

TITLE 3: HUMAN RESOURCES
DIVISION 3: SOCIAL SECURITY ACT

§ 3312. Earnings Test.

(a) Prior to January 1, 1978, an individual who receives a retirement, disability, or survivor's benefit under this division and who works in covered or noncovered employment shall have his quarterly benefit reduced by \$1 for each \$2 earned in a quarter, except there shall be no reduction for the first \$100 earned in a quarter before July 1, 1976; the first \$200 earned in a quarter after June 30, 1976 and before January 1, 1977; and the first \$300 earned in any quarter after December 31, 1976 and before January 1, 1978. The reduction shall be applied in the subsequent quarter in which the earnings were paid and shall be prorated for each month.

(b) Effective January 1, 1978, an individual who receives a retirement, disability, or survivor's benefit under this division and who works in covered or noncovered employment shall have his or her benefits reduced by \$1 for each \$2 of annual earnings in excess of \$1,860; provided, that regardless of the individual's total annual earnings, no reduction shall be made in the benefit payable for any month in which he did not engage in self-employment and did not render services for wages of more than \$155.

(c) Effective January 1, 1979, an individual who receives a retirement or survivor's benefit (except a benefit payable to a disabled child age 18 or older whose disability began before age 22) under this division and who works in covered or noncovered employment shall have his benefits reduced by \$1 for each \$2 of annual earnings in excess of \$2,520; provided, that regardless of the individual's total annual earnings, no reduction shall be made in the benefit payable for any month in which he did not engage in self-employment and did not render services for wages of more than \$210.

(d) Effective January 1, 1980, an individual who receives a retirement or survivor's benefit (except a benefit payable to a disabled child age 18 or older whose disability began before age 22) under this division and who works in covered or noncovered employment or self-employment shall have his benefits reduced by \$1 for each \$2 of annual earnings in excess of \$3,240; provided, that regardless of the individual's total annual earnings, no reduction shall be made in the benefit payable for any month (a) in which he did not engage in self-employment and did not render services for wages of more than \$270, or (b) in which he was age 72 or over; provided further, that if the United States Social Security System exempts persons from reduction of benefits due to excess earnings at a lower age than 72, such lower age shall apply for purposes of this division.

(e) Effective January 1, 1985, an individual who receives a retirement, dependent's or survivor's benefit (except a benefit payable to a disabled child age 18 or older whose disability began before age 22) under this division and works in covered or noncovered employment or self-employment shall have his benefits

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reduced by \$1 for each \$2 of annual earnings in excess of \$4,440. Further, if an individual receiving retirement benefits under this division works in covered or noncovered employment or self-employment and has annual earnings in excess of \$4,400, any benefits payable to his dependents shall also be subject to the above mentioned reduction because of his excess earnings. However, regardless of the individual's total annual earnings, no reduction shall be made in the benefit payable for any month (1) in which he did not engage in self-employment and did not render services for wages of more than \$370, or (2) in which he was age 70 or over.

(f) Effective January 1, 1986, the monthly exempt amount will be the exempt amount determined under Section 203(f)(8) of the U.S. Social Security Act [42 U.S.C. § 403(f)(8)] with respect to individuals who have not reached age 65 and the annual amount will be 12 times that amount.

Source: PL 2-6, § 6; amended by PL 4-27, § 8.