

Publication 915

Social Security and Equivalent Railroad Retirement Benefits

For use in preparing
2023 Returns

Volume 1 of 2



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Future Developments

For the latest information about developments related to Pub. 915, such as legislation enacted after it was published, go to [IRS.gov/Pub915](https://www.irs.gov/pub915).

Reminders

Filing status name changed to qualifying surviving spouse. The filing status qualifying widow(er) is now called qualifying surviving spouse. The rules for the filing status have not changed. The same rules that applied for qualifying widow(er) apply to qualifying surviving spouse. See *Qualifying Surviving Spouse* in the Instructions for Form 1040 for details.

Lines 1a through 1z on Forms 1040 and 1040-SR. Line 1 is expanded and there are lines 1a through 1z. Some amounts that in prior years were reported on Form 1040 and

Form 1040-SR, are now reported on Schedule 1 (Form 1040).

- Scholarships and fellowship grants are now reported on Schedule 1, line 8r.
- Pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan is now reported on Schedule 1, line 8t.
- Wages earned while incarcerated are now reported on Schedule 1, line 8u.

Line 6c on Forms 1040 and 1040-SR. A checkbox was added on line 6c. Taxpayers who elect to use the lump-sum election method for their benefits will check this box. See *Lump-Sum Election*, later.

my Social Security account. Social security beneficiaries may quickly and easily obtain information from the Social Security Administration's (SSA's) website with a *my Social Security* account to:

- Keep track of your earnings and verify them every year,
- Get an estimate of your future benefits if you are still working,
- Get a letter with proof of your benefits if you currently receive them,
- Change your address,
- Start or change your direct deposit,
- Get a replacement Medicare card, and
- Get a replacement Form SSA-1099 or SSA-1042S for the tax season.

For more information and to set up an account, go to [SSA.gov/myaccount](https://ssa.gov/myaccount).

Photographs of missing children. The IRS is a proud partner with the [National Center for Missing & Exploited Children® \(NCMEC\)](https://www.fbi.gov/ncmec). Photographs of missing children selected by the Center may appear in this publication on pages that would otherwise be blank. You can

help bring these children home by looking at the photographs and calling 1-800-THE-LOST (1-800-843-5678) if you recognize a child.

Introduction

This publication explains the federal income tax rules for social security benefits and equivalent tier 1 railroad retirement benefits. It is prepared through the joint efforts of the IRS, the Social Security Administration (SSA), and the U.S. Railroad Retirement Board (RRB).

Social security benefits include monthly retirement, survivor, and disability benefits. They don't include Supplemental Security Income (SSI) payments, which aren't taxable.

Equivalent tier 1 railroad retirement benefits are the part of tier 1 benefits that a railroad employee or beneficiary would have been entitled to receive under the social security system. They are commonly called the social

security equivalent benefit (SSEB) portion of tier 1 benefits.

If you received these benefits during 2023, you should have received a Form SSA-1099, Social Security Benefit Statement; Form RRB-1099, Payments by the Railroad Retirement Board; Form SSA-1042S, Social Security Benefit Statement; or Form RRB-1042S, Statement for Nonresident Alien Recipients of Payments by the Railroad Retirement Board, showing the amount.

Note. When the term “benefits” is used in this publication, it applies to both social security benefits and the SSEB portion of tier 1 railroad retirement benefits.

What is covered in this publication. This publication covers the following topics.

Whether any of your benefits are taxable.

How to report taxable benefits.

How much is taxable.

How to treat lump-sum benefit payments.

Deductions related to your benefits, including a deduction or credit you can claim if your repayments are more than your gross benefits.

The Appendix near the end of this publication explains items shown on your Form SSA-1099, SSA-1042S, RRB-1099, or RRB-1042S.

What isn't covered in this publication.

This publication doesn't cover the tax rules for the following railroad retirement benefits.

- Non-social security equivalent benefit (NSSEB) portion of tier 1 benefits.
- Tier 2 benefits.
- Vested dual benefits.
- Supplemental annuity benefits.

For information on these taxable pension benefits, see Pub. 575, Pension and Annuity Income.

This publication also doesn't cover the tax rules for foreign social security benefits. These benefits are taxable as annuities, unless they are exempt from U.S. tax or treated as a U.S. social security benefit under a tax treaty.

Comments and suggestions. We welcome your comments about this publication and suggestions for future editions.

You can send us comments through [IRS.gov/FormComments](https://www.irs.gov/FormComments). Or, you can write to the Internal Revenue Service, Tax Forms and Publications, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224.

Although we can't respond individually to each comment received, we do appreciate your feedback and will consider your comments and suggestions as we revise our tax forms, instructions, and publications.

Don't send tax questions, tax returns, or payments to the above address.

Getting answers to your tax questions. If you have a tax question not answered by this publication or the *How To Get Tax Help* section at the end of this publication, go to the IRS Interactive Tax Assistant page at [IRS.gov/ Help/ITA](https://www.irs.gov/help/ita) where you can find topics by using the search feature or viewing the categories listed.

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Useful Items

You may want to see:

Publication

- ☐ **501** Dependents, Standard Deduction, and Filing Information
- ☐ **505** Tax Withholding and Estimated Tax
- ☐ **519** U.S. Tax Guide for Aliens
- ☐ **575** Pension and Annuity Income
- ☐ **590-A** Contributions to Individual Retirement Arrangements (IRAs)

Form (and Instructions)

- ☐ **1040-ES** Estimated Tax for Individuals
- ☐ **SSA-1099** Social Security Benefit Statement
- ☐ **RRB-1099** Payments by the Railroad Retirement Board

□ **W-4V** Voluntary Withholding Request

See *How To Get Tax Help* at the end of this publication for information about getting these publications and forms.

Are Any of Your Benefits Taxable?

To find out whether any of your benefits shown on Forms SSA-1099 and RRB-1099 may be taxable, compare the base amount (explained later) for your filing status with the total of:

1. One-half of your benefits; plus
2. All your other income, including tax-exempt interest.

Exclusions. When making this comparison, don't reduce your other income by any exclusions for:

- Interest from qualified U.S. savings bonds,
- Employer-provided adoption benefits,

- Interest on education loans,
- Foreign earned income or foreign housing, or
- Income earned by bona fide residents of American Samoa or Puerto Rico.

Children's benefits. The rules in this publication apply to benefits received by children. See Who is taxed, later.



The SSA issues Forms SSA-1099 and SSA-1042S. The RRB issues Forms RRB-1099 and RRB-1042S. These forms (tax statements) report the amounts paid and repaid, and taxes withheld for a tax year. You may receive more than one of these forms for the same tax year. See the Appendix, later, for more information.

Each original Form RRB-1099 or RRB-1042S is valid unless it has been corrected. The RRB will issue a corrected Form RRB-1099 or RRB-1042S if there is an error in the original. A corrected Form RRB-1099 or RRB-1042S is

indicated as "CORRECTED" and replaces the corresponding original Form RRB-1099 or RRB-1042S. You must use the latest corrected Form RRB-1099 or RRB-1042S you received and any original Form RRB-1099 or RRB-1042S that the RRB hasn't corrected when you determine what amounts to report on your tax return.

Figuring total income. To figure the total of one-half of your benefits plus your other income, use Worksheet A, discussed later. If the total is more than your base amount, part of your benefits may be taxable.

If you are married and file a joint return for 2023, you and your spouse must combine your incomes and your benefits to figure whether any of your combined benefits are taxable. Even if your spouse didn't receive any benefits, you must add your spouse's income to yours to figure whether any of your benefits are taxable.



If the only income you received during 2023 was your social security or the SSEB portion of tier 1 railroad retirement benefits, your benefits generally aren't taxable and you probably don't have to file a return. If you have income in addition to your benefits, you may have to file a return even if none of your benefits are taxable. See Pub. 501 or your tax return instructions to find out if you have to file a return.

Base amount. Your base amount is:

- \$25,000 if you are single, head of household, or qualifying surviving spouse;
- \$25,000 if you are married filing separately and lived apart from your spouse for all of 2023;
- \$32,000 if you are married filing jointly;
or
- \$0 if you are married filing separately and lived with your spouse at any time during 2023.

Worksheet A. You can use Worksheet A to figure the amount of income to compare with your base amount. This is a quick way to check whether some of your benefits may be taxable.

Who is taxed. Benefits are included in the taxable income (to the extent they are taxable) of the person who has the legal right to receive the benefits. For example, if you and your child receive benefits, but the check for your child is made out in your name, you must use only your part of the benefits to see whether any benefits are taxable to you. One-half of the part that belongs to your child must be added to your child's other income to see whether any of those benefits are taxable to your child.

Repayment of benefits. Any repayment of benefits you made during 2023 must be subtracted from the gross benefits you received in 2023. It doesn't matter whether the repayment was for a benefit you received

in 2023 or in an earlier year. If you repaid more than the gross benefits you received in 2023, see *Repayments More Than Gross Benefits*, later.

Your gross benefits are shown in box 3 of Form SSA-1099 or RRB-1099. Your repayments are shown in box 4. The amount in box 5 shows your net benefits for 2023 (box 3 minus box 4). Use the amount in box 5 to figure whether any of your benefits are taxable.

Example. In 2022, you received \$3,000 in social security benefits, and in 2023 you received \$2,700. In March 2023, the SSA notified you that you should have received only \$2,500 in benefits in 2022. During 2023, you repaid \$500 to the SSA. The Form SSA-1099 you received for 2023 shows \$2,700 in box 3 (gross amount) and \$500 in box 4 (repayment). The amount in box 5 shows your net benefits of \$2,200 (\$2,700 minus \$500).

Worksheet A. **A Quick Way To Check if Your Benefits May Be Taxable**

Note. If you plan to file a joint income tax return, include your spouse's amounts, if any, on lines A, C, and D.

A.

Enter the total amount from **box 5** of **ALL** your **Forms SSA-1099** and **RRB-1099**. Include the full amount of any lump-sum benefit payments received in 2023, for 2023 and earlier years. (If you received more than one form, combine the amounts from box 5 and enter the total.)

A.

Note. If the amount on line A is zero or less, stop here; none of your benefits are taxable this year.

B.

Multiply line A by 50% (0.50)

B.

C.

Enter your total income that is taxable (excluding line A), such as pensions, wages, interest, ordinary dividends, and capital gain distributions. Don't reduce your income by any deductions, [exclusions](#) (listed earlier), or exemptions

C.

D.

Enter any tax-exempt interest income, such as interest on municipal bonds

D.

E.

Add lines B, C, and D

E.

Note. Compare the amount on line E to your **base amount** for your filing status. If the amount on line E equals or is less than the **base amount** for your filing status, none of your benefits are taxable this year. If the amount on line E is more than your **base amount**, some of your benefits may be taxable. You need to complete [Worksheet 1](#). If none of your benefits are taxable, but you must otherwise file a tax return, see [Benefits not taxable](#), later, under *How To Report Your Benefits*.

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Example. You and your spouse (both over age 65) are filing a joint return for 2023 and you both received social security benefits during the year. In January 2024, you received a Form SSA-1099 showing net benefits of \$1,500 in box 5. Your spouse received a Form SSA-1099 showing net benefits of \$700 in box 5. You also received a taxable pension of \$30,100 and interest income of \$700. You didn't have any tax-exempt interest income. Your benefits aren't taxable for 2023 because your income, as figured on Worksheet A, isn't more than your base amount (\$32,000) for married filing jointly.

Even though none of your benefits are taxable, you must file a return for 2023 because your taxable gross income (\$30,800) exceeds the minimum filing requirement amount for your filing status.

Filled-in Worksheet A. **A Quick Way To Check if Your Benefits May Be Taxable**

Note. If you plan to file a joint income tax return, include your spouse's amounts, if any, on lines A, C, and D.

A.	Enter the total amount from box 5 of ALL your Forms SSA-1099 and RRB-1099 . Include the full amount of any lump-sum benefit payments received in 2023, for 2023 and earlier years. (If you received more than one form, combine the amounts from box 5 and enter the total.)	A.	<u>\$2,200</u>
Note. If the amount on line A is zero or less, stop here; none of your benefits are taxable this year.			
B.	Multiply line A by 50% (0.50)	B.	<u>1,100</u>
C.	Enter your total income that is taxable (excluding line A), such as pensions, wages, interest, ordinary dividends, and capital gain distributions. Don't reduce your income by any deductions, exclusions (listed earlier), or exemptions	C.	<u>30,800</u>
D.	Enter any tax-exempt interest income, such as interest on municipal bonds	D.	<u>-0-</u>
E.	Add lines B, C, and D	E.	<u><u>\$31,900</u></u>

Note. Compare the amount on line E to your **base amount** for your filing status. If the amount on line E equals or is less than the **base amount** for your filing status, none of your benefits are taxable this year. If the amount on line E is more than your **base amount**, some of your benefits may be taxable and you will need to complete [Worksheet 1](#). If none of your benefits are taxable, but you must otherwise file a tax return, see [Benefits not taxable](#), later, under *How To Report Your Benefits*.

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Tax withholding and estimated tax. You can choose to have federal income tax withheld from your social security benefits and/or the SSEB portion of your tier 1 railroad retirement benefits. If you choose to do this, you must complete a Form W-4V.

If you don't choose to have income tax withheld, you may have to request additional withholding from other income or pay estimated tax during the year. For details, see Pub. 505, or the Instructions for Form 1040-ES.

U.S. citizens residing abroad. U.S. citizens who are residents of the following countries are exempt from U.S. tax on their benefits.

- Canada.
- Egypt.
- Germany.
- Ireland.
- Israel.

- Italy. (You must also be a citizen of Italy for the exemption to apply.)
- Romania.
- United Kingdom.

The SSA won't withhold U.S. tax from your benefits if you are a U.S. citizen.

The RRB will withhold U.S. tax from your benefits unless you file Form RRB-1001, Nonresident Questionnaire, with the RRB to provide citizenship and residency information. If you don't file Form RRB-1001, the RRB will consider you a nonresident alien and withhold tax from your railroad retirement benefits at a 30% rate. [Contact the RRB](#) to get this form.

Lawful permanent residents. For U.S. income tax purposes, lawful permanent residents (green card holders) are considered resident aliens until their lawful permanent resident status under the immigration laws is either taken away or is administratively or judicially determined to have been

abandoned. Social security benefits paid to a green card holder are not subject to 30% withholding. If you are a green card holder and tax was withheld in error on your social security benefits because you have a foreign address, the withholding tax is refundable by the SSA or the IRS. The SSA will refund taxes erroneously withheld if the refund can be processed during the same calendar year in which the tax was withheld. If the SSA can't refund the taxes withheld, you must file a Form 1040 or 1040-SR with the Internal Revenue Service Center, Austin, TX 73301, to determine if you are entitled to a refund. You must also attach the following information to your Form 1040 or 1040-SR.

- A copy of the Form SSA-1042S.
- A copy of the "green card" unless you are a bona fide resident of American Samoa.
- A signed declaration that includes the following statements:

“The SSA should not have withheld federal income tax from my social security benefits because I am a U.S. lawful permanent resident and my green card has been neither revoked nor administratively or judicially determined to have been abandoned. I am filing a U.S. income tax return for the tax year as a resident alien reporting all of my worldwide income. I have not claimed benefits for the tax year under an income tax treaty as a nonresident alien.”

Nonresident aliens. A nonresident alien is an individual who isn't a citizen or resident of the United States. If you are a nonresident alien, the rules discussed in this publication don't apply to you. Instead, 85% of your benefits are taxed at a 30% rate, unless exempt (or subject to a lower rate) by treaty. You will receive a Form SSA-1042S or RRB-1042S showing the amount of your benefits. These forms will also show the tax rate and

the amount of tax withheld from your benefits.

Under tax treaties with the following countries, residents of these countries are exempt from U.S. tax on their benefits.

- Canada.
- Egypt.
- Germany.
- Ireland.
- Israel.
- Italy.
- Japan.
- Romania.
- United Kingdom.

Under a treaty with India, benefits paid to individuals who are both residents and nationals of India are exempt from U.S. tax if the benefits are for services performed for the

United States, its subdivisions, or local government authorities.

If you are a resident of Switzerland, your total benefit amount will be taxed at a 15% rate.

For more information on whether you are a nonresident alien, see Pub. 519.

Exemption from withholding. If your social security benefits are exempt from tax because you are a resident of one of the treaty countries listed, the SSA won't withhold U.S. tax from your benefits.

If your railroad retirement benefits are exempt from tax because you are a resident of one of the treaty countries listed, you can claim an exemption from withholding by filing Form RRB-1001 with the RRB. [Contact the RRB](#) to get this form.

Canadian or German social security benefits paid to U.S. residents. Under income tax treaties with Canada and

Germany, social security benefits paid by those countries to U.S. residents are treated for U.S. income tax purposes as if they were paid under the social security legislation of the United States. If you receive social security benefits from Canada or Germany, include them on line 1 of Worksheet 1.

How To Report Your Benefits

If part of your benefits are taxable, you must use Form 1040 or 1040-SR.

Reporting on Form 1040 or 1040-SR.

Report your net benefits (the total amount from box 5 of all your Forms SSA-1099 and RRB-1099) on line 6a and the taxable part on line 6b. If you are married filing separately and you lived apart from your spouse for all of 2023, also enter "D" to the right of the word "benefits" on line 6a.

Benefits not taxable. Report your net benefits (the total amount from box 5 of all your Forms SSA-1099 and RRB-1099) on

Form 1040 or 1040-SR, line 6a. Enter -0- on Form 1040 or 1040-SR, line 6b. If you are married filing separately and you lived apart from your spouse for all of 2023, also enter “D” to the right of the word “benefits” on Form 1040 or 1040-SR, line 6a.

How Much Is Taxable?

If part of your benefits are taxable, how much is taxable depends on the total amount of your benefits and other income. Generally, the higher that total amount, the greater the taxable part of your benefits.

Maximum taxable part. Generally, up to 50% of your benefits will be taxable. However, up to 85% of your benefits can be taxable if either of the following situations applies to you.

- The total of one-half of your benefits and all your other income is more than \$34,000 (\$44,000 if you are married filing jointly).

- You are married filing separately and lived with your spouse at any time during 2023.

Which worksheet to use. A worksheet you can use to figure your taxable benefits is in the Instructions for Form 1040. You can use either that worksheet or Worksheet 1 in this publication, unless any of the following situations applies to you.

1. You contributed to a traditional individual retirement arrangement (IRA) and you or your spouse is covered by a retirement plan at work. In this situation, you must use the special worksheets in Appendix B of Pub. 590-A to figure both your IRA deduction and your taxable benefits.
2. Situation 1 doesn't apply and you take an exclusion for interest from qualified U.S. savings bonds (Form 8815), for adoption benefits (Form 8839), for foreign earned income or housing (Form 2555), or for income earned in

American Samoa (Form 4563) or Puerto Rico by bona fide residents. In this situation, you must use Worksheet 1 in this publication to figure your taxable benefits.

3. You received a lump-sum payment for an earlier year. In this situation, also complete Worksheet 2 or 3 and Worksheet 4 in this publication. See Lump-Sum Election, later.

Examples

A few examples you can use as a guide to figure the taxable part of your benefits follow.

Examples

Example 1. George White is single and files Form 1040 for 2023. In addition to receiving social security payments, he received a fully taxable pension of \$18,600, wages from a part-time job of \$9,400, and taxable interest income of \$990, for a total of \$28,990. He received a Form SSA-1099 in January 2024 that shows his net social security benefits of \$5,980 in box 5.



To figure his taxable benefits, George completes Worksheet 1, shown below. On line 6a of his Form 1040, George enters his net benefits of \$5,980. On line 6b, he enters his taxable benefits of \$2,990.


Filled-in Worksheet 1. Figuring Your Taxable Benefits

Keep for Your Records 

Before you begin:

- If you are married filing separately and you **lived apart** from your spouse for all of 2023, enter "D" to the right of the word "benefits" on Form 1040 or 1040-SR, line 6a.
- Don't use this worksheet if you repaid benefits in 2023 and your total repayments (box 4 of Forms SSA-1099 and RRB-1099) were more than your gross benefits for 2023 (box 3 of Forms SSA-1099 and RRB-1099). None of your benefits are taxable for 2023. For more information, see [Repayments More Than Gross Benefits](#).
- If you are filing Form 8815, Exclusion of Interest From Series EE and I U.S. Savings Bonds Issued After 1989, don't include the amount from line 2b of Form 1040 or 1040-SR on line 3 of this worksheet. Instead, include the amount from Schedule B (Form 1040), line 2.

1. Enter the total amount from box 5 of ALL your Forms SSA-1099 and RRB-1099 . Also enter this amount on Form 1040 or 1040-SR, line 6a	1.	<u>\$5,980</u>	
2. Multiply line 1 by 50% (0.50)	2.	<u>2,990</u>	
3. Combine the amounts from Form 1040 or 1040-SR, lines 1z, 2b, 3b, 4b, 5b, 7, and 8	3.	<u>28,990</u>	
4. Enter the amount, if any, from Form 1040 or 1040-SR, line 2a	4.	<u>-0-</u>	
5. Enter the total of any exclusions/adjustments for: <ul style="list-style-type: none">Adoption benefits (Form 8839, line 28),Foreign earned income or housing (Form 2555, lines 45 and 50), andCertain income of bona fide residents of American Samoa (Form 4563, line 15) or Puerto Rico	5.	<u>-0-</u>	
6. Combine lines 2, 3, 4, and 5 above	6.	<u>31,980</u>	
7. Enter the total of the amounts from Schedule 1 (Form 1040), lines 11 through 20, and 23 and 25	7.	<u>-0-</u>	
8. Is the amount on line 7 less than the amount on line 6? <div>No.  None of your social security benefits are taxable. Enter -0- on Form 1040 or 1040-SR, line 6b.</div> <div>Yes. Subtract line 7 from line 6</div>	8.	<u>31,980</u>	
9. If you are: <ul style="list-style-type: none">Married filing jointly, enter \$32,000; orSingle, head of household, qualifying surviving spouse, or married filing separately and you lived apart from your spouse for all of 2023, enter \$25,000 <div>Note. If you are married filing separately and you lived with your spouse at any time in 2023, skip lines 9 through 16, multiply line 8 by 85% (0.85), and enter the result on line 17. Then, go to line 18.</div>	9.	<u>25,000</u>	
10. Is the amount on line 9 less than the amount on line 8? <div>No.  None of your benefits are taxable. Enter -0- on Form 1040 or 1040-SR, line 6b. If you are married filing separately and you lived apart from your spouse for all of 2023, be sure you entered "D" to the right of the word "benefits" on Form 1040 or 1040-SR, line 6a.</div> <div>Yes. Subtract line 9 from line 8</div>	10.	<u>6,980</u>	
11. Enter \$12,000 if married filing jointly; or \$9,000 if single, head of household, qualifying surviving spouse, or married filing separately and you lived apart from your spouse for all of 2023	11.	<u>9,000</u>	
12. Subtract line 11 from line 10. If zero or less, enter -0-	12.	<u>-0-</u>	
13. Enter the smaller of line 10 or line 11	13.	<u>6,980</u>	
14. Multiply line 13 by 50% (0.50)	14.	<u>3,490</u>	
15. Enter the smaller of line 2 or line 14	15.	<u>2,990</u>	
16. Multiply line 12 by 85% (0.85). If line 12 is zero, enter -0-	16.	<u>-0-</u>	
17. Add lines 15 and 16	17.	<u>2,990</u>	
18. Multiply line 1 by 85% (0.85)	18.	<u>5,083</u>	
19. Taxable benefits. Enter the smaller of line 17 or line 18. Also enter this amount on Form 1040 or 1040-SR, line 6b	19.	<u>\$2,990</u>	



If you received a lump-sum payment in 2023 that was for an earlier year, also complete Worksheet 2 or 3 and Worksheet 4 to see if you can report a lower taxable benefit.



Example 2. Ray and Alice Hopkins file a joint return on Form 1040 for 2023. Ray is retired and received a fully taxable pension of \$15,500. He also received social security benefits, and his Form SSA-1099 for 2023 shows net benefits of \$5,600 in box 5. Alice worked during the year and had wages of \$14,000. She made a deductible payment to her IRA account of \$1,000 and isn't covered by a retirement plan at work. Ray and Alice have two savings accounts with a total of \$250 in taxable interest income. They complete Worksheet 1, shown below, entering \$29,750 (\$15,500 + \$14,000 + \$250) on line 3. They find none of Ray's social security benefits are taxable. On Form 1040, they enter \$5,600 on line 6a and -0- on line 6b.

Filled-in Worksheet 1. Figuring Your Taxable Benefits

Keep for Your Records 

Before you begin:

- If you are married filing separately and you **lived apart** from your spouse for all of 2023, enter "D" to the right of the word "benefits" on Form 1040 or 1040-SR, line 6a.
- Don't use this worksheet if you repaid benefits in 2023 and your total repayments (box 4 of Forms SSA-1099 and RRB-1099) were more than your gross benefits for 2023 (box 3 of Forms SSA-1099 and RRB-1099). None of your benefits are taxable for 2023. For more information, see [Repayments More Than Gross Benefits](#).
- If you are filing Form 8815, Exclusion of Interest From Series EE and I U.S. Savings Bonds Issued After 1989, don't include the amount from line 2b of Form 1040 or 1040-SR on line 3 of this worksheet. Instead, include the amount from Schedule B (Form 1040), line 2.

1. Enter the total amount from box 5 of ALL your Forms SSA-1099 and RRB-1099 . Also enter this amount on Form 1040 or 1040-SR, line 6a	1.	\$5,600
2. Multiply line 1 by 50% (0.50)	2.	2,800
3. Combine the amounts from Form 1040 or 1040-SR, lines 1z, 2b, 3b, 4b, 5b, 7, and 8	3.	29,750
4. Enter the amount, if any, from Form 1040 or 1040-SR, line 2a	4.	-0-
5. Enter the total of any exclusions/adjustments for: <ul style="list-style-type: none">Adoption benefits (Form 8839, line 28),Foreign earned income or housing (Form 2555, lines 45 and 50), andCertain income of bona fide residents of American Samoa (Form 4563, line 15) or Puerto Rico	5.	-0-
6. Combine lines 2, 3, 4, and 5 above	6.	32,550
7. Enter the total of the amounts from Schedule 1 (Form 1040), lines 11 through 20, and 23 and 25	7.	1,000
8. Is the amount on line 7 less than the amount on line 6? <div>No.  None of your social security benefits are taxable. Enter -0- on Form 1040 or 1040-SR, line 6b.</div> <div>Yes. Subtract line 7 from line 6</div>	8.	31,550
9. If you are: <ul style="list-style-type: none">Married filing jointly, enter \$32,000; orSingle, head of household, qualifying surviving spouse, or married filing separately and you lived apart from your spouse for all of 2023, enter \$25,000 Note. If you are married filing separately and you lived with your spouse at any time in 2023, skip lines 9 through 16, multiply line 8 by 85% (0.85), and enter the result on line 17. Then, go to line 18.	9.	32,000
10. Is the amount on line 9 less than the amount on line 8? <div>No.  None of your benefits are taxable. Enter -0- on Form 1040 or 1040-SR, line 6b. If you are married filing separately and you lived apart from your spouse for all of 2023, be sure you entered "D" to the right of the word "benefits" on Form 1040 or 1040-SR, line 6a.</div> <div>Yes. Subtract line 9 from line 8</div>	10.	
11. Enter \$12,000 if married filing jointly; or \$9,000 if single, head of household, qualifying surviving spouse, or married filing separately and you lived apart from your spouse for all of 2023	11.	
12. Subtract line 11 from line 10. If zero or less, enter -0-	12.	
13. Enter the smaller of line 10 or line 11	13.	
14. Multiply line 13 by 50% (0.50)	14.	
15. Enter the smaller of line 2 or line 14	15.	
16. Multiply line 12 by 85% (0.85). If line 12 is zero, enter -0-	16.	
17. Add lines 15 and 16	17.	
18. Multiply line 1 by 85% (0.85)	18.	
19. Taxable benefits. Enter the smaller of line 17 or line 18. Also enter this amount on Form 1040 or 1040-SR, line 6b	19.	

TIP

If you received a lump-sum payment in 2023 that was for an earlier year, also complete Worksheet 2 or 3 and Worksheet 4 to see if you can report a lower taxable benefit.



Example 3. Joe and Betty Johnson file a joint return on Form 1040 for 2023. Joe is a retired railroad worker and in 2023 received the SSEB portion of tier 1 railroad retirement benefits. Joe's Form RRB-1099 shows \$10,000 in box 5. Betty is a retired government worker and received a fully taxable pension of \$38,000. They had \$2,300 in taxable interest income plus interest of \$200 on a qualified U.S. savings bond. The savings bond interest qualified for the exclusion. They figure their taxable benefits by completing Worksheet 1, shown below. Because they have qualified U.S. savings bond interest, they follow the note at the beginning of the worksheet and use the amount from line 2 of their Schedule B (Form 1040) on line 3 of the worksheet instead of the amount from line 2b of their Form 1040. On line 3 of the worksheet, they enter \$40,500 (\$38,000 + \$2,500). More than 50% of Joe's net benefits are taxable because the income on line 8 of the worksheet (\$45,500) is more than \$44,000. (See [Maximum taxable part](#) under *How Much Is Taxable*, earlier.) Joe and Betty enter \$10,000 on Form 1040, line 6a; and \$6,275 on Form 1040, line 6b.


Filled-in Worksheet 1. Figuring Your Taxable Benefits

Keep for Your Records 

Before you begin:

- If you are married filing separately and you **lived apart** from your spouse for all of 2023, enter "D" to the right of the word "benefits" on Form 1040 or 1040-SR, line 6a.
- Don't use this worksheet if you repaid benefits in 2023 and your total repayments (box 4 of Forms SSA-1099 and RRB-1099) were more than your gross benefits for 2023 (box 3 of Forms SSA-1099 and RRB-1099). None of your benefits are taxable for 2023. For more information, see [Repayments More Than Gross Benefits](#).
- If you are filing Form 8815, *Exclusion of Interest From Series EE and I U.S. Savings Bonds Issued After 1989*, don't include the amount from line 2b of Form 1040 or 1040-SR on line 3 of this worksheet. Instead, include the amount from Schedule B (Form 1040), line 2.

1. Enter the total amount from box 5 of ALL your Forms SSA-1099 and RRB-1099 . Also enter this amount on Form 1040 or 1040-SR, line 6a	1.	<u>\$10,000</u>
2. Multiply line 1 by 50% (0.50)	2.	<u>5,000</u>
3. Combine the amounts from Form 1040 or 1040-SR, lines 1z, 2b, 3b, 4b, 5b, 7, and 8	3.	<u>40,500</u>
4. Enter the amount, if any, from Form 1040 or 1040-SR, line 2a	4.	<u>-0-</u>
5. Enter the total of any exclusions/adjustments for: <ul style="list-style-type: none">Adoption benefits (Form 8839, line 28),Foreign earned income or housing (Form 2555, lines 45 and 50), andCertain income of bona fide residents of American Samoa (Form 4563, line 15) or Puerto Rico	5.	<u>-0-</u>
6. Combine lines 2, 3, 4, and 5 above	6.	<u>45,500</u>
7. Enter the total of the amounts from Schedule 1 (Form 1040), lines 11 through 20, and 23 and 25	7.	<u>-0-</u>
8. Is the amount on line 7 less than the amount on line 6? <div><div>No.</div><div></div><div>None of your social security benefits are taxable. Enter -0- on Form 1040 or 1040-SR, line 6b.</div></div> <div><div>Yes.</div><div>Subtract line 7 from line 6</div></div>	8.	<u>45,500</u>
9. If you are: <ul style="list-style-type: none">Married filing jointly, enter \$32,000; orSingle, head of household, qualifying surviving spouse, or married filing separately and you lived apart from your spouse for all of 2023, enter \$25,000 Note. If you are married filing separately and you lived with your spouse at any time in 2023, skip lines 9 through 16, multiply line 8 by 85% (0.85), and enter the result on line 17. Then, go to line 18.	9.	<u>32,000</u>
10. Is the amount on line 9 less than the amount on line 8? <div><div>No.</div><div></div><div>None of your benefits are taxable. Enter -0- on Form 1040 or 1040-SR, line 6b. If you are married filing separately and you lived apart from your spouse for all of 2023, be sure you entered "D" to the right of the word "benefits" on Form 1040 or 1040-SR, line 6a.</div></div> <div><div>Yes.</div><div>Subtract line 9 from line 8</div></div>	10.	<u>13,500</u>
11. Enter \$12,000 if married filing jointly; or \$9,000 if single, head of household, qualifying surviving spouse, or married filing separately and you lived apart from your spouse for all of 2023	11.	<u>12,000</u>
12. Subtract line 11 from line 10. If zero or less, enter -0-	12.	<u>1,500</u>
13. Enter the smaller of line 10 or line 11	13.	<u>12,000</u>
14. Multiply line 13 by 50% (0.50)	14.	<u>6,000</u>
15. Enter the smaller of line 2 or line 14	15.	<u>5,000</u>
16. Multiply line 12 by 85% (0.85). If line 12 is zero, enter -0-	16.	<u>1,275</u>
17. Add lines 15 and 16	17.	<u>6,275</u>
18. Multiply line 1 by 85% (0.85)	18.	<u>8,500</u>
19. Taxable benefits. Enter the smaller of line 17 or line 18. Also enter this amount on Form 1040 or 1040-SR, line 6b	19.	<u>\$6,275</u>



If you received a lump-sum payment in 2023 that was for an earlier year, also complete Worksheet 2 or 3 and Worksheet 4 to see if you can report a lower taxable benefit.



Example 4. Bill and Eileen Jones are married and live together, but file separate Form 1040 returns for 2023. Bill earned \$8,000 during 2023. The only other income he had for the year was \$4,000 net social security benefits (box 5 of his Form SSA-1099). Bill figures his taxable benefits by completing Worksheet 1, shown below. He must include 85% of his social security benefits in his taxable income because he is married filing separately and lived with his spouse during 2023. See [How Much Is Taxable](#), earlier. Bill enters \$4,000 on his Form 1040, line 6a; and \$3,400 on Form 1040, line 6b.

Filled-in Worksheet 1. Figuring Your Taxable Benefits

Keep for Your Records 

Before you begin:

- If you are married filing separately and you **lived apart** from your spouse for all of 2023, enter "D" to the right of the word "benefits" on Form 1040 or 1040-SR, line 6a.
- Don't use this worksheet if you repaid benefits in 2023 and your total repayments (box 4 of Forms SSA-1099 and RRB-1099) were more than your gross benefits for 2023 (box 3 of Forms SSA-1099 and RRB-1099). None of your benefits are taxable for 2023. For more information, see [Repayments More Than Gross Benefits](#).
- If you are filing Form 8815, Exclusion of Interest From Series EE and I U.S. Savings Bonds Issued After 1989, don't include the amount from line 2b of Form 1040 or 1040-SR on line 3 of this worksheet. Instead, include the amount from Schedule B (Form 1040), line 2.

1. Enter the total amount from box 5 of ALL your Forms SSA-1099 and RRB-1099 . Also enter this amount on Form 1040 or 1040-SR, line 6a	1.	<u>\$4,000</u>	
2. Multiply line 1 by 50% (0.50)	2.	<u>2,000</u>	
3. Combine the amounts from Form 1040 or 1040-SR, lines 1z, 2b, 3b, 4b, 5b, 7, and 8	3.	<u>8,000</u>	
4. Enter the amount, if any, from Form 1040 or 1040-SR, line 2a	4.	<u>-0-</u>	
5. Enter the total of any exclusions/adjustments for: <ul style="list-style-type: none">• Adoption benefits (Form 8839, line 28),• Foreign earned income or housing (Form 2555, lines 45 and 50), and• Certain income of bona fide residents of American Samoa (Form 4563, line 15) or Puerto Rico	5.	<u>-0-</u>	
6. Combine lines 2, 3, 4, and 5 above	6.	<u>10,000</u>	
7. Enter the total of the amounts from Schedule 1 (Form 1040), lines 11 through 20, and 23 and 25	7.	<u>-0-</u>	
8. Is the amount on line 7 less than the amount on line 6? No.  None of your social security benefits are taxable. Enter -0- on Form 1040 or 1040-SR, line 6b. Yes. Subtract line 7 from line 6	8.	<u>10,000</u>	
9. If you are: <ul style="list-style-type: none">• Married filing jointly, enter \$32,000; or• Single, head of household, qualifying surviving spouse, or married filing separately and you lived apart from your spouse for all of 2023, enter \$25,000 Note. If you are married filing separately and you lived with your spouse at any time in 2023, skip lines 9 through 16, multiply line 8 by 85% (0.85), and enter the result on line 17. Then, go to line 18.	9.		
10. Is the amount on line 9 less than the amount on line 8? No.  None of your benefits are taxable. Enter -0- on Form 1040 or 1040-SR, line 6b. If you are married filing separately and you lived apart from your spouse for all of 2023, be sure you entered "D" to the right of the word "benefits" on Form 1040 or 1040-SR, line 6a. Yes. Subtract line 9 from line 8	10.		
11. Enter \$12,000 if married filing jointly; or \$9,000 if single, head of household, qualifying surviving spouse, or married filing separately and you lived apart from your spouse for all of 2023	11.		
12. Subtract line 11 from line 10. If zero or less, enter -0-	12.		
13. Enter the smaller of line 10 or line 11	13.		
14. Multiply line 13 by 50% (0.50)	14.		
15. Enter the smaller of line 2 or line 14	15.		
16. Multiply line 12 by 85% (0.85). If line 12 is zero, enter -0-	16.		
17. Add lines 15 and 16	17.	<u>8,500</u>	
18. Multiply line 1 by 85% (0.85)	18.	<u>3,400</u>	
19. Taxable benefits. Enter the smaller of line 17 or line 18. Also enter this amount on Form 1040 or 1040-SR, line 6b	19.	<u>\$3,400</u>	



If you received a lump-sum payment in 2023 that was for an earlier year, also complete Worksheet 2 or 3 and Worksheet 4 to see if you can report a lower taxable benefit.

Lump-Sum Election

You must include the taxable part of a lump-sum (retroactive) payment of benefits received in 2023 in your 2023 income, even if the payment includes benefits for an earlier year.



Check the box on line 6c if you elect to use the lump-sum election method for your benefits. If any of your benefits are taxable for 2023 and they include a lump-sum benefit payment that was for an earlier year, you may be able to reduce the taxable amount with the lump-sum election.



This type of lump-sum benefit payment shouldn't be confused with the lump-sum death benefit that both the SSA and RRB pay to many of their beneficiaries. No part of the lump-sum death benefit is subject to tax.

Generally, you use your 2023 income to figure the taxable part of the total benefits received in 2023. However, you may be able to figure the taxable part of a lump-sum payment for an earlier year separately, using your income for the earlier year. You can elect this method if it lowers your taxable benefits.

Under the lump-sum election method, you refigure the taxable part of all your benefits for the earlier year (including the lump-sum payment) using that year's income. Then, you subtract any taxable benefits for that year that you previously reported. The remainder is the taxable part of the lump-sum payment. Add it to the taxable part of your benefits for 2023 (figured without the lump-sum payment for the earlier year).



Because the earlier year's taxable benefits are included in your 2023 income, no adjustment is made to the

earlier year's return. Don't file an amended return for the earlier year.

Will the lump-sum election method lower your taxable benefits? To find out, take the following steps.

1. Complete Worksheet 1 in this publication.
2. Complete Worksheet 2 and Worksheet 3, as appropriate. Use Worksheet 2 if your lump-sum payment was for a year after 1993. Use Worksheet 3 if it was for 1993 or an earlier year. Complete a separate Worksheet 2 or Worksheet 3 for each earlier year for which you received the lump-sum payment.
3. Complete Worksheet 4.
4. Compare the taxable benefits on line 19 of Worksheet 1 with the taxable benefits on line 21 of Worksheet 4.

If the taxable benefits on Worksheet 4 are lower than the taxable benefits on Worksheet 1, you can elect to report the lower amount on your return.

Making the election. If you elect to report your taxable benefits under the lump-sum election method, follow the instructions at the bottom of Worksheet 4. Don't attach the completed worksheets to your return. Keep them with your records.



Once you elect this method of figuring the taxable part of a lump-sum payment, you can revoke your election only with the consent of the IRS.

Lump-sum payment reported on Form SSA-1099 or RRB-1099. If you received a lump-sum payment in 2023 that includes benefits for one or more earlier years after 1983, it will be included in box 3 of either Form SSA-1099 or RRB-1099. That part of any lump-sum payment for years before 1984 isn't taxed and won't be shown on the form.

The form will also show the year (or years) the payment is for. However, Form RRB-1099 will not show a breakdown by year (or years) of any lump-sum payment for years before 2017. You must contact the RRB for a breakdown by year for any amount shown in box 9.

Example

Jane Jackson is single. In 2022, she applied for social security disability benefits but was told she was ineligible. She appealed the decision and won. In 2023, she received a lump-sum payment of \$6,000, of which \$2,000 was for 2022 and \$4,000 was for 2023. Jane also received \$5,000 in social security benefits in 2023, so her total benefits in 2023 were \$11,000. Jane's other income for 2022 and 2023 is as follows.

<u>Income</u>	<u>2022</u>	<u>2023</u>
Wages	\$20,000	\$3,500

Interest income	2,000	2,500
Dividend income	1,000	1,500
Fully taxable pension		<u>18,000</u>
Total	<u>\$23,000</u>	<u>\$25,500</u>

To see if the lump-sum election method results in lower taxable benefits, she completes Worksheets 1, 2, and 4 from this publication. She doesn't need to complete Worksheet 3 because her lump-sum payment was for years after 1993.

Jane completes Worksheet 1 to find the amount of her taxable benefits for 2023 under the regular method. She completes Worksheet 2 to find the taxable part of the lump-sum payment for 2022 under the lump-sum election method. She completes Worksheet 4 to decide if the lump-sum election method will lower her taxable benefits.

After completing the worksheets, Jane compares the amounts from Worksheet 4, line 21; and Worksheet 1, line 19. Because the amount on Worksheet 4 is smaller, she chooses to use the lump-sum election method. To do this, she prints “LSE” to the left of Form 1040 or 1040-SR, line 6a. She then enters \$11,000 on Form 1040 or 1040-SR, line 6a, and her taxable benefits of \$2,500 on line 6b.

Jane's filled-in worksheets (1, 2, and 4) follow.

Jane Jackson's Filled-in Worksheet 1. Figuring Your Taxable Benefits

Keep for Your Records

Before you begin:

- If you are married filing separately and you **lived apart** from your spouse for all of 2023, enter “D” to the right of the word “benefits” on Form 1040 or 1040-SR, line 6a.
- Don't use this worksheet if you repaid benefits in 2023 and your total repayments (box 4 of Forms SSA-1099 and RRB-1099) were more than your gross benefits for 2023 (box 3 of Forms SSA-1099 and RRB-1099). None of your benefits are taxable for 2023. For more information, see [Repayments More Than Gross Benefits](#).
- If you are filing Form 8815, Exclusion of Interest From Series EE and I U.S. Savings Bonds Issued After 1989, don't include the amount from line 2b of Form 1040 or 1040-SR on line 3 of this worksheet. Instead, include the amount from Schedule B (Form 1040), line 2.

1. Enter the total amount from box 5 of ALL your Forms SSA-1099 and RRB-1099 . Also enter this amount on Form 1040 or 1040-SR, line 6a	1.	\$11,000
2. Multiply line 1 by 50% (0.50)	2.	5,500
3. Combine the amounts from Form 1040 or 1040-SR, lines 1z, 2b, 3b, 4b, 5b, 7, and 8	3.	25,500
4. Enter the amount, if any, from Form 1040 or 1040-SR, line 2a	4.	-0-
5. Enter the total of any exclusions/adjustments for: <ul style="list-style-type: none">Adoption benefits (Form 8839, line 28),Foreign earned income or housing (Form 2555, lines 45 and 50), andCertain income of bona fide residents of American Samoa (Form 4563, line 15) or Puerto Rico	5.	-0-
6. Combine lines 2, 3, 4, and 5 above	6.	31,000
7. Enter the total of the amounts from Schedule 1 (Form 1040), lines 11 through 20, and 23 and 25	7.	-0-
8. Is the amount on line 7 less than the amount on line 6? No. None of your social security benefits are taxable. Enter -0- on Form 1040 or 1040-SR, line 6b. Yes. Subtract line 7 from line 6	8.	31,000
9. If you are: <ul style="list-style-type: none">Married filing jointly, enter \$32,000; orSingle, head of household, qualifying surviving spouse, or married filing separately and you lived apart from your spouse for all of 2023, enter \$25,000 Note. If you are married filing separately and you lived with your spouse at any time in 2023, skip lines 9 through 16, multiply line 8 by 85% (0.85), and enter the result on line 17. Then, go to line 18.	9.	25,000
10. Is the amount on line 9 less than the amount on line 8? No. None of your benefits are taxable. Enter -0- on Form 1040 or 1040-SR, line 6b. If you are married filing separately and you lived apart from your spouse for all of 2023, be sure you entered “D” to the right of the word “benefits” on Form 1040 or 1040-SR, line 6a. Yes. Subtract line 9 from line 8	10.	6,000
11. Enter \$12,000 if married filing jointly; or \$9,000 if single, head of household, qualifying surviving spouse, or married filing separately and you lived apart from your spouse for all of 2023	11.	9,000
12. Subtract line 11 from line 10. If zero or less, enter -0-	12.	-0-
13. Enter the smaller of line 10 or line 11	13.	6,000
14. Multiply line 13 by 50% (0.50)	14.	3,000
15. Enter the smaller of line 2 or line 14	15.	3,000
16. Multiply line 12 by 85% (0.85). If line 12 is zero, enter -0-	16.	-0-
17. Add lines 15 and 16	17.	3,000
18. Multiply line 1 by 85% (0.85)	18.	9,350
19. Taxable benefits. Enter the smaller of line 17 or line 18. Also enter this amount on Form 1040 or 1040-SR, line 6b	19.	\$3,000

TIP

If you received a lump-sum payment in 2023 that was for an earlier year, also complete Worksheet 2 or 3 and Worksheet 4 to see if you can report a lower taxable benefit.

Jane Jackson's Filled-in Worksheet 2. **Figure Your Additional Taxable Benefits (From a Lump-Sum Payment for a Year After 1993)**

Keep for Your Records 

Enter earlier year 2022

1. Enter the total amount from box 5 of ALL your Forms SSA-1099 and RRB-1099 for the earlier year, plus the lump-sum payment for the earlier year received after that year	1. <u>\$2,000</u>
Note. If line 1 is zero or less, skip lines 2 through 20 and enter -0- on line 21. Otherwise, go to line 2.	
2. Multiply line 1 by 50% (0.50)	2. <u>1,000</u>
3. Enter your adjusted gross income for the earlier year	3. <u>23,000</u>
4. Enter the total of any exclusions/adjustments you claimed in the earlier year for: <ul style="list-style-type: none">• Adoption benefits (Form 8839),• Qualified U.S. savings bond interest (Form 8815),• Student loan interest (Schedule 1 (Form 1040), line 21),• Foreign earned income or housing (Form 2555), and• Certain income of bona fide residents of American Samoa (Form 4563) or Puerto Rico	4. <u>-0-</u>
5. Enter any tax-exempt interest received in the earlier year	5. <u>-0-</u>
6. Add lines 2 through 5	6. <u>24,000</u>
7. Enter your taxable benefits for the earlier year that you previously reported	7. <u>-0-</u>
8. Subtract line 7 from line 6	8. <u>24,000</u>
9. If, for the earlier year, you were: <ul style="list-style-type: none">• Married filing jointly, enter \$32,000; or• Single, head of household, qualifying surviving spouse, married filing separately and you lived apart from your spouse for all of the earlier year, enter \$25,000	9. <u>25,000</u>
Note. If you were married filing separately and you lived with your spouse at any time during the earlier year, skip lines 9 through 16, multiply line 8 by 85% (0.85), and enter the result on line 17. Then, go to line 18.	
10. Is the amount on line 8 more than the amount on line 9? No. Skip lines 10 through 20 and enter -0- on line 21. Yes. Subtract line 9 from line 8	10. <u> </u>
11. Enter \$12,000 if married filing jointly for the earlier year; or \$9,000 if single, head of household, qualifying surviving spouse, or married filing separately and you lived apart from your spouse for all of the earlier year	11. <u> </u>
12. Subtract line 11 from line 10. If zero or less, enter -0-	12. <u> </u>
13. Enter the smaller of line 10 or line 11	13. <u> </u>
14. Multiply line 13 by 50% (0.50)	14. <u> </u>
15. Enter the smaller of line 2 or line 14	15. <u> </u>
16. Multiply line 12 by 85% (0.85). If line 12 is zero, enter -0-	16. <u> </u>
17. Add lines 15 and 16	17. <u> </u>
18. Multiply line 1 by 85% (0.85)	18. <u> </u>
19. Refigured taxable benefits. Enter the smaller of line 17 or line 18	19. <u> </u>
20. Enter your taxable benefits for the earlier year (or as refigured due to a previous lump-sum payment for the year)	20. <u> </u>
21. Additional taxable benefits. Subtract line 20 from line 19. Also enter this amount on Worksheet 4, line 20	21. <u>-0-</u>



Don't file an amended return for this earlier year. Complete a separate Worksheet 2 or Worksheet 3 for each earlier year for which you received a lump-sum payment in 2023.

Jane Jackson's Filled-in Worksheet 4. **Figure Your Taxable Benefits Under the Lump-Sum Election Method (Use With Worksheet 2 or 3)**

Keep for Your Records 

Complete Worksheet 1 and Worksheets 2 and 3 as appropriate before completing this worksheet.		
1. Enter the total amount from box 5 of ALL your Forms SSA-1099 and RRB-1099 for 2023, minus the lump-sum payment for years before 2023	1.	<u>\$9,000</u>
Note. If line 1 is zero or less, skip lines 2 through 18, enter -0- on line 19, and go to line 20. Otherwise, go to line 2.		
2. Multiply line 1 by 50% (0.50)	2.	<u>4,500</u>
3. Enter the amount from Worksheet 1, line 3	3.	<u>25,500</u>
4. Enter the amount from Worksheet 1, line 4	4.	<u>-0-</u>
5. Enter the amount from Worksheet 1, line 5	5.	<u>-0-</u>
6. Combine lines 2, 3, 4, and 5 above	6.	<u>30,000</u>
7. Enter the amount from Worksheet 1, line 7	7.	<u>-0-</u>
8. Subtract line 7 from line 6	8.	<u>30,000</u>
9. Enter the amount from Worksheet 1, line 9. But if you are married filing separately and lived with your spouse at any time during 2023, skip lines 9 through 16, multiply line 8 by 85% (0.85), and enter the result on line 17. Then, go to line 18	9.	<u>25,000</u>
10. Is the amount on line 8 more than the amount on line 9? No. Skip lines 10 through 18, enter -0- on line 19, and go to line 20. Yes. Subtract line 9 from line 8	10.	<u>5,000</u>
11. Enter the amount from Worksheet 1, line 11	11.	<u>9,000</u>
12. Subtract line 11 from line 10. If zero or less, enter -0-	12.	<u>-0-</u>
13. Enter the smaller of line 10 or line 11	13.	<u>5,000</u>
14. Multiply line 13 by 50% (0.50)	14.	<u>2,500</u>
15. Enter the smaller of line 2 or line 14	15.	<u>2,500</u>
16. Multiply line 12 by 85% (0.85). If line 12 is zero, enter -0-	16.	<u>-0-</u>
17. Add lines 15 and 16	17.	<u>2,500</u>
18. Multiply line 1 by 85% (0.85)	18.	<u>7,650</u>
19. Enter the smaller of line 17 or line 18	19.	<u>2,500</u>
20. Enter the total of the amounts from Worksheet 2, line 21, and Worksheet 3, line 14, for all earlier years for which the lump-sum payment was received	20.	<u>-0-</u>
21. Taxable benefits under lump-sum election method. Add lines 19 and 20	21.	<u>\$2,500</u>
Next. Is line 21 above smaller than Worksheet 1, line 19? No. Don't use this method to figure your taxable benefits. Follow the instructions on Worksheet 1 to report your benefits. Yes. You can elect to report your taxable benefits under this method. To elect this method, do the following. 1. Enter "LSE" to the left of Form 1040 or 1040-SR, line 6a. 2. If line 21 above is zero, follow the instructions on line 10 for "No" on Worksheet 1. Otherwise: a. Enter the amount from Worksheet 1, line 1, on Form 1040 or 1040-SR, line 6a; b. Enter the amount from line 21 above on Form 1040 or 1040-SR, line 6b; and c. If you are married filing separately and you lived apart from your spouse for all of 2023, enter "D" to the right of the word "benefits" on Form 1040 or 1040-SR, line 6a.		

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Deductions Related to Your Benefits

You may be entitled to deduct certain amounts related to the benefits you receive.

Disability payments. You may have received disability payments from your employer or an insurance company that you included as income on your tax return in an earlier year. If you received a lump-sum payment from the SSA or RRB, and you had to repay the employer or insurance company for the disability payments, you can take an itemized deduction for the part of the payments you included in gross income in the earlier year. If the amount you repay is more than \$3,000, you may be able to claim a tax credit instead. Claim the deduction or credit in the same way explained under *Repayment of benefits received in an earlier year* under *Repayments More Than Gross Benefits* next.

Repayments More Than Gross Benefits

In some situations, your Form SSA-1099 or RRB-1099 will show that the total benefits you repaid (box 4) are more than the gross benefits (box 3) you received. If this occurred, your net benefits in box 5 will be a negative figure (a figure in parentheses) and none of your benefits will be taxable. Don't use Worksheet 1 in this case. If you receive more than one form, a negative figure in box 5 of one form is used to offset a positive figure in box 5 of another form for that same year.

If you have any questions about this negative figure, contact your local [SSA office](#) or your local [RRB field office](#).

Joint return. If you and your spouse file a joint return, and your Form SSA-1099 or RRB-1099 has a negative figure in box 5, but your spouse's doesn't, subtract the amount in

box 5 of your form from the amount in box 5 of your spouse's form. You do this to get your net benefits when figuring if your combined benefits are taxable.

Example. John and Mary file a joint return for 2023. John received Form SSA-1099 showing \$3,000 in box 5. Mary also received Form SSA-1099 and the amount in box 5 was (\$500). John and Mary will use \$2,500 (\$3,000 minus \$500) as the amount of their net benefits when figuring if any of their combined benefits are taxable.

Repayment of benefits received in an earlier year. If the total amount shown in box 5 of all of your Forms SSA-1099 and RRB-1099 is a negative figure, you may be able to deduct part of this negative figure that represents benefits you included in gross income in an earlier year, if the figure is more than \$3,000. If the figure is \$3,000 or less, it is a miscellaneous itemized deduction and can no longer be deducted.

Deduction more than \$3,000. If this deduction is more than \$3,000, you should figure your tax two ways.

1. Figure your tax for 2023 with the itemized deduction included on Schedule A (Form 1040), line 16.
2. Figure your tax for 2023 in the following steps.
 - a. Figure the tax without the itemized deduction included on Schedule A (Form 1040), line 16.
 - b. For each year after 1983 for which part of the negative figure represents a repayment of benefits, refigure your taxable benefits as if your total benefits for the year were reduced by that part of the negative figure. Then, refigure the tax for that year.

- c. Subtract the total of the refigured tax amounts in (b) from the total of your actual tax amounts.
- d. Subtract the result in (c) from the result in (a).

Compare the tax figured in methods 1 and 2. Your tax for 2023 is the smaller of the two amounts. If method 1 results in less tax, take the itemized deduction on Schedule A (Form 1040), line 16. If method 2 results in less tax, claim a credit for the amount from step 2c above on Schedule 3 (Form 1040), line 13z. Enter "I.R.C. 1341" on the entry line. If both methods produce the same tax, deduct the repayment on Schedule A (Form 1040), line 16.

Worksheets

Blank Worksheets 1 through 4 are provided in this section.

1. Worksheet 1, Figuring Your Taxable Benefits.
2. Worksheet 2, Figure Your Additional Taxable Benefits (From a Lump-Sum Payment for a Year After 1993).
3. Worksheet 3, Figure Your Additional Taxable Benefits (From a Lump-Sum Payment for a Year Before 1994).
4. Worksheet 4, Figure Your Taxable Benefits Under the Lump-Sum Election Method (Use With Worksheet 2 or 3).



Before you begin:

- If you are married filing separately and you **lived apart** from your spouse for all of 2023, enter "D" to the right of the word "benefits" on Form 1040 or 1040-SR, line 6a.
- Don't use this worksheet if you repaid benefits in 2023 and your total repayments (box 4 of Forms SSA-1099 and RRB-1099) were more than your gross benefits for 2023 (box 3 of Forms SSA-1099 and RRB-1099). None of your benefits are taxable for 2023. For more information, see [Repayments More Than Gross Benefits](#).
- If you are filing Form 8815, Exclusion of Interest From Series EE and I U.S. Savings Bonds Issued After 1989, don't include the amount from line 2b of Form 1040 or 1040-SR on line 3 of this worksheet. Instead, include the amount from Schedule B (Form 1040), line 2.

1. Enter the total amount from **box 5** of **ALL** your **Forms SSA-1099** and **RRB-1099**. Also enter this amount on Form 1040 or 1040-SR, line 6a

1.

2. Multiply line 1 by 50% (0.50)

2.

3. Combine the amounts from Form 1040 or 1040-SR, lines 1z, 2b, 3b, 4b, 5b, 7, and 8

3.

4. Enter the amount, if any, from Form 1040 or 1040-SR, line 2a

4.

5. Enter the total of any exclusions/adjustments for:

- Adoption benefits (Form 8839, line 28),
- Foreign earned income or housing (Form 2555, lines 45 and 50), and
- Certain income of bona fide residents of American Samoa (Form 4563, line 15) or Puerto Rico

5.

6. Combine lines 2, 3, 4, and 5 above

6.

7. Enter the total of the amounts from Schedule 1 (Form 1040), lines 11 through 20, and 23 and 25

7.

8. Is the amount on line 7 less than the amount on line 6?

No.

STOP

None of your social security benefits are taxable. Enter -0- on Form 1040 or 1040-SR, line 6b.

Yes.

Subtract line 7 from line 6

8.

9. If you are:

- Married filing jointly, enter \$32,000; or
- Single, head of household, qualifying surviving spouse, or married filing separately and you **lived apart** from your spouse for all of 2023, enter \$25,000

9.

Note. If you are married filing separately and you lived with your spouse at any time in 2023, skip lines 9 through 16, multiply line 8 by 85% (0.85), and enter the result on line 17. Then, go to line 18.

10. Is the amount on line 9 less than the amount on line 8?

No.

STOP

None of your benefits are taxable. Enter -0- on Form 1040 or 1040-SR, line 6b. If you are married filing separately and you **lived apart** from your spouse for all of 2023, be sure you entered "D" to the right of the word "benefits" on Form 1040 or 1040-SR, line 6a.

Yes.

Subtract line 9 from line 8

10.

11. Enter \$12,000 if married filing jointly; or \$9,000 if single, head of household, qualifying surviving spouse, or married filing separately and you **lived apart** from your spouse for all of 2023

11.

12. Subtract line 11 from line 10. If zero or less, enter -0-

12.

13. Enter the **smaller** of line 10 or line 11

13.

14. Multiply line 13 by 50% (0.50)

14.

15. Enter the **smaller** of line 2 or line 14

15.

16. Multiply line 12 by 85% (0.85). If line 12 is zero, enter -0-

16.

17. Add lines 15 and 16

17.

18. Multiply line 1 by 85% (0.85)

18.

19. **Taxable benefits.** Enter the **smaller** of line 17 or line 18. Also enter this amount on Form 1040 or 1040-SR, line 6b

19.

TIP

If you received a lump-sum payment in 2023 that was for an earlier year, also complete Worksheet 2 or 3 and Worksheet 4 to see if you can report a lower taxable benefit.

Worksheet 2. **Figure Your Additional Taxable Benefits (From a Lump-Sum Payment for a Year After 1993)**

Keep for Your Records 

Enter earlier year _____

1. Enter the total amount from box 5 of ALL your Forms SSA-1099 and RRB-1099 for the earlier year, plus the lump-sum payment for the earlier year received after that year	1. _____
Note. If line 1 is zero or less, skip lines 2 through 20 and enter -0- on line 21. Otherwise, go to line 2.	
2. Multiply line 1 by 50% (0.50)	2. _____
3. Enter your adjusted gross income for the earlier year	3. _____
4. Enter the total of any exclusions/adjustments you claimed in the earlier year for: <ul style="list-style-type: none">• Adoption benefits (Form 8839),• Qualified U.S. savings bond interest (Form 8815),• Student loan interest (for 2020, 2019, and 2018, Schedule 1 (Form 1040); for years before 2018, Form 1040 or Form 1040A, page 1),• Tuition and fees (for 2020, 2019, and 2018, Schedule 1 (Form 1040); for years before 2018, Form 1040 or Form 1040A, page 1),• Domestic production activities (for 2005 through 2017) (Form 1040, page 1),• Foreign earned income or housing (Form 2555 or 2555-EZ), and• Certain income of bona fide residents of American Samoa (Form 4563) or Puerto Rico	4. _____
5. Enter any tax-exempt interest received in the earlier year	5. _____
6. Add lines 2 through 5	6. _____
7. Enter your taxable benefits for the earlier year that you previously reported	7. _____
8. Subtract line 7 from line 6	8. _____
9. If, for the earlier year, you were: <ul style="list-style-type: none">• Married filing jointly, enter \$32,000; or• Single, head of household, qualifying surviving spouse, married filing separately and you lived apart from your spouse for all of the earlier year, enter \$25,000	9. _____
Note. If you were married filing separately and you lived with your spouse at any time during the earlier year, skip lines 9 through 16, multiply line 8 by 85% (0.85), and enter the result on line 17. Then, go to line 18.	
10. Is the amount on line 8 more than the amount on line 9? No. Skip lines 10 through 20 and enter -0- on line 21. Yes. Subtract line 9 from line 8	10. _____
11. Enter \$12,000 if married filing jointly for the earlier year; or \$9,000 if single, head of household, qualifying surviving spouse, or married filing separately and you lived apart from your spouse for all of the earlier year	11. _____
12. Subtract line 11 from line 10. If zero or less, enter -0-	12. _____
13. Enter the smaller of line 10 or line 11	13. _____
14. Multiply line 13 by 50% (0.50)	14. _____
15. Enter the smaller of line 2 or line 14	15. _____
16. Multiply line 12 by 85% (0.85). If line 12 is zero, enter -0-	16. _____
17. Add lines 15 and 16	17. _____
18. Multiply line 1 by 85% (0.85)	18. _____
19. Refigured taxable benefits. Enter the smaller of line 17 or line 18	19. _____
20. Enter your taxable benefits for the earlier year (or as refigured due to a previous lump-sum payment for the year)	20. _____
21. Additional taxable benefits. Subtract line 20 from line 19. Also enter this amount on Worksheet 4, line 20	21. _____




Don't file an amended return for this earlier year. Complete a separate Worksheet 2 or Worksheet 3 for each earlier year for which you received a lump-sum payment in 2023.

Worksheet 3. **Figure Your Additional Taxable Benefits (From a Lump-Sum Payment for a Year Before 1994)**

Keep for Your Records 

Enter earlier year _____

1.	Enter the total amount from box 5 of ALL your Forms SSA-1099 and RRB-1099 for the earlier year, plus the lump-sum payment for the earlier year received after that year	1.	_____
Note. If line 1 is zero or less, skip lines 2 through 13 and enter -0- on line 14. Otherwise, go to line 2.			
2.	Multiply line 1 by 50% (0.50)	2.	_____
3.	Enter your adjusted gross income for the earlier year	3.	_____
4.	Enter the total of any exclusions/adjustments you claimed in the earlier year for: <ul style="list-style-type: none">• Qualified U.S. savings bond interest (Form 8815),• Foreign earned income or housing (Form 2555 or 2555-EZ), and• Certain income of bona fide residents of American Samoa (Form 4563) or Puerto Rico	4.	_____
5.	Enter any tax-exempt interest received in the earlier year	5.	_____
6.	Add lines 2 through 5	6.	_____
7.	Enter your taxable benefits for the earlier year that you previously reported	7.	_____
8.	Subtract line 7 from line 6	8.	_____
9.	Enter \$25,000 (\$32,000 if married filing jointly for the earlier year; or -0- if married filing separately for the earlier year and you lived with your spouse at any time during the earlier year)	9.	_____
10.	Is the amount on line 8 more than the amount on line 9? No. Skip lines 10 through 13 and enter -0- on line 14. Yes. Subtract line 9 from line 8	10.	_____
11.	Multiply line 10 by 50% (0.50)	11.	_____
12.	Refigured taxable benefits. Enter the smaller of line 2 or line 11	12.	_____
13.	Enter your taxable benefits for the earlier year (or as refigured due to a previous lump-sum payment for the year)	13.	_____
14.	Additional taxable benefits. Subtract line 13 from line 12. Also enter this amount on Worksheet 4, line 20	14.	_____



Don't file an amended return for this earlier year. Complete a separate Worksheet 2 or Worksheet 3 for each earlier year for which you received a lump-sum payment in 2023.

Worksheet 4. **Figure Your Taxable Benefits Under the Lump-Sum Election Method (Use With Worksheet 2 or 3)**

Keep for Your Records 

Complete Worksheet 1 and Worksheets 2 and 3 as appropriate before completing this worksheet.

1. Enter the total amount from **box 5** of **ALL** your **Forms SSA-1099** and **RRB-1099** for 2023, minus the lump-sum payment for years before 2023

1. _____

Note. If line 1 is zero or less, skip lines 2 through 18, enter -0- on line 19, and go to line 20. Otherwise, go to line 2.

2. Multiply line 1 by 50% (0.50)

2. _____

3. Enter the amount from Worksheet 1, line 3

3. _____

4. Enter the amount from Worksheet 1, line 4

4. _____

5. Enter the amount from Worksheet 1, line 5

5. _____

6. Combine lines 2, 3, 4, and 5

6. _____

7. Enter the amount from Worksheet 1, line 7

7. _____

8. Subtract line 7 from line 6

8. _____

9. Enter the amount from Worksheet 1, line 9. But if you are married filing separately and lived with your spouse at any time during 2023, skip lines 9 through 16, multiply line 8 by 85% (0.85), and enter the result on line 17. Then, go to line 18

9. _____

10. Is the amount on line 8 more than the amount on line 9?

No. Skip lines 10 through 18, enter -0- on line 19, and go to line 20.

Yes. Subtract line 9 from line 8

10. _____

11. Enter the amount from Worksheet 1, line 11

11. _____

12. Subtract line 11 from line 10. If zero or less, enter -0-

12. _____

13. Enter the **smaller** of line 10 or line 11

13. _____

14. Multiply line 13 by 50% (0.50)

14. _____

15. Enter the **smaller** of line 2 or line 14

15. _____

16. Multiply line 12 by 85% (0.85). If line 12 is zero, enter -0-

16. _____

17. Add lines 15 and 16

17. _____

18. Multiply line 1 by 85% (0.85)

18. _____

19. Enter the **smaller** of line 17 or line 18

19. _____

20. Enter the total of the amounts from Worksheet 2, line 21, and Worksheet 3, line 14, for all earlier years for which the lump-sum payment was received

20. _____

21. **Taxable benefits under lump-sum election method.** Add lines 19 and 20

21. _____

Next. Is line 21 above smaller than Worksheet 1, line 19?

No. Don't use this method to figure your taxable benefits. Follow the instructions on Worksheet 1 to report your benefits.

Yes. You can elect to report your taxable benefits under this method. **To elect this method, do the following.**

1. Enter "LSE" to the left of Form 1040 or 1040-SR, line 6a.

2. If line 21 above is zero, follow the instructions on line 10 for "No" on Worksheet 1. Otherwise:

a. Enter the amount from Worksheet 1, line 1, on Form 1040 or 1040-SR, line 6a;

b. Enter the amount from line 21 above on Form 1040 or 1040-SR, line 6b; and

c. If you are married filing separately and you **lived apart** from your spouse for all of 2023, enter "D" to the right of the word "benefits" on Form 1040 or 1040-SR, line 6a.

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Appendix

This appendix explains items shown on Forms SSA-1099 and RRB-1099. Forms SSA-1042S and RRB-1042S, for nonresident aliens, contain the same items plus a few additional ones. These are also explained.



The illustrated versions of Form SSA-1099, SSA-1042S, RRB-1099, and RRB-1042S in this appendix are proof copies of the forms as they appeared when this publication went to print. The information on the illustrated forms should essentially be the same as the information on the form you received from either the SSA or the RRB. You should, however, compare the form you received with the one shown in this publication to note any differences.

Form SSA-1099, Social Security Benefit Statement 2023

Every person who received social security benefits will receive a Form SSA-1099. If you

receive benefits on more than one social security record, you may get more than one Form SSA-1099. IRS Notice 703 will be enclosed with this form. It contains a worksheet to help you figure if any of your benefits are taxable. Don't mail Notice 703 to either the IRS or the SSA.

Box 1—Name

The name shown in this box refers to the person for whom the social security benefits shown on the statement were paid. If you received benefits for yourself, your name will be shown.

Box 2—Beneficiary's Social Security Number

This is the U.S. social security number, if known, of the person named in box 1.



In all your correspondence with the SSA, be sure to use the claim number shown in box 8.

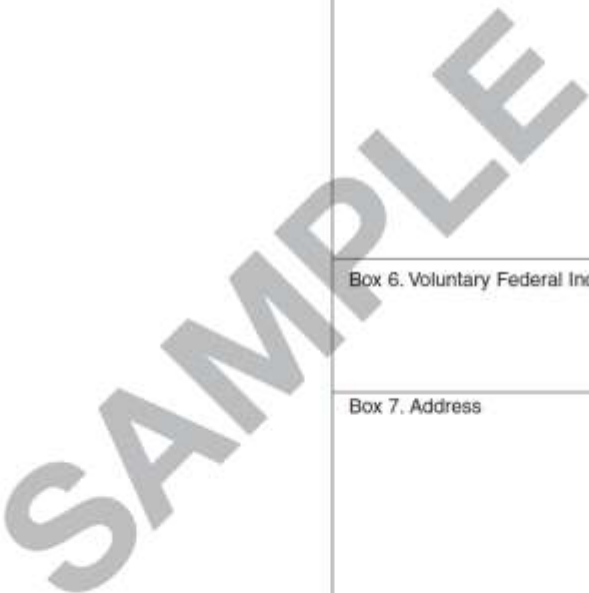
Box 3—Benefits Paid in 2023

The figure shown in this box is the total benefits paid in 2023 to you (the person named in box 1). This figure may not agree with the amounts you actually received because adjustments may have been made to your benefits before you received them. An asterisk (*) after the figure shown in this box means that it includes benefits received in 2023 for one or more earlier years.

Description of Amount in Box 3

This part of the form describes the items included in the amount shown in box 3. It lists the benefits paid and any adjustments made. Only the adjustments that apply to you will be shown. If no adjustments were made to the benefits paid, the word “none” will be shown.

FORM SSA-1099 – SOCIAL SECURITY BENEFIT STATEMENT

2023 • PART OF YOUR SOCIAL SECURITY BENEFITS SHOWN IN BOX 5 MAY BE TAXABLE INCOME. • SEE THE REVERSE FOR MORE INFORMATION.		
Box 1. Name		Box 2. Beneficiary's Social Security Number
Box 3. Benefits Paid in 2023	Box 4. Benefits Repaid to SSA in 2023	Box 5. Net Benefits for 2023 (Box 3 minus Box 4)
DESCRIPTION OF AMOUNT IN BOX 3		DESCRIPTION OF AMOUNT IN BOX 4
		Box 6. Voluntary Federal Income Tax Withheld
		Box 7. Address
		Box 8. Claim Number (Use this number if you need to contact SSA.)

Paid by check or direct deposit. This is the amount you actually received or that was deposited directly into your account in a financial institution in 2023.

Additions. The following adjustment items may have been deducted from your benefits in 2023. If amounts appear on your Form SSA-1099 next to these items, they will be added to the amount shown in “Paid by check or direct deposit.”



Don't reduce the amount of net social security benefits (box 5) by any of the items listed below. Use the amount in box 5 to figure taxable social security.

Medicare premiums deducted from your benefits. If you have Medicare premiums deducted from your benefits, this is the amount withheld during 2023. The basic monthly premium in 2023 was \$164.90 for most people, but it could be higher if you were a new enrollee in 2023, you enrolled after you were first eligible, you had a break in coverage, or the modified adjusted gross income shown on your 2021 federal income tax return is greater than \$97,000 (\$194,000 if married filing jointly).

Medicare Part C, Medicare Advantage Premium; and

Medicare Part D, Prescription Drug Premium, are other Medicare deductions you may have. These premiums may vary.

Workers' compensation offset. If you are disabled and receive workers' compensation or Part C Black Lung payments, your benefits are subject to a payment limit. An entry will be shown here if your benefits were reduced to stay within this limit. An entry will also be shown here if your benefits were reduced because the person on whose social security record you were paid is disabled and also received workers' compensation or Part C Black Lung payments.

Disability payments (including Social Security Disability Insurance (SSDI) payments). These payments are generally not included in income if they are for injuries incurred as a direct result of a terrorist attack directed against the United States or its allies.

If these payments are incorrectly reported as taxable on Form SSA-1099, don't include the nontaxable portion of income on your tax return. You may receive a notice from the IRS regarding the omitted payments. Follow the instructions in the notice to explain that the excluded payments aren't taxable. For more information about these payments, see Pub. 3920, Tax Relief for Victims of Terrorist Attacks.

Paid to another family member. This entry shows total payments withheld from your benefits if you are required to pay child support or alimony.

Deductions for work or other adjustments. Amounts withheld from your benefits because of work or to recover an overpayment of any type of benefit are benefits paid to you and will be shown here. They may also be treated as benefits repaid to the SSA and included in the amount in box 4.

Attorney fees. If you had an attorney handle your social security claim, the figure shown here is the fee withheld from your benefits and paid directly to your attorney.

Voluntary federal income tax withheld.

This shows the total amount of federal income tax withheld from your benefits. Include this amount on your income tax return as tax withheld.

Treasury benefit payment offset, garnishment, and/or tax levy. Part of your Title II Social Security benefit may be withheld on behalf of the Treasury Department to recover debts you owe to other federal agencies; part of your Title II Social Security benefits may be withheld to pay child support, alimony, or court-ordered victim restitution; and/or part of your Title II Social Security benefits may be withheld to pay your debt to the IRS.

Total additions. The figure shown here is the sum of the amounts paid by check or direct deposit plus all the additions described previously.

Subtractions. The following adjustment items may have been included in the payments you received in 2023. If amounts appear on your Form SSA-1099 next to these items, they will be subtracted from the figure in *Total Additions*.

Payments for months before December 1983. The figure shown here is the amount of benefits you received in 2023 that was for months before December 1983. These benefits aren't taxable no matter when they are paid.

Lump-sum death payment. The lump-sum death payment isn't subject to tax. An entry here means you received this kind of payment in 2023.

Amounts refunded to you. The amount shown here may include Medicare premiums you paid in excess of the amount actually due. It may also include amounts withheld in 2023 to pay your attorney in excess of the fee actually paid.

Nontaxable payments. This entry shows nontaxable payments such as lump-sum death payments.

Amounts paid to you for other family members. This entry shows benefit payments paid to you on behalf of a minor child or disabled adult.

Total subtractions. The figure shown here is the sum of all the subtractions described previously.

Benefits for 2023. The amount shown here is the result of subtracting the figure in Total subtractions, earlier, from the figure in Total additions, earlier. This amount is the same as that shown in box 3.

***Box 3 includes \$_____ paid in 2023 for 2022, 2021, and other tax years.** The figure shown here is the amount of any lump-sum benefit payment received in 2023 that is for an earlier year after 1983. See Lump-Sum Election, earlier, for a full discussion on how these payments are handled.

Box 4—Benefits Repaid to SSA in 2023

The figure shown in this box is the total amount of benefits you repaid to the SSA in 2023.

Description of Amount in Box 4

This part of the form describes the items included in the amount shown in box 4. It lists the amount of benefit checks you returned to the SSA and any adjustments for other types of repayments. The amounts listed include all amounts repaid in 2023, no matter when the benefits were received. Only the repayments that apply to you will be

shown. If you didn't make any repayments, the word "none" will be shown.

Checks returned to the SSA. If any of your benefit checks were returned to the SSA, the total is shown here.

Deductions for work or other adjustments. If any amounts were withheld from your benefits because of work or to recover an overpayment of retirement, survivors, or disability benefits, the total will be shown here. This may also be shown as *Deductions for work or other adjustments* under *Description of Amount in Box 3*, earlier.

Other repayments. This is the amount you repaid to the SSA by direct remittance.

Benefits repaid to the SSA in 2023. The amount shown here is the sum of all your repayments. This total is the same as that shown in box 4.

Box 5—Net Benefits for 2023 (*Box 3 Minus Box 4*)

The figure in this box is the net benefits paid to you for the year. It is the result of subtracting the figure in box 4 from the figure in box 3. Enter this amount on line A of IRS Notice 703, or on line 1 of Worksheet 1, or on the worksheet in the Instructions for Form 1040.

If parentheses are around the figure in box 5, it means that the figure in box 4 is larger than the figure in box 3. This is a negative figure and means you repaid more money than you received in 2023. If you have any questions about this negative figure, contact your local SSA office. For more information, see *Repayments More Than Gross Benefits*, earlier.

Box 6—Voluntary Federal Income Tax Withheld

This shows the total amount of federal income tax withheld from your benefits. Include this amount on your income tax return as tax withheld.

Form SSA-1042S, Social Security Benefit Statement 2023 (Nonresident Aliens)

This form is for nonresident aliens. It contains the following four additional items that don't appear on Form SSA-1099.

Box 6—Rate of Tax

This is the rate at which tax was withheld from 85% of your benefits. If tax was withheld at more than one rate during the year, the percentage shown will be the tax rate in December 2023. The tax rate for most nonresident aliens is 30%. If you are a resident of Switzerland, your total benefit

amount will be taxed at a 15% rate. The figure “0” will appear in this box if you were not taxed in December or if you were exempt under a tax treaty. Benefits received by residents of Canada, Egypt, Germany, Ireland, Israel, Italy, Japan, Romania, and the United Kingdom are exempt from U.S. tax.

Under a treaty with India, benefits paid to individuals who are both residents and nationals of India are exempt from U.S. tax if the benefits are for services performed for the United States, its subdivisions, or local government authorities. See Pub. 519 for more information on nonresident aliens.

Box 7—Amount of Tax Withheld

This is the amount of tax taken out of your social security checks. Tax is withheld for any month in which you were a nonresident alien (unless you were exempt under a tax treaty).

Box 8—Amount of Tax Refunded

An amount in this box shows any tax the SSA refunded to you. When the SSA withholds tax from your checks by mistake, they try to return it to you during the same calendar year. If the SSA is unable to send the refund to you before the year ends, you must file a federal income tax return to get a refund of this tax.

Box 9—Net Tax Withheld During 2023 (*Box 7 Minus Box 8*)

The figure in this box is the result of subtracting the figure in box 8 from the figure in box 7. This is the net amount of tax withheld from your benefits.