

Your Social Security Benefits Questions: Social Security Credits

Social Security Benefits: Your Questions about Social Security Credits

Q: Social Security tells me that I dont have enough credits to qualify for benefits. What are Social Security credits, and how can I not have enough of them when Ive worked and paid taxes for years?

A: When you work and pay Social Security taxes, you earn credits that are used to qualify you for [social security benefits](#). The number of credits you receive is based on both income and the number of years worked. With each year that passes, the amount of money you need to make in order to earn social security credits rises; in 2008, it is one credit for \$1,050 of earnings. These credits are also called quarters, as you can earn a maximum of four of them a year; any social security "quarters" that you earn during your working career will remain on your record even during times of unemployment.

In order to qualify for social security benefits, you need to reach a certain number of credits. The number of credits you need for social security is based on your current age, and is calculated by the number of years you have worked. Most people looking to qualify for retirement social security benefits (that is, over the age of 62) will need 40 credits, or 10 years of work, to be eligible for benefits.

However, it can happen that a person who has worked a seemingly appropriate number of years does not gain the necessary credits for social security benefits. This can happen to workers who didnt (or dont) have social security taxes deducted from their wages. In general, this sort of situation occurs with Federal employees who were hired before 1984, employees of railroads who have more than ten years of service, and the employees of governments (both state and local) which have chosen not to participate in the social security program.

About the Author

To read more on social security benefits, browse [this link](#).

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