

# Simple Breakdown on S.S. Terminology

1. **FICA** tax of 7.65 paid in..
2. This is applied to a formula called the **AIME** (Average Indexed Monthly Earnings)....Lifetime earnings are averaged over one's lifetime and then indexed (adjusted for inflation)
3. This gives you your **PIA**...(Primary Insurance Amount)... what you are going to receive at full retirement age...ex.. Retirement Benefits \$1000 per month at age 65
4. Survivor & Disability benefits based on PIA