



# News Release

## SOCIAL SECURITY

### **Social Security Announces 2.3 Percent Benefit Increase for 2008**

Monthly Social Security and Supplemental Security Income benefits for more than 54 million Americans will increase 2.3 percent in 2008, the Social Security Administration announced today.

Social Security and Supplemental Security Income benefits increase automatically each year based on the rise in the Bureau of Labor Statistics' *Consumer Price Index for Urban Wage Earners and Clerical Workers* (CPI-W), from the third quarter of the prior year to the corresponding period of the current year. This year's increase in the CPI-W was 2.3 percent.

The 2.3 percent Cost-of-Living Adjustment (COLA) will begin with benefits that nearly 50 million Social Security beneficiaries receive in January 2008. Increased payments to more than 7 million Supplemental Security Income beneficiaries will begin on December 31.

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 \$102,000 from \$97,500. Of the estimated 164 million workers who will pay Social Security taxes in 2008, nearly 12 million will pay higher taxes as a result of the increase in the taxable maximum.

Information about Medicare changes for 2008 can be found at [www.cms.hhs.gov](http://www.cms.hhs.gov).

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