starting and keeping a social security account and applying for benefits is given in chapter 5.

2

OLD-AGE AND SURVIVORS INSURANCE

In order to know your rights under social security, you need to know what work is covered, when you will be insured, how to earn credits, and what happens if you stop work.

What Work Is Covered?

Any kind of work in which social security credits can be earned is said to be "covered." Most employment in business and industrial establishments has been covered since January 1, 1937. By amendments since 1950, coverage has been extended to most farm and household workers, self-employed people in business and agriculture, most self-employed professional persons, members of the Armed Forces, and certain other groups (see ch. 4).

A person working in covered employment or self-employment in the United States can qualify for benefits whether a citizen or not. United States citizens working abroad may or may not be covered.

It is now possible to earn old-age protection through employment in almost any kind of work, but there are still a few important exceptions.

Exceptions.—The largest groups not under social security are Federal employees whose employment is covered by a retirement system established under some other Federal law and self-employed doctors of medicine.

Some of the other kinds of workers not covered by the social security law are:

- Student nurses
- Students employed by the school, college, or university where they are enrolled, or doing domestic work at a local college club, sorority, or fraternity
- Newspaper carriers under 18 years of age
- Turpentine workers
- Employees of a foreign government or of an international organization entitled to certain immunities under Federal laws
- Foreign nationals admitted on a temporary basis to perform agricultural labor

One other exception is especially important for women. A woman who works for her husband or for a son or daughter, or a girl under 21 years of age who works for a parent, is not covered by social security.

A woman who has any doubt about whether her work is covered should ask the nearest social security office.

When Is a Person Insured?

The first question women ask about old-age and survivors insurance is usually, "How long do I need to work to become insured?" There is no universal answer. The length of time required depends on individual factors, such as birth and death and, in the case of a woman, the date of her 62d birthday.

The time is counted in calendar quarters for social security purposes. There are four calendar quarters in each year:

January, February, March	(first quarter)
April, May, June	(second quarter)
July, August, September	(third quarter)
October, November, December	(fourth quarter)

Each calendar quarter in which a worker is paid wages of at least $50 in covered employment is a "quarter of coverage." A self-employed person who has net earnings of $400 or more in a year gets four quarters of coverage. A farmworker, or a household worker on a farm operated for profit, gets one quarter of coverage for each $100 of *cash* wages covered by the law that she is paid in a year.

You are *fully insured*, generally speaking, if you have enough quarters of coverage after 1936 to equal one-half of the quarters between December 31, 1950, and the time when you reach age 62 (age 65 for a man) or die. You must have a minimum of 6 quarters of coverage (1½ years) regardless of age; and when you have 40 quarters of coverage (10 years) acquired at any time after December 31, 1936, you are fully insured for life.

You are *currently insured* if you have credit for at least 1½ of the 3 years just before your retirement or death.

The chart on page 6, which lists the different types of old-age and survivors insurance benefits, shows whether the worker must be fully or currently insured, or both, in order for the particular type of benefit to be payable.

How Are Earnings Credited?

Wages.—If you work in a job covered by social security, you should receive an annual statement from your employer showing the total amount of wages earned by you and the amount of tax withheld for social security. You are taxed only on the first \$4,200 of your pay. In 1956, you paid 2 percent; beginning January 1, 1957, you pay 2¼ percent. Periodic increases will raise the tax to 4¼ percent by 1975. The employer pays an equal amount as his share of the tax and sends the entire sum to the Director of Internal Revenue every 3 months along with a report of the wages paid to you. Farmers report for their farm and domestic help once a year.

Self-employment earnings.—If you are self-employed in a trade, business, or profession covered by social security and have net earnings of \$400 or more for the year, you must report your net earnings when you file your regular Federal income-tax return and pay the social security tax on net earnings up to \$4,200. For 1956 the self-employment tax was 3 percent; beginning January 1, 1957, it becomes 3⅜ percent. Periodic increases will raise it to 6⅜ percent by 1975.

Earnings from both employment and self-employment.—If you have both types of earnings, the employment tax (2 percent) is withheld on your wages up to the maximum of \$4,200 for the year. However, if your wages are less than \$4,200 and you have net earnings from self-employment of at least \$400, you must also pay the self-employment tax (3 percent) on the difference between your wages and net earnings up to \$4,200.

What Benefits Are Provided?

Four types of benefits are provided under the law: monthly retirement benefits; monthly survivor benefits; monthly disability benefits; and the lump-sum death benefit. The chart on page 6 shows in brief form who can qualify for these benefits and under what general conditions they are paid.

To qualify for some types of old-age and survivors insurance benefits, it is necessary to be *fully* insured; for others, it is only necessary to be *currently* insured. For the payment of dependent husbands' and widowers' benefits, women workers must be *both* currently and fully insured. The conditions under which benefits are payable to members of a woman worker's family are explained in chapter 4 in the section on "Women Who Support Others."

The primary insurance amount is the monthly benefit payable to a worker who retires at age 65 or over or to a worker who becomes entitled to disability insurance benefits between 50 and 65 years of age. It ranges from \$30 a month to \$108.50 a month, depending on the worker's average monthly earnings.

412011°—57——2

Types of Old Age and Survivors Insurance Benefits

and who is entitled to them

	Payable to—	*At age—*	*If retired worker is—*
MONTHLY RETIREMENT BENEFITS	retired worker	65 or over	woman or man, fully insured
		62–64, reduced benefit	woman, fully insured
	dependent husband	65 or over	woman, BOTH currently and fully insured
	wife	65 or over 62–64, reduced benefit	man, fully insured
	wife, caring for child entitled to benefits	any age	man, fully insured
	dependent child, unmarried	under 18	woman or man fully insured
	dependent child, unmarried, disabled before reaching 18	any age	woman or man fully insured

	Payable to—	*At age—*	*If disabled worker is—*
MONTHLY DISABILITY BENEFITS	disabled worker	50 or over	woman or man, both currently and fully insured, who has 20 quarters of coverage out of the 40 before becoming disabled, and who meets other disability conditions

	Payable to—	At age—	If deceased worker was—
MONTHLY SURVIVOR BENEFITS	dependent widower	65 or over	woman, BOTH currently and fully insured
	widow	62 or over	man, fully insured
	widow, caring for child entitled to benefits	any age	man, fully OR currently insured
	dependent child, unmarried	under 18	woman or man, currently or fully insured
	dependent child, unmarried, disabled before reaching 18	any age	woman or man, currently or fully insured
	dependent parent:		
	mother	62 or over	woman or man, fully insured and leaving neither spouse nor child entitled to monthly benefits
	father	65 or over	woman or man, fully insured and leaving neither spouse nor child entitled to monthly benefits
LUMP-SUM DEATH BENEFITS	spouse living with insured worker or, in absence of such spouse, person paying burial expenses	any age	woman or man, currently OR fully insured

The primary insurance amount is shown below for average yearly earnings of varying amounts:

Average yearly earnings	*Primary insurance amount*
$600	$30.00
1,200	55.00
1,800	68.50
2,400	78.50
3,000	88.50
3,600	98.50
4,200	108.50

Other monthly benefits are figured from the insured worker's primary insurance amount. For example, a wife applying at age 65 or over receives one-half of the worker's primary insurance amount; a widow, three-fourths; and a woman worker's dependent husband receives one-half, her dependent widower, three-fourths. A child's benefit is one-half of the worker's benefit (in the case of surviving children, an extra one-fourth is distributed among all the children entitled to benefits), and a dependent parent's, three-fourths.

The largest monthly payment that can be made to a family is $200. In the case of a woman worker, for example, this maximum payment would be made if her average yearly earnings were $4,200 or more and she died leaving three or more children, or a dependent widower and two or more children, entitled to benefits.

The lump-sum death benefit paid to the widow or widower of an insured worker who dies amounts to three times the worker's primary insurance amount, with a maximum of $255. If there is no widow or widower who was living with or receiving support from the worker, the person who pays the burial expenses may claim reimbursement up to the amount of the lump-sum payment.

How Are Average Earnings Figured?

Your average monthly earnings are figured from your starting date to the year in which you reach retirement age or apply for payments. In case of your death, your average earnings would be figured to that date. Your starting date may be January 1, 1937, or it may be January 1, 1951, or the first day of the year in which you reached age 22 if this is later. The date which gives you the higher benefits is selected—for most women over 27 years of age it will be January 1, 1951. You need not include the years (up to a maximum of 5 years) when your earnings were lowest or you had no earnings. However, you will need to include in your figuring at least 2 years—24 months—on which to base your average, which is obtained by dividing the total credited earnings during the remaining period by the number of months in that period.

The provision allowing you to "drop out" or disregard up to 5 years in estimating your average earnings is a recent amendment to the law. It is a great help to anyone who has not worked continuously in covered employment or self-employment. It is of special importance to women who have returned to work, or are considering a return to work, after a period of years devoted to family responsibilities.

What If a Woman Stops Work?

Before becoming fully insured for life.—Many women work a few years, but not long enough to become fully insured for life. They marry, have children, and withdraw from the labor force.

If you are one of these women, it is important for you to know that your old-age and survivors insurance protection may lapse before you reach the age of 62 years unless you return to work. If your protection lapses before you reach 62 or die, no benefits can be paid either to you or to your family based on your record of work; and you cannot get back any of the social security taxes paid on your earnings by you and your employers. If you should return to work at any time, even after your protection has lapsed, every quarter of covered work you ever earned will count toward building the number of quarters of coverage needed for status as a fully insured person.

Example:

Soon after being graduated from college, Eleanor H. got a job in the copy department of a nationally known advertising firm. She advanced rapidly and was a junior executive when she married and resigned. She then had 5 years of earnings credited to her social security account, between 1940 and 1945.

Eleanor's husband was a doctor of medicine with his own practice and was not covered by social security. In 1955, he died unexpectedly. With the idea of returning to work, Eleanor engaged a housekeeper to look after her two school-age children. She inquired whether her previous work would be of any value to her for social security purposes, and whether the 10 years when she earned no credits would reduce the average monthly earnings acquired during her previous working years.

The people at the social security office pointed out that because of her previous work, Eleanor would be insured through June 1961. If she should die at any time before July 1961, survivor benefits would be payable to her children under 18. Since a person needs only 10 years of covered work (40 quarters) to be permanently insured, Eleanor needed only 5 more years of covered work to get permanent protection.

The social security people also explained that Eleanor's average earnings would be figured either over the entire period after 1936 (not counting any year of no earnings before she became 22), or over the period starting with

1951, depending upon which would give her the larger benefit. In either case, 5 of the years when she had no earnings would be disregarded in computing her average earnings.

If her husband's work had been covered by social security, and if he were insured, she and the children would have been eligible to receive monthly survivors payments.

After becoming fully insured for life.—Many women work long enough to build up the social security credits necessary to become fully insured for life, but stop work before reaching retirement age. If you are one of these, up to 5 years of no earnings are disregarded in figuring your average monthly earnings. If you have no earnings for more than 5 years before you reach 62 years of age, the amount you are entitled to receive decreases gradually, but never falls below the minimum of $24 a month. If you return to work at any time all of your earnings will help to raise the average monthly earnings on which your benefit will be based.

Example:

Miss Smith was employed in a brokers' office during most of her working years. In 1937, when the social security law went into effect, her job was covered by old-age and survivors insurance, and the firm for which she worked started reporting her earnings and paying the social security tax.

At the end of 1949, Miss Smith resigned her job, and no earnings have been credited to her social security account since that time. She has 13 years of covered work—which is more than enough to insure her for life.

Being "fully insured," however, has nothing to do with the amount of the monthly benefit which Miss Smith can start getting when she reaches retirement age. Her benefit amount will be based on her average earnings, and since she has had no earnings since 1949, her earnings will be figured beginning with 1937. The "drop-out" provision gives her the advantage of disregarding 5 years when she had no earnings. How much the years of unemployment will reduce the benefits payable on her account depends on how soon she reaches age 62 or dies.

When Is a Disabled Person Eligible for Benefits?

A worker of any age who has been totally disabled for more than 6 months may apply to have her social security earnings record frozen in order to retain her rights to benefits and to keep any future benefits from being reduced.

Amendments adopted in 1956 provide benefits (1) for an insured woman worker between 50 and 65 years of age who becomes unable to work because of total disability, if she meets the requirements of the law; (2) for a disabled person over 18 who is a dependent child of a person who is entitled to old-age insurance benefits or who dies insured, if the child became disabled before reaching the age of 18 years; (3) for the mother of the disabled child entitled to benefits.

A woman who believes that she may be entitled to benefits under any of these provisions, should get in touch with the nearest social security office.

What Is the Age of Retirement for Women?

The 1956 amendments to the social security law lowered the retirement age for women from 65 to 62 years (beginning with November 1956). A *wife's* benefit based on her husband's account will be reduced by 25 percent if she applies at 62 instead of 65 years of age, and a *woman worker's* benefit will be reduced by 20 percent at age 62. In the case of either a wife or a woman worker, the amount of the reduction will be less with each month she waits before applying. If she waits until her 65th birthday to apply, the benefit will not be reduced at all. A widow who applies at 62 years of age will receive her monthly *widow's* benefit without reduction. The dependent mother of an insured worker who dies leaving no widow, widower, or child eligible for benefits may receive a *parent's* unreduced benefit at 62 years.

The following summary shows the percentage of her full monthly benefit that can be received by a woman worker or by the wife, widow or dependent mother of an insured worker, who applies at specified ages.

	Percent of monthly benefit received		
Age when application is made	*Woman worker*	*Wife of retired worker*	*Widow or dependent mother*[1] *of deceased worker*
62 years	80	75	100
63 years	86⅔	83⅓	100
64 years	93⅓	91⅔	100
65 years or over	100	100	100

[1] Dependent mother eligible only if worker dies leaving no widow, widower, or dependent child.

Here are a few points to consider before deciding to apply for reduced benefits:

(1) If you apply for a reduced benefit, the amount you receive each month will not be increased as you grow older; you will continue to receive the reduced amount even after you reach 65 years. However, your benefit will be adjusted to give you credit for any period of 3 months or longer before age 65 during which you received no benefits either because you were working or because your husband was working.

(2) If you start receiving reduced benefits before you reach 65 years, the *total* amount of your benefits will be greater for several

years than if you had waited until you reached 65 to apply. In the case of a wife's reduced benefit, the total will be larger for 12 years; in the case of a woman worker's, for 15 years.

(3) If your husband should die while you are receiving a wife's reduced benefit, your benefit will be changed to a widow's full benefit, even if you are still under 65 years of age.

Example:

> Janet Jackson decides to claim benefits at the same time her husband claims his. He is 65; she is 62. Her husband's monthly benefit is $88.50. She will draw $33.30 (her wife's benefit reduced from $44.30 because of her age). After a year, Janet's husband dies. Janet will then receive a *full* lump-sum death payment of $225 and her *full* monthly widow's benefit of $66.40.

(4) If you receive a *woman worker's* reduced benefit and have dependents eligible for benefits, or if you die leaving survivors eligible for benefits, their benefits will not be reduced but will be based on your full benefit. At age 62, if you formerly earned social security credits but are no longer working, check with your social security office on your eligibility for benefits.

It is important to consider all these things before you decide at what age you wish to apply for benefits.

The social security office is not permitted to make the decision for you. You must decide for yourself what you prefer to do.

3

WORKERS BROUGHT UNDER OASI SINCE 1950

Professional Workers

Professional persons who are employed on a wage or salary basis have been eligible for old-age and survivors insurance coverage since 1937 on the same basis as other employees. This includes teachers in private schools (except for schools not operated for profit and therefore exempt from the payment of income tax).

Beginning with 1951, teachers in public schools, like most other employees of State and local governments, could be covered under voluntary agreements between the State and Federal Governments. Since January 1, 1955, it has been possible for employees covered by a State or local retirement system to be brought under social security, provided a majority of the members of the system vote in favor of social security coverage. Since 1951, also, teachers in schools determined by Internal Revenue Service to be nonprofit organizations can be covered by social security if the organization files a certificate waiving its exemption from social security taxes and at least two-thirds of the employees indicate that they wish to be covered.

Recent amendments have gradually extended coverage to self-employed professional persons. The following list shows the year in which these groups were first covered:

1951	*1955*	*1956*
Persons self-employed as owners or partners in a trade or business	Professional accountants	Lawyers
	Professional architects	Dentists
	Professional engineers	Chiropractors
	Funeral directors	Naturopaths
	Clergymen [1]	Optometrists
	Christian Science practitioners [1]	Osteopaths
	Self-employed farmers	Veterinarians

[1] Optional—may earn social security credits by individual choice.

All self-employed persons are now covered by social security except physicians and self-employed public officials.

If you are in one of the professions made eligible for coverage in 1956, you can become insured as early as April 1, 1957, if you have had net earnings of $400 or more in each of the years 1956 and 1957. If you reach retirement age (62 years for women) by the end of March 1958, these 2 years of work will be enough to make benefit payments possible; if you die between April 1, 1957, and March 31, 1959, this much work is enough to make payments possible for some of your dependents.

Industrial Homeworkers

A woman who works for a business firm but does the work at home for cash wages of $50 or more per quarter from any one employer is covered by social security. This is true whether or not her work is subject to the licensing regulations of the State in which she works.

Practical Nurses

Almost all practical nurses are now covered by social security, but the conditions under which the practical nurse earns quarters of coverage depend upon her working situation. For example, a practical nurse in private duty who gives medical care to patients under the direction of a physician is covered as a self-employed individual, if her net earnings for the year amount to at least $400. But a practical nurse whose responsibilities are mainly the physical rather than the medical care of a patient in a private home, and who restricts herself to the physical care of patients, performing the kind of duties normally expected of a maid, valet, or other household employee, would be covered as a household employee.

Practical nurses employed in nonprofit hospitals or institutions are also covered as employees, if the institution and two-thirds of the employees have mutually voted for coverage under the old-age and survivors insurance program. Those workers who voted against it are not covered, but any workers hired after the institution adopted coverage are automatically covered. As an employee of a hospital operated by a State, city, or county, a practical nurse is covered by social security if the State in which the institution is located has, since 1950, entered into an agreement with the Federal Government for the coverage of such employees.

Household Workers

A household worker employed by a private family in or about the family's home may be able to build social security protection for her old age, or for her dependents if she should die. From 1951 through

1954 she could obtain social security credit for any calendar quarter in which she was paid $50 or more (in cash) for work on at least 24 days for one employer. Beginning with 1955, she earns credit for any calendar quarter in which she is paid $50 or more by one employer, without regard to the number of days worked.

A woman employed in a private household where she earns $50 or more a quarter can get social security no matter what kind of work she does. For example, she may be a

babysitter	general houseworker
cleaning woman	laundress
cook	maid
governess	nurse maid
housekeeper	waitress

or she may be employed in some other capacity. She may do one kind of work one day and another the next.

The employer's responsibility for reporting wages paid to a household worker and for sending in the social security taxes due on those wages, is explained on pages 18–19. If a household worker is paid as much as $50 a quarter by each of several employers, each employer must send in the tax. This will increase the average monthly earnings on which her benefit will be based.

A woman, who does household work on a farm operated for profit, as an employee of the farm operator, is eligible for social security on a somewhat different basis. Her work, like that of the farmworker, counts toward social security if she is paid $150 or more in cash wages in a year by one employer or if she works on at least 20 days in a year for one employer and is paid cash wages on an hourly, daily, weekly, or monthly basis.

Farmworkers and Farmers

Beginning January 1, 1955, a woman who operates a farm, ranch, or any other agricultural enterprise is covered by social security if her net earnings from self-employment are $400 or more in a year. An alternate method of determining net earnings from self-employment is provided for low-income farmers, many of whom may not keep detailed records.

A hired farmworker gets social security credit for the work done for each farm operator who paid her $100 or more cash wages in 1955 or 1956. Beginning with 1957, the hired farmworker is covered if she is paid $150 or more in cash in a year by one employer or if she does farmwork for him on 20 or more days in a year and is paid cash wages on a time basis. This provision applies to both regular and migratory farmworkers, but not to foreign workers admitted on a temporary basis.

4

WHAT OASI MEANS TO—

Employed Women

Persons who are regularly employed in industry are almost certainly earning social security credits. Most men's and women's jobs in business and industry have been under old-age and survivors insurance provisions since January 1, 1937.

An employed woman is entitled to social security credit for every calendar quarter in which she works for pay, whether she works full time or part time. The amount of protection she acquires depends on the amount of her annual earnings up to a ceiling of $4,200. Social-security credits build up just as fast for a secretary who earns $4,200 as for the highest paid person on the payroll.

Self-Employed Women

All self-employed persons except doctors of medicine are now covered by social security. Among these are the self-employed professional persons listed as covered on page 13, and persons in business for themselves, for example, self-employed—

brokers	home demonstrators
tutors	nurses
insurance agents	craft workers
public stenographers	music teachers
photographers	real estate dealers
newspaper correspondents	dancing teachers
dressmakers	

Also included are operators of a business establishment, such as a—

bakery	restaurant
beauty salon	rooming house
florist shop	specialty shop
gift shop	stationery shop
grocery store	tourist home
nursery school (private)	

Credit for four quarters of coverage is given for each year in which a person has net earnings of $400 or more from covered self-employment. No social security credit is given on self-employment earnings totaling less than $400 in a year.

Working Wives

If a married woman worker should die while living with her husband, and if she is either fully or currently insured, he will be entitled to a lump-sum death benefit amounting to three times her primary insurance amount, but not more than $255.

The working wife who retires cannot draw benefits both as a worker and as a wife. She will receive her full monthly benefit as a worker if she retires at 65 or over (or 80 percent of this if she retires at 62 years of age); and if this amount is smaller than the amount to which she is entitled as a wife she will be paid the difference in addition to her own old-age insurance benefit.

A wife's benefit is equal to one-half the amount of her husband's retirement benefit. If she applies at age 62, her benefit is reduced by 25 percent. Since a woman worker who has had average monthly earnings of $100 or more is eligible at age 65 to receive a retirement benefit of $55 or over, and since $55 is more than the highest wife's benefit payable, many married women workers will receive only the old-age insurance benefits based on their own social security accounts.

The old-age benefits of a retired woman worker are not affected if her husband goes to work and has earnings high enough to cause the suspension of his benefits. But a woman who is receiving a wife's benefit will have her wife's benefit stopped for any month in which her husband is not entitled to be paid his benefits.

If a woman worker is receiving benefits based on her own earnings, plus additional benefits based on her husband's account, the portion of her monthly check representing her own benefits will be paid to her even if her husband's benefits are suspended. The portion of her check representing the difference between the amount of her retirement benefit and the amount of a wife's benefit will be withheld for any month in which the husband's benefits are suspended. If he is not yet 72 years of age, his benefits will be suspended whenever his earnings for the year exceed a certain maximum.

Example:

Mr. and Mrs. Jones are a working couple. Mr. Jones, a salesman for a wholesale jobbing house, had his 65th birthday in 1955 but planned to keep on working for at least 3 or 4 more years. Mrs. Jones, the proprietor of a small notion store, became 65 and retired at the end of 1956. Mr. Jones' job has counted toward old-age and survivors insurance since 1937; Mrs. Jones started getting social security credit when self-employed persons were brought under the law in 1951.

Mrs. Jones will receive monthly retirement benefits of $38.50 based on her average monthly earnings after 1950. In computing her benefits, 5 years of lowest earnings were dropped. Her benefit is based on her total net earnings for 1954 and 1955, her 2 years of highest earnings. This total will be divided by 24 (the total number of months in 2 years) and the result will be her average monthly earnings.

When Mr. Jones retires and begins to receive his benefits of $98.50, Mrs. Jones will be entitled to wife's payments of $49.30. Since this is higher than the amount of her own old-age insurance benefit, she will receive the difference of $10.80 in addition to her own retirement benefit.

Women Who Employ Others

If you hire even one person to work for you in any covered trade or business, you are responsible for paying the employer's share of the social security tax on his earnings and for sending both his and your share of the tax to the Director of Internal Revenue every 3 months. (Farm employers report once a year). If you are not sure you are meeting all the requirements of an employer, you should inquire at once at your Internal Revenue office. There are penalties for failure to comply.

You may become an employer for purposes of social security without engaging in any business—just by hiring a babysitter or a cleaning woman and paying her $50 or more cash wages in a calendar quarter.

The types of household work ordinarily performed by women are listed on page 15. If you employ a man—as gardener, furnace man, or chauffeur, for example—he is covered on the same terms as a woman household worker.

Where even one full-time household worker is employed, you will almost certainly have to pay social security taxes. Note, however, that only cash payments to household workers are counted for social security purposes. Meals on the premises, uniforms, lodgings, and transportation in any form except cash carfare are not counted.

A simplified tax return is provided for the use of a householder who hires domestic help. You make a quarterly return to the Director of Internal Revenue on Form 942, enclosing the tax payment. On January 1, 1957, the total amount of the tax increases from 4 percent of the wages you pay the worker to 4½ percent. You may deduct half of the tax from her wages, but the other half you must pay. Some household employers pay the whole amount themselves.

Even a part-time helper may be able to earn social security credits. It is no longer necessary for her (as it was during the years 1951 through 1954) to work on 24 days in a quarter for one employer. It is only necessary that the employer pay her at least $50 cash in a calendar quarter. There are 13 weeks in a quarter. If, therefore, you hire a woman as a babysitter twice every week, at $2 or more a sitting, she is entitled to social security credit for that work—credit which will count toward old-age insurance benefits.

Women Who Support Others

A woman who supports other members of her family may be able to provide benefits for them after her retirement or death. Her husband, her minor or disabled children, or her aged parents may be eligible for benefits. To entitle her husband or widower to benefits, a woman worker must be *fully* insured and also *currently* insured;[1] that is, she must have been earning social security credits during at least 1½ of the 3 years just before her death or retirement. The reason for this requirement is that in the case of a woman worker, members of the family are not assumed to be dependent on her unless she was working up to, or close to, the time of her death or retirement.

Retirement benefits.—Sometimes a man, because of sickness, disability, or other circumstances, is dependent on his wife when she reaches retirement age. In a case where a woman is providing at least one-half of her husband's support, and is herself both currently *and* fully insured, her *husband*, when he reaches 65, may be entitled to a monthly benefit equal to one-half of the wife's old-age insurance benefit. Within 2 years of the time that the woman becomes entitled to benefits or dies, even if her husband is still under 65, he must file proof that he was living with her and receiving at least half of his support from her. A dependent husband's benefits are not reduced if his wife retires before she reaches 65.

Survivor benefits.—In case a woman worker dies both currently and fully insured, leaving a dependent *widower*, he will be eligible for survivor benefits when he reaches 65 if he files proof within 2 years after her death that he was receiving at least half of his support from her.

Example:

> Margaret F. has been the family breadwinner for some years. Arthur, her husband, a much older person, formerly worked on and off—sometimes in jobs covered by social security. For several years he has been dependent on Margaret. Margaret has been employed in work covered by social security long enough to be fully and permanently insured. Because she has been in covered work for at least half of the last 3 years, she is also currently insured.

[1] However, a woman may receive benefits as the wife or widow of a man who is *fully* but not *currently* insured.

Arthur reached 65 this year. His time spent in covered work after 1936 was not enough to make him fully insured. Therefore, he is not entitled to old-age insurance benefits based on his own social security account.

Assuming that Arthur continues to be dependent on Margaret for at least half of his support, he will be entitled to benefits based on *her* social security account if she dies or retires at 62 or older while she is currently insured. If Arthur had had enough social security credit to make him fully insured, he would not receive a husband's benefit based on Margaret's account unless that benefit was more than the amount of his own old-age insurance benefit. If the husband's benefit was higher, he would receive the difference as an addition to his own monthly benefit.

If an insured woman dies leaving *children under 18*, they may be eligible for survivor benefits. "Children" may include adopted children and stepchildren under specified conditions. Unmarried children will receive monthly benefits until they reach the age of 18 in either of the following situations—

(1) if the woman was currently insured at time of death, whether or not she was fully insured. The assumption is that, since she had worked recently, the children were dependent on her at least for part of their support.

(2) if the woman was not currently insured, but was fully insured at time of death and was either living with the children or was providing them with some support, and their father was neither living with them nor contributing to their support.

Example:

At the time of her sudden death in 1956, Emma W. was fully insured because she had been in work covered by social security for roughly half the time since 1950. She was currently insured because she had at least 6 quarters of coverage within the 3 years preceding her death.

Emma is survived by three minor children and their father—her widower. As she was both fully and currently insured at death, monthly benefits were paid to her children without any question as to whether they were dependent on her.

An unmarried child who becomes disabled before reaching 18 years may receive benefits after the age of 18 years.

If a woman dies fully insured (whether or not currently insured) and leaves neither a widower nor a child who is eligible for benefits; and if she was helping to support her father or mother or both, they may be entitled to survivor benefits. The father of an insured worker may first become entitled to benefits at 65, the mother at 62; they must file proof within 2 years after the worker's death that they received half or more of their support from her at the time she died.

If a person (whether widow or widower, child, or parent of a deceased worker) marries while receiving survivor benefits, the benefits stop.

Women Dependent on Insured Workers

Millions of women who have never earned social security benefits themselves are in line for benefits earned by a husband, and in some cases earned by a son or daughter.

The wife of a retired insured worker may claim a *wife's* reduced benefit at age 62 or over. If she waits until she is 65 years of age to apply, she will receive the wife's full benefit amounting to half her husband's benefit. (See ch. 2, Age of Retirement.) A woman who obtains a divorce loses her rights to a wife's benefit.

If a woman's husband dies, it is important for her to visit the social security office as soon as possible to find out whether she is entitled to benefits. A widow 62 years of age or over is entitled to a *widow's* full benefit, amounting to three-fourths of her deceased husband's monthly benefit. She loses her rights to a widow's benefit if she remarries. When an insured worker dies leaving a dependent mother but no widow, widower, or child entitled to benefits, the dependent mother is eligible for a *parent's* benefit amounting to three-fourths of the worker's benefit, as soon as she reaches the age of 62 years.

A woman who has in her care a child entitled to child's insurance benefits through her husband's earnings may be eligible for a *mother's* benefit, regardless of her age, until the child reaches age 18. Under the 1956 amendements, such a child who becomes disabled before reaching 18 years can continue to receive the benefits after becoming 18 years of age. The mother of the disabled child 18 years or over may also receive benefits, beginning in January 1957, as long as she has the disabled child in her care.

Older Women

Women approaching retirement age may find it easier to qualify for benefits under a special provision of the recent amendments. Under that provision, beginning on July 1, 1957, a woman worker can qualify for monthly benefits if she is 62 and has social security credit for all but 4 calendar quarters after 1954. This rule is of advantage only to a woman whose 62d birthday occurs before October 1960.

Example:

For 13 years—from 1937 to 1950—Sarah H. was employed in the Marlowe household. In 1950, when Sarah was 57, Mrs. Marlowe died and Mr. Marlowe went to live with a married daughter. Since then, Sarah has not been employed. As household work did not count toward social security prior to 1951, she has no social security credit.

Sarah does not feel physically able to work full time. Recently, a friend told her that workers in a private household no longer have to work regu-

larly for one employer to gain social security credit. Sarah went to the nearest social security office to inquire and found that, for any year beginning with 1955, she can get social security credit for each calendar quarter in which she receives $50 or more in cash wages from one employer. She was also told that she was not too old to start earning social security credits. A person can start at any age.

Sarah became 62 in the first half of 1955. If she returned to work during the first quarter of 1956, she could become eligible for monthly benefits by working in covered employment for 6 quarters (1½ years).

If by the middle of 1957 she has credit for these 6 quarters, the 5 years after 1950 when she had no earnings can be left out in figuring the average monthly earnings upon which her benefits will be based.

Other recent amendments of vital interest to older women are the drop-out provision (see p. 9) and the lowering of the retirement age for women (see p. 11).

A woman under 72 who is drawing benefits (as a retired worker, dependent, or survivor) may earn up to $1,200 in a year without losing any of her monthly benefits. She will not lose all her monthly benefits unless she works in all months of the year and earns a total of more than $2,080. The benefit will be paid to her for any month in which she neither earns $80 in wages nor "renders substantial services in self-employment."

A woman who is 72 years of age or over can draw her full benefits regardless of the amount of her earnings.

Earnings are the only form of income which may cause the suspension of benefits. Income from savings accounts, insurance policies, investments, rentals, or inheritances, is not counted in determining whether the benefits for any month should be paid.

5

YOUR SOCIAL SECURITY ACCOUNT

There are only a few things that you have to do to make sure your social security account is in order, but they are important.

Starting an Account

Whether you are employed or self-employed, you must have a social security account number. Your nearest social security office will give you a card showing your account number and your name. This account number belongs to you for life; no one else has the same number.

Show your card to each employer you work for, so that when he reports your wages and pays the social security tax for you he will have your name and account number right. If you are self-employed, be sure to put your account number on your self-employment tax report so that your net earnings can be credited to your social security account.

Replacing a Lost Card

Take good care of your card. Keep the card or the stub in a safe place and be sure that some member of the family knows where to find it in case of sudden death.

If the card is lost, ask the nearest social security office for a duplicate card to replace it.

If You Change Your Name

When a girl marries, she should notify the social security office of her change in name.

All you need to do is to write to or visit your social security office, returning your old card and filling out an application for a card with your new name. You will receive a card with your new name and your old number.

Making Sure Your Account Is Up to Date

If you have any doubt whether your social security account is correct, write to the Social Security Administration, Baltimore, Md., and ask for a statement of your account. You can get an addressed postcard from your social security office for this purpose.

If your account is not correct, the social security office will help you get it straightened out. In case you have paid social security taxes, on earnings of more than $4,200 in a year, you may take credit for this on your Federal income-tax return.

It is a good idea to ask once a year to have your account verified if you have several employers or if you change jobs frequently—especially if you do not have receipts from each employer showing the wages paid you and the amount deducted for social security. You should check with the Social Security Administration every 3 years, at least, since there are time limits for making certain corrections.

Claiming Benefits

Social security benefits will not be paid to you automatically. It is necessary to apply for them at your nearest social security office. It will save time to take with you whatever papers are needed to establish your claim. You may need proof of age, preferably your birth or baptismal certificate, or other *old* documents showing clearly your age or date of birth. If you are applying for a wife's benefit, your husband will have to sign an application. If you are a widow applying for survivor's insurance, you may need your marriage certificate.

Your application should be filed promptly, since payments can be paid for no more than 12 months back. For every month's delay beyond 1 year of the time when you could have first become eligible, you may lose 1 month's benefits. A lump-sum death payment usually cannot be made unless application is made within the 2 years following the death of the insured worker.

Other Times for Action

There are three other times when it is important to consult your social security office:

If totally disabled.—If you have been working regularly under social security and become unable to continue work of any kind because of a disability, get in touch with your social security office as soon as you have been disabled for more than 6 months. You may wish to apply to have your social security record frozen for the period of your disability to preserve your rights to benefits, and to keep any future benefits payable to you from being reduced. If you are 50 years or over and meet certain other requirements you may be eligible for disability benefits.

At 62 years of age.—When you are 62, get in touch with your social security office. Even though you may not be immediately eligible for benefits, it may be to your advantage to make sure that you have all the information you need about your benefit rights.

At 72 years of age.—When you reach 72, you should get in touch with your social security office, even if you are still fully employed. Benefits may be payable to you after age 72, regardless of how much you are earning.

FOR YOUR FURTHER INFORMATION

Read

Benefits for Women Under the 1956 Amendments to the Social Security Law. OASI–1956–2. August 1956. U. S. Department of Health, Education, and Welfare, Social Security Administration, Washington 25, D. C.

Your Social Security: Old-Age and Survivors Insurance Under the Social Security Law. OASI–35. November 1956. U. S. Department of Health, Education, and Welfare, Social Security Administration, Washington 25, D. C.

Visit, Telephone, or Write to—

Your nearest social security district office for more information about your status with regard to old-age and survivors insurance benefits. You can find the address at your post office or in the telephone directory under "United States Government, Department of Health, Education, and Welfare, Social Security Administration."

Write to—

United States Department of Labor, Washington 25, D. C., for list of Women's Bureau publications on employment opportunities for women in various fields.

U. S. GOVERNMENT PRINTING OFFICE: 1957