



2025 SOCIAL SECURITY AMOUNTS

2025

Tax rate—employees	7.65%*
Tax rate—self-employed	15.3%
Maximum taxable earnings (Social Security tax only)	\$176,100
Maximum taxable earnings (Medicare tax)	No limit
Retirement earnings tax-exempt amount (for workers under full retirement age) [†]	\$23,400

* Churches and their nonminister employees are subject to Social Security and Medicare taxes (except for churches that exempted themselves from these taxes by filing a timely Form 8274 with the IRS, in which case their nonminister employees are treated as self-employed for Social Security purposes). The combined Social Security and Medicare tax rate is 15.3 percent of each employee's wages. This rate is paid equally by the employer and employee, with each paying a tax of 7.65 percent of the employee's wages. This 7.65-percent rate is comprised of two components: (1) a Medicare hospital insurance (HI) tax of 1.45 percent and (2) an old-age, survivor, and disability (Social Security) tax of 6.2 percent.

[†] Your Social Security retirement benefits are reduced if your earnings exceed a certain level, called a "retirement earnings test exempt amount," and if you are under your "normal retirement age" (NRA). NRA, also referred to as "full retirement age," varies from age 65 to age 67 by year of birth. For persons born in 1943–1954, NRA is 66 years. For people attaining NRA after 2025, the annual exempt amount in 2025 is \$23,400, meaning that you can earn up to this amount with no reduction in Social Security retirement benefits. For every \$2 earned above this amount, Social Security retirement benefits are reduced by \$1. A modified annual earnings test applies in the year a worker attains full retirement age. Social Security benefits are reduced by \$1 for every \$3 of earnings above a specified amount for each month prior to full retirement age. (This amount is \$5,180 per month, or \$62,160 per year, for 2025.) Beginning with the month an individual attains full retirement age, no reduction in Social Security retirement benefits occurs, no matter how much the person earns.