

# California State Social Security Administrator Program

## SSSAP Bulletin No. 3 – October 2012

### Dual Entitlement

A person may be entitled to benefits based upon two or more separate Social Security accounts. For example, a person may be entitled as a retired worker on her/his own record, and as a spouse or widow/widower on the spouse's record. However, a person's benefit amount can never exceed the highest single benefit to which that person is entitled.

EXAMPLE: The husband passes away, while the wife is still actively working. The wife/widow applies for and receives Widow's (i.e., spousal survivor's) benefits on the husband's account. However, upon reaching age 66 (her Full Retirement Age), the wife/widow applies for her own Social Security retirement benefits, which are higher than her Widow's benefits; she will only receive her own Social Security retirement benefit (since it is higher), and will no longer receive the spousal survivor's benefit.

NOTE: Remember that in general, widow(er)s who remarry cannot collect benefits on their deceased spouse's record, unless they have remarried at age 60 or later (or age 50 for disabled widows). See: <http://www.ssa.gov/survivorplan/ifyou5.htm#a0=0&other=>

For more information about the Dual Entitlement provisions, you can refer to the following Internet pages:

<https://secure.ssa.gov/apps10/poms.nsf/lnx/0300615020>

<http://socialsecuritybenefitshandbook.com/page7.html>

### Government Pension Offset (GPO)

The Government Pension Offset (GPO) applies to a worker who receives a government pension that is based on employment not covered by Social Security, who is also eligible for Social Security spouse's or surviving spouse's benefits.

**The GPO provisions do not impact government workers whose employment has always been covered by Social Security.** NOTE: The "Dual Entitlement" or "Windfall Elimination" provisions may still apply. For more information on the Windfall Elimination Provision, please review the Social Security website publication: <http://www.socialsecurity.gov/pubs/10045.html>

The GPO provisions were enacted in December 1977 because many government employees qualified for a pension from their government agencies, as well as for a Social Security spouse's or surviving spouse's benefits. This situation was considered unfair, because government employees in positions covered by Social Security had their Social Security benefits reduced under the "Dual Entitlement" provisions. The GPO was thus a "surrogate" for the Dual Entitlement reduction, so that spouses and surviving spouses are treated similarly, regardless of whether their jobs are covered under Social Security or not.

When GPO applies, two-thirds of the government pension is offset against the Social Security spouse's or surviving spouse's benefits.

EXAMPLE: If you are entitled to a CalPERS pension based on employment that was not subject to Social Security withholding, and you are also entitled to Social Security spouse's or surviving spouse's benefits, the Social Security benefits will be reduced by two thirds of the CalPERS pension. For example:

CalPERS pension x 2/3 = GPO Offset  
SSA benefit - GPO Offset = Amount payable

Example 1:  
\$1,200.00 x 2/3 = \$800.00  
\$600.00 - \$800.00 = \$0.00

Example 2:  
\$1,200.00 x 2/3 = \$800.00  
\$1,000.00 - \$800.00 = \$200.00

If a negative sum is derived after the reduction, no Social Security benefit will be paid.

NOTE: If you choose to take your government pension in a lump sum, rather than as a continuing annuity, Social Security will nevertheless calculate the GPO reduction as if you had chosen to get a monthly annuity from your government work.

EXCEPTIONS: Government Pension Offset will not apply to:

- Persons who (after March 2, 2009) work in Social Security-covered government employment for the entire final 60-month period of their government employment.
- Persons who (between July 1, 2004-March 1, 2009) work in Social Security-covered government employment for a specified period of their final government employment.<sup>1</sup>
- Persons who filed for and were entitled to spouse's, widow's or widower's benefits before April 1, 2004.
- For other (less common) exceptions, refer to the Social Security publication : "When won't my Social Security benefits be reduced?" found at :  
<http://www.socialsecurity.gov/pubs/10007.html#a0=3&when=>

For additional information about GPO, you can refer to the following Internet pages:

<http://www.socialsecurity.gov/pubs/10007.html#a0=3&when=>

<http://www.socialsecurity.gov/retire2/gpo-calc.htm>

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<sup>1</sup> For more information on the length of time required, see: <http://www.socialsecurity.gov/pubs/10007.html#a0=3&when=>