



PIH.RHIIP.TA Message # 2011-57 Distributed on October 19, 2011

SSA has announced that monthly Social Security (SS) and Supplemental Security Income (SSI) benefits will increase by 3.6%. Read the press release below.

Public Housing Agencies (PHAs) that are **currently** determining annual income for families whose annual or interim reexam will be effective January 1, 2012, and later **must** include the 3.6% COLA when determining annual income from SS and SSI benefits.

Example: Bob Jones currently receives \$500 a month (SS benefit). You are currently working on his annual reexam which is effective 02/01/2012. The PHA would determine annual SS income as follows:

- Current benefit amount: $\$500 \times 3.6\%$ [or 0.036] (COLA rate) = **\$18.00 COLA**
- New gross SS benefit effective 01/01/2012 = **\$518.00** (\$500 current benefit + \$18.00 COLA)
- Annual income effective 02/01/2012: $\$518 \times 12 =$ **\$6,216.00.**

EIV will be updated by January 31, 2012, to reflect the SSA-approved COLA for all tenants that receive SS and SSI benefits **and** whose personally identifiable information (PII) reported in the Public and Indian Housing Information Center (PIC) match the PII reported in SSA database.

Note:

- HUD does not obtain income information for any tenant:
 - Who is assigned a PIC-generated alternate identification number
 - Whose PII reported on the form HUD-50058 does not match the PII reported in SSA's database.
 - Who is reported on a form HUD-50058 that is older than 15 months

For additional guidance on verification of SS/SSI benefits, view PIH Notice 2010-03, which is available online at: http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_9012.pdf. The renewal of this notice is available online at:

http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_8986.pdf.

Please direct all questions regarding the content of this message to PIH.RHIIP.TA@HUD.GOV.



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Press Release

Wednesday, October 19, 2011	Press Office
For Immediate Release	410-965-8904
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Social Security Announces 3.6 Percent Benefit Increase for 2012

Cost-of-Living Adjustment is First Since 2009

([Printer friendly version](#))

Monthly Social Security and Supplemental Security Income (SSI) benefits for more than 60 million Americans will increase 3.6 percent in 2012, the Social Security Administration announced today.

The 3.6 percent cost-of-living adjustment (COLA) will begin with benefits that nearly 55 million Social Security beneficiaries receive in January 2012. Increased payments to more than 8 million SSI beneficiaries will begin on December 30, 2011.

Some other changes that take effect in January of each year are based on the increase in average wages. Based on that increase, the maximum amount of earnings subject to the Social Security tax (taxable maximum) will increase to \$110,100 from \$106,800. Of the estimated 161 million workers who will pay Social Security taxes in 2012, about 10 million will pay higher taxes as a result of the increase in the taxable maximum.

Information about Medicare changes for 2012, when announced, will be available at www.Medicare.gov. For some beneficiaries, their Social Security increase may be partially or completely offset by increases in Medicare premiums.

The Social Security Act provides for how the COLA is calculated. To read more, please visit www.socialsecurity.gov/cola.

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NOTE TO CORRESPONDENTS: A [fact sheet](#) showing the effect of the various automatic adjustments is attached.

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You may view the original SSA press release online at: <http://www.ssa.gov/pressoffice/pr/2012cola-pr.html>