



How to avoid the “One-Third Reduction” to Supplemental Security Income (SSI) – Pay your way!!

The adult SSI benefit changes each year and can be reduced by earnings. It can also be reduced by one-third if you live with family or friends and don't pay your share of household expenses. This is called the “One-Third Reduction” and it will greatly reduce your benefit. For example, in 2016, the maximum SSI benefit is \$733.00*; a one-third reduction would mean about \$240.00 less in your pocket! *For the current SSI maximum see: www.ssa.gov/oact/cola/SSI.html

If you are living with a parent or other adult, you need to submit a simple statement to Social Security stating you will pay your “fair share” of household expenses or you will rent space in the home at a “flat rate”. Either way, the amount you pay must be under \$733.00. Otherwise, Social Security will decide you cannot afford it and will reduce your SSI by one-third.

Steps to avoid the One-third (1/3) Reduction in SSI



The fair share method: Add up the monthly household expenses: food, rent or mortgage, and utilities (electricity, water, and sewer). The family you live with must be prepared to prove these expenses to Social Security. Then divide the total monthly expenses by the number of people in your household.

As long as you pay your fair share, you should receive the full SSI payment. If not, then it will be reduced by 1/3. If your “fair share” comes to over \$773.00, consider using the “flat rate rental method”.

The flat rate rental method: Rent space in the home at a fair and flat rate. For example, a bedroom and bathroom with access to kitchen and laundry could be worth \$500.00/month. The amount must be affordable and, therefore, under your \$733.00 benefit. Give your signed statement to Social Security. It can be typed or handwritten. It is best to submit this when you apply or undergo an Age 18 redetermination. If denied you can APPEAL.

For more in depth information about your SSI benefit, your living arrangement and the one-third reduction go to: <https://www.ssa.gov/ssi/text-living-ussi.htm>.



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