

FACTS ABOUT YOUR 2016 SOCIAL SECURITY BENEFIT STATEMENT

Your 2016 Social Security Benefit Statement is on the back of this form. Use it, along with the information below, to see if part of your Social Security benefits may be taxable.

What You Need To Do

Use the 2016 statement on the reverse, with the Internal Revenue Service (IRS) Notice 703 below, to see if any of your Social Security benefits are taxable. Do not return this form to us or the IRS. Do not attach it to your income tax return. **EXCEPTION:** If you have an entry in Box 6, attach a copy of your 2016 SSA-1099 to your federal tax return to receive credit for the withholding. Keep the original for your records. We also are sending this benefit information to the IRS. We did not include your SSI benefits, if any, on this statement. You may wish to keep this statement as proof of your income for use with public assistance. If you do not receive public assistance and you do not owe taxes on your Social Security benefits, you may ignore this form.

Who Receives This Statement

We must, by law, send you a statement that shows the Social Security benefits you received or repaid in 2016. We send separate statements to each person. If you get more than one check each month, we may send you more than one statement.

EXPLANATION OF ITEMS

Box 1—"Name"— shows the name of the person for whom we paid benefits.

Box 2—"Social Security Number"

— shows the Social Security number of the person shown in Box 1, if we have the number.

Box 3—"Benefits Paid in 2016"

— shows the total amount of Social Security we paid you in 2016. This amount may not agree with the payments you actually received in 2016. This is because it may include money we withheld for deductions such as Medicare Part B (medical insurance) premiums, Medicare Advantage or prescription drug coverage premiums you requested to be withheld from your benefits, and any income-related monthly adjustment amount you are required to pay for Part B or prescription drug coverage. Also, it may leave out some payments that are not taxed by the IRS. All items that apply to you are listed in the "Description of Amount in Box 3." **Note:** If you have a "Treasury Benefit, Payment Offset, Garnishment and/or Tax Levy" amount shown and need to know what type of offset is involved, contact SSA at 1-800-772-1213 for an explanation. If you have a tax debt question, call IRS at 1-800-829-7650.

Any payments we made to you in 2016 for earlier years are shown in a separate column.

Facts About Computer Matching Programs

Congress passed a law (PL 100-503) in 1988 that says you have a right to know that we may use information you give us when we match records by computer. Below, we tell you about computer matching and how it may affect you.

What Are Computer Matching Programs?

Computer matching programs compare Social Security and/or Medicare records with those of

other Federal, State, or local government agencies. Many agencies may use matching programs to find or prove that a person qualifies for benefits paid by the Federal Government.

How Do Computer Matching Programs Affect You?

On forms that you fill out for us, you give us information about yourself. Sometimes, we check the information you, and others, give us. We use computer matching to

do the checking. The law allows us to check this way even if you do not agree to it. We may also share information about you with other government agencies that pay benefits. They will use this information in their computer matching programs.

If You Want More Facts

If you want to learn more about computer matching or how we use information about you, please contact any Social Security office.

Box 4—"Benefits Repaid to SSA in 2016"— shows the total amount of benefits you repaid us in 2016. We show items that apply to you in the column headed "Description of Amount in Box 4."

Box 5—"Net Benefits for 2016"

— shows the amount in Box 3 minus the amount in Box 4. An amount in parentheses is a negative amount. Enter this amount on line A of IRS Notice 703 to see if any of your Social Security benefits are taxable.

Box 6—"Voluntary Federal Income Tax Withheld"— shows the total amount of benefits you voluntarily withheld and paid for Federal income tax. Include this amount on your income tax return as tax withheld.

If You Have Any Questions

If you have any questions about the amounts on this form, call Social Security at 1-800-772-1213 or visit any Social Security office. Please have this form with you. Please use the claim number shown in **Box 8** if you contact SSA. If you have questions about how to figure the taxable part of your Social Security benefits after you complete Notice 703, visit IRS.gov and enter "Social Security income" in the search box.

Notice 703

(Rev. September 2016)



Department of the Treasury
Internal Revenue Service

Read This To See If Your Social Security Benefits May Be Taxable

If your social security and/or SSI (supplemental security income) benefits were your only source of income for 2016, you probably will not have to file a federal income tax return. See IRS Pub. 501, Exemptions, Standard Deduction, and Filing Information, or your tax return instructions to find out if you have to file a return. We developed this worksheet for you to see if your benefits may be

taxable for 2016. Fill in lines A through E.

Do not use the worksheet below if **any** of the following apply to you; instead, go directly to IRS Pub. 915, Social Security and Equivalent Railroad Retirement Benefits.

- You received Form RRB-1099, Form SSA-1042S, or Form RRB-1042S.

- You exclude income from sources outside the United States or foreign housing, income earned by bona fide residents of American Samoa or Puerto Rico, interest income from series EE or I U.S. savings bonds issued after 1989, or employer-provided adoption benefits.

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. Include the full amount of any lump-sum benefit payments received in 2016, for 2016 and earlier years.

B Enter one-half of line A.

C Enter your **total income** that is taxable (excluding line A), such as pensions, wages, interest, ordinary dividends, and capital gain distributions. **Do not** reduce your income by any

deductions, exclusions, or exemptions.

D Enter any tax-exempt interest such as interest on municipal bonds.

E Add lines B, C, and D, and enter the total here. **Then, read the information below.**

Part of your social security benefits may be taxable if, for 2016, item 1, 2, or 3 below applies to you.

- You were single, a head of household, or a qualifying widow(er) and line E above is more than \$25,000.
- You were married, would file jointly, and line E above is more than \$32,000.
- You were married, would file separately, and line E above is more than zero (more than \$25,000 if you lived apart from your spouse for all of 2016).

If your figures show that part of your benefits may be taxable, see *Social Security Benefits in your 2016 federal income tax return* instructions and IRS Pub. 915.

If **none** of your benefits are taxable, but you must otherwise file a tax return, do the following.

- Enter the total amount from line A above on Form 1040, line 20a, or Form 1040A, line 14a, and enter -0- on Form 1040, line 20b, or Form 1040A, line 14b.
 - If you were married, file separately, and lived apart from your spouse for all of 2016, enter "D" to the right of the word "benefits" on Form 1040, line 20a, or Form 1040A, line 14a.

Note. If your figures show that part of your benefits may be taxable and you received benefits in 2016 that

were for a prior year, see IRS Pub. 915 for rules on a lump-sum election you can make that may reduce the amount of your taxable benefits.

Get More Information From the IRS

If you still have questions about whether your social security benefits are taxable, see IRS Pub. 915 or your 2016 federal income tax return instructions, or visit IRS.gov and enter "social security income" in the search box.

To order IRS forms and publications, visit www.irs.gov/orderforms.

Do not return this notice to the SSA or the IRS. Keep it with your records.