

25-Feb-22

Taxation of Social Security Benefits

Year enacted	Definition of income	Individuals or couples with income exceeding—	Benefits included in gross income	Effective for taxable years—
1983	Married filing jointly			
	Modified adjusted gross income, plus 50 percent of Social Security and Tier 1 Railroad Retirement benefits	\$32,000	Lesser of one-half of Social Security and Tier 1 Railroad Retirement benefits or one-half of income over \$32,000	Ending after Dec. 31, 1983
	Same as above	\$32000 but not \$44,000	Same as above	Beginning after Dec. 31, 1993
		\$44,000	Lesser of 85 percent of Social Security and Tier 1 Railroad Retirement benefits or the sum of \$6,000 plus 85 percent of income over \$44,000	Same as above
	Married filing separate returns [1]			
1983	Same as above	\$0	Lesser of one-half of Social Security and Tier 1 Railroad Retirement benefits or one-half of income	Ending after December 31, 1983
1993	Same as above	\$0	Lesser of 85 percent of Social Security and Tier 1 Railroad Retirement benefits or 85 percent of income	Beginning after December 31, 1993
1983	Individuals in all other filing categories			
	Same as above	\$25,000	Lesser of one-half of Social Security and Tier 1 Railroad Retirement benefits or one-half of income over \$25,000	Ending after December 31, 1983
	Same as above	\$25,000 but not \$34,000	Same as above	Beginning after December 31, 1993
		\$34,000	Lesser of 85 percent of Social Security and Tier 1 Railroad Retirement benefits or the sum of \$4,500 plus 85 percent of income over \$34,000	Beginning after December 31, 1993

NOTES: Social Security Act of 1935 (the Act), as amended through December 31, 2018. Income is defined as modified adjusted gross income, plus 50 percent of Social Security and Tier 1 Railroad Retirement benefits. Modified adjusted gross income is adjusted gross income (before Social Security or Railroad Retirement benefits are considered), plus tax-exempt interest income, with further modification of adjusted gross income in some cases involving certain tax provisions of limited applicability among the beneficiary population. Social Security and Tier 1 Railroad Retirement benefits include workers' compensation benefits to the extent they cause a reduction in Social Security or Tier 1 Railroad Retirement disability benefits.

[1] Includes only married taxpayers filing separately who lived with their spouse at any time during the tax year; married individuals filing separately who did not live with their spouse are treated the same as unmarried individuals.

SOURCE: Social Security Administration, Annual Statistical Supplement to the Social Security Bulletin, 2021 (December 2021). Table 2.A31—Taxation of Social Security Benefits