

How Do Military Special Credits Work?

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(Time in uniform can boost your wage record — and perhaps your Social Security benefit)

Q: I hear that Social Security gives special credits to veterans for their military service. How does that work?

A: When veterans apply for retirement or disability benefits, Social Security checks their records. If they have qualifying military service, they get credit for additional wages for their military service. These credits are added to the veteran's lifetime earnings record — not to the veteran's monthly benefit check. But because Social Security uses lifetime earnings as the basis for figuring out a person's retirement benefits, the credits can ultimately raise the monthly payment.

Some history: During World War II, members of the armed forces weren't covered by Social Security, meaning they didn't pay into the system and couldn't get benefits based on their service.

After the war, with veterans returning to the civilian work force, Congress granted them extra credits on their records for the time of service. This was intended to help compensate for the low wages they'd been paid while in uniform and to offset the loss of civilian earnings that would've helped them qualify for or improve their Social Security retirement benefits.

In 1957, members of the military on active duty were covered by Social Security and paid Social Security taxes. In 1988, Social Security coverage was extended to people on inactive duty in the reserves. But, both changes retained the practice of giving veterans a little bit extra in wage credits.

Q: Do all veterans get the credits?

A: No. The credits are awarded in differing amounts according to certain time periods and length of service. The following applies to people who were on active duty or active duty for training:

- 1940 through 1956. Veterans with active service during World War II (defined as Sept. 16, 1940, through July 24, 1947) or the post-World War II period (July 25, 1947, through Dec. 31, 1956) are credited with an extra \$160 in Social Security earnings for each month of military service.
- 1957 through 1977. Veterans of this period are credited with \$300 in additional Social Security earnings for each calendar quarter in which they received active duty basic pay.
- 1978 through 2001. For every \$300 in active duty basic pay, these veterans are credited with an extra \$100 in Social Security earnings, up to a maximum of \$1,200 a year. But if you enlisted after Sept. 7, 1980, and didn't complete at least 24 months of active duty or a full tour, you may not be able to receive these added credits.

In 2001, Congress eliminated the program. Thus, military service in calendar year 2002 and later years no longer qualifies for the special credits.

This is NOT an automatic benefit. You MUST request it and provide the SSA with a copy of your DD-214 to qualify.