



All employees of nonprofit organizations are required to pay Social Security taxes on their earnings of \$100 or more.

Social Security and Medicare taxes

In 2009, you and your employer each pay 7.65 percent of your gross salary up to \$106,800. If you make more than that, you and your employer continue to pay the Medicare portion of the Social Security tax (1.45 percent each) on the rest of your earnings.

If you work for a religious organization

Some religious groups oppose paying Social Security taxes. By law, they are permitted to choose not to participate in the Social Security program. When a religious group does not participate, it does not withhold those taxes from your wages or pay the matching share of Social Security taxes like other employers.

If you work for a religious organization that does not pay into the Social Security program, you must pay Social Security taxes if your earnings are more than \$100 per year. In effect, you are treated similarly to people who are self-employed. The self-employment tax rate is 15.3 percent, although there are special tax credits you can take when you file your tax return.

For more information about Social Security self-employment taxes, contact us for a copy of *If You Are Self-Employed* (Publication No. 05-10022).

Credits needed to qualify for benefits

In 2009, you will receive four credits if you earn at least \$4,360. The number of credits you need to qualify for Social Security benefits depends on your age

and the type of benefit for which you are eligible. The next three sections explain this in more detail.

Retirement benefits

To be eligible for Social Security retirement benefits, people born in 1929 or later need to have 40 credits. However, if you work for a nonprofit organization whose Social Security coverage was mandated by law starting in 1984, you may be able to receive retirement benefits even if you have fewer than 40 credits. If you were both age 60 or older and an employee of the organization on January 1, 1984, you will need as little as six credits to qualify for retirement benefits. Contact us if you have questions concerning your situation. (To be eligible for this special rule, you must have worked and paid Social Security taxes after January 1, 1984.)

Disability benefits

The number of credits you need to qualify for disability benefits depends on your age and when you become disabled. No one needs more than 40 credits. For more information, contact us for a copy of *Disability Benefits* (Publication No. 05-10029).

Survivors benefits

Survivors benefits may be payable to your widow or widower and minor children. The number of credits needed depends on your age at the time of death. As few as six credits are needed to pay benefits to the survivors of a worker age 28 or younger. For more information about these benefits, contact us for a copy of *Survivors Benefits* (Publication No. 05-10084).

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You can work and receive retirement benefits

You can retire as early as age 62. But if you do, your Social Security benefits will be reduced permanently. If you decide to apply for benefits before your full retirement age, you can work and still get some Social Security benefits. There are limits on how much you can earn without losing some or all of your retirement benefits. These limits change each year. When you apply for benefits, we will tell you what the limits are at that time and whether work will affect your monthly benefits.

When you reach your full retirement age, you can earn as much as you want and still get your entire Social Security benefits.

If you were born before 1938, your full retirement age is 65. The full retirement age gradually rises until it reaches 67 for people born in 1960 and later. For example, if you

were born in 1943, your full retirement age is 66. To help you decide the best time for you to retire, contact us to receive a copy of *Retirement Benefits* (Publication No. 05-10035).

Contacting Social Security

For more information and to find copies of our publications, visit our website at www.socialsecurity.gov or call toll-free, **1-800-772-1213** (for the deaf or hard of hearing, call our TTY number, **1-800-325-0778**). We treat all calls confidentially. We can answer specific questions from 7 a.m. to 7 p.m., Monday through Friday. We can provide information by automated phone service 24 hours a day.

We also want to make sure you receive accurate and courteous service. That is why we have a second Social Security representative monitor some telephone calls.