

# FRANZEN & FRANZEN, LLP

## CERTIFIED PUBLIC ACCOUNTANTS

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May 13, 2015 – Pension Benefits & Social Security

A client recently asked “Will my pension benefits affect my social security?” This is a great topic, and here’s some information we hope you find useful.

Generally, if you worked for a private employer and paid Social Security taxes on income you earned, distributions from your pension will not affect your Social Security income. There are, however, certain work situations and related pensions that will affect your Social Security benefits.

The Windfall Elimination Provision (WEP) is designed to reduce the amount of Social Security paid to individuals who are receiving a pension based on work that was not covered by Social Security. For example, if your pension is based on work performed in a foreign country, your work was not covered by Social Security. Your benefits will be adjusted accordingly.

Similarly, the Government Pension Offset reduces Social Security benefits for those individuals who are receiving a pension from a government entity. Work for a government entity is not covered by Social Security. If you worked for a government entity and also a private employer, Social Security benefits available to you from your private sector employment will be reduced by two-thirds of the government pension.

For more information on Social Security benefits, visit the Social Security Administration website by clicking here – [www.ssa.gov](http://www.ssa.gov)

If we can be of assistance in addressing your retirement questions, please feel free to contact our office.