

# How to Correct Your Social Security Earnings Record

Here's what to do if you spot an error on your Social Security statement.

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It's important to periodically review your Social Security earnings information because missing earnings can result in lower Social Security payments.(GETTY IMAGES)

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Your annual earnings determine the amount you will receive from [Social Security](#) in retirement. But incorrect or omitted earnings could cause you to miss out on thousands of dollars in retirement benefits. It's up to individual employees to spot mistakes and take action to correct them.

Here's how to find and fix Social Security errors:

- Check your Social Security statement.
- Wait for your statement to be updated.
- Prepare for common problems.
- Gather proof of your earnings.
- Contact the Social Security Administration.

## **What Is a Social Security Earnings Record?**

Your Social Security earnings record lists all the earnings under your name and Social Security number that have been reported to the Social Security Administration. This earnings record will eventually be used to calculate your Social Security payments. You can find your Social Security earnings report broken down by year on your annual Social Security statement. It's important to periodically review your Social Security earnings information because missing earnings can result in lower Social Security payments.

## **Check Your Social Security Statement**

The Social Security Administration no longer mails paper [Social Security statements](#) to anyone under age 60. But workers who are age 18 or older can view their statement online by creating a [my Social Security account](#). Your Social Security statement will list your earnings that were taxed by Social Security for each year of your career. You can check these earnings against your tax returns or W-2 forms to make sure they were recorded correctly.

"I recommend people check their Social Security statement each year as part of their annual financial checkup," says Dana Anspach, a certified financial planner and CEO of Sensible Money in Scottsdale, Arizona.

## **Wait for Your Statement to Be Updated**

It may take a year or two for earnings to be included on your Social Security statement. "It takes a while for everything to make its way through the system, so there's no need to worry if your earnings from last year aren't showing up yet," says Mike Piper, a certified public accountant and author of "Social Security Made Simple." If the incorrect earnings are for this year or last year, your record may not have been updated yet and the issue may resolve itself.

## **Prepare for Common Problems**

The Social Security Administration says most wages are automatically credited to workers without incident, but errors are not unheard of. Sometimes Social Security earnings are reported incorrectly by employers. The wrong name or an incorrect [Social Security number](#) might be entered into the system by the employer or employee. Issues might also arise if you change your name upon marriage or divorce and don't notify the Social Security Administration.

### **Gather Proof of Your Earnings**

Make sure you keep paperwork that quantifies your pay. Acceptable documentation of earnings could include a W-2 form, your [tax return](#) or a pay stub. If you don't have written documentation of your work history, write down the name of your employer, the dates you worked and how much you earned.

### **Contact the Social Security Administration**

Once you have collected appropriate documentation, call the Social Security Administration at 1-800-772-1213. "If you discover an error in the earnings listed, the first thing to do is gather documents that show proof of the correct amount," Anspach says. "Then set an appointment with your local Social Security office." The SSA may contact your employers to verify earnings information.

### **High Earners Can't Include All Their Earnings**

There's a cap on the earnings that are taxed by Social Security and used to calculate payments. Those who earn more than the taxable maximum, which is \$142,800 in 2021, won't pay Social Security tax on that extra income or have that amount factored into their Social Security payments. The maximum taxable amount of earnings changes each year and has increased over time. For example, in 2000 the taxable maximum was just \$76,200.

### **What If My Employer Did Not Report My Earnings to Social Security?**

Your [Social Security payments](#) are calculated based on the 35 years of your career in which you earn the most. If an employer does not properly report one year of earnings to the Social Security Administration, your future payments could be about \$100 per month less than you are entitled to, according to a statement from the Social Security Administration. Over a lifetime, one year of

unreported pay could cost you tens of thousands of dollars in retirement benefits or payments to family members.

**Updated on April 5, 2021:** This story was published at an earlier date and has been updated with new information.

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