



2101 South Veterans Parkway
 P.O. Box 19255
 Springfield, IL 62794-9255

217-785-7444
 Email: sers@srs.illinois.gov

Social Security Offset Fact Sheet

An offset of 50% of the gain of the survivor's Social Security benefit is applied when necessary to the SERS survivor's benefit when the survivor reaches age 60. The amount of the survivor benefit will be reduced by 50% of the gain of the social security benefit if the survivor switches from their own Social Security benefit to the member's.

These offsets cannot reduce the SERS survivors benefit by more than 50%.

The offset does not include any increases to the Social Security survivor benefit that are applied after the offset takes effect.

The Social Security offset for a survivor annuity is reviewed between age 50-59, at age 60 and at age 62.

You can elect to remove the Social Security offset on your retirement application, which will reduce your monthly pension annuity by 3.825%.

If you've never paid into Social Security as a state employee, no offset will apply.

Example: Age 60 (under the deceased member's social security number)

SERS	\$2,000	x	50%	=	\$1000	
SS	\$800	x	50%	=	-\$400	
					\$600	
SERS Benefit Pays					\$600	
SS Pays					\$800	
Total Survivor Benefit					\$1,400	

Most SERS members contribute to Social Security. If you pay into Social Security, your survivor may be eligible for a SERS survivor benefit in addition to a Social Security survivor benefit. A SERS survivor benefit is reduced by 50% of any gain in Social Security survivor benefit. This offset only applies to SERS survivor benefits earned during SERS service coordinated with Social Security and cannot reduce the SERS survivor benefit to less than 25% of the member's pension at death.

At age 50, if a survivor is eligible for a disabled widow's benefit from Social Security, 50% of the disabled widow's benefit is subtracted from the SERS survivor's monthly gross annuity. This offset remains for the survivor's lifetime. At age 60, 50% of the widow's Social Security benefit is subtracted from the SERS survivor's monthly gross annuity. At age 62, Social Security benefits are reviewed again, and the survivor's own Social Security benefit is subtracted from the widow's Social Security benefit. This total is divided in half and subtracted from the survivor's monthly gross annuity.

When completing a retirement application, you may elect to remove the Social Security offset. By making this election, your monthly annuity is reduced by 3.825% and any future SERS survivor benefit payable after your death will not be reduced due to a Social Security survivor benefit.

This option may be a good choice for you if:

- You are in poor health
- Your spouse is much younger than you
- Your spouse contributed very little to Social Security Administration (SSA)
- You and your spouse both contributed to SSA, but your salary has been much higher than your spouse's

This option may not be a good choice for you if:

- Your spouse is in poor health
- Your spouse is much older than you
- Your spouse is not eligible for a widow's benefit from SSA due to their own employment from a governmental unit, including any service time not paid into Social Security. (Ex: Teacher's Retirement System, State Universities' Retirement System)
- You and your spouse both contributed to SSA, but your salary has been much lower than your spouse's

If you choose the Social Security offset removal and your marital status changes due to divorce or death of your spouse, you can elect to discontinue the 3.825% reduction going forward. You will not be refunded the prior reductions from your retirement annuity. You cannot revoke the Social Security offset removal if you have an eligible survivor, such as a minor child, full-time student under age 22 or a dependent disabled adult child.