

§ 404.288 Recomputing when you are entitled to a monthly pension based on noncovered employment.

(a) *After entitlement to old-age or disability insurance benefits.* If you first become eligible for old-age or disability insurance benefits after 1985 and you later become entitled to a monthly pension based on noncovered employment, we may recompute your primary insurance amount under the rules in § 404.213. When recomputing, we will use the amount of the pension to which you are entitled or deemed entitled in the first month that you are concurrently eligible for both the pension and old-age or disability insurance benefits. We will disregard the rule in § 404.284(e) that the recomputation must increase your primary insurance amount by at least \$1.

(b) *Already entitled to benefits and to a pension based on noncovered employment.* If we have already computed or recomputed your primary insurance amount to take into account your monthly pension, we may later recompute for one of the reasons explained in § 404.281. We will recompute your primary insurance amount under the rules in §§ 404.213 and 404.284. Any increase resulting from the recomputation under the rules of § 404.284 will be added to the most recent primary insurance amount which we had computed to take into account your monthly pension.

(c) *After your death.* If one or more survivors are entitled to benefits after your death, we will recompute the primary insurance amount as though it had never been affected by your entitlement to a monthly pension based in whole or in part on noncovered employment.

[52 FR 47918, Dec. 17, 1987]

RECALCULATIONS OF PRIMARY
INSURANCE AMOUNTS

§ 404.290 Recalculations.

(a) Your primary insurance amount may be “recalculated” in certain instances. When we recalculate your primary amount, we refigure it under the same method we used in the first computation by taking into account—

(1) Earnings (including compensation for railroad service) incorrectly in-

cluded or excluded in the first computation;

(2) Special deemed earnings credits including credits for military service (see subpart N of this part) and for individuals interned during World War II (see subpart K of this part), not available at the time of the first computation;

(3) Correction of clerical or mathematical errors; or

(4) Other miscellaneous changes in status.

(b) Unlike recomputations, which may only serve to increase your primary insurance amount, recalculations may serve to either increase or reduce it.

APPENDICES TO SUBPART C

The following appendices contain data that are needed in computing primary insurance amounts. Appendix I contains *average of the total wages* figures, which we use to *index* a worker's earnings for purposes of computing his or her average indexed monthly earnings. Appendix II contains benefit formulas which we apply to a worker's average indexed monthly earnings to find his or her primary insurance amount. Appendix III contains the benefit table we use to find a worker's primary insurance amount from his or her average monthly wage. We use the figures in appendix IV to find your years of coverage for years after 1950 for purposes of your special minimum primary insurance amount. Appendix V contains the table for computing the special minimum primary insurance amount. Appendix VI is a table of the percentage increases in primary insurance amounts since 1978. Appendix VII is a table of the *old-law* contribution and benefit base that would have been effective under the Social Security Act without enactment of the 1977 amendments.

The figures in the appendices are by law automatically adjusted each year. We are required to announce the changes through timely publication in the FEDERAL REGISTER. The only exception to the requirement of publication in the FEDERAL REGISTER is the update of benefit amounts shown in appendix III. We update the benefit amounts for payment purposes but are not required by law to publish this extensive table in the FEDERAL REGISTER. We have not updated the table in appendix III, but the introductory paragraphs at appendix III explain how you can compute the current benefit amount.

When we publish the figures in the FEDERAL REGISTER, we do not change every one of these figures. Instead, we provide new ones for each year that passes. We continue to use the old ones for various computation

purposes, as the regulations show. Most of the new figures for these appendices are required by law to be published by November 1 of each year. Notice of automatic cost-of-living increases in primary insurance amounts is required to be published within 45 days of the end of the applicable measuring period for the increase (see §§404.274 and 404.276). In effect, publication is required within 45 days of the end of the third calendar quarter of any year in which there is to be an automatic cost-of-living increase.

We begin to use the new data in computing primary insurance amounts as soon as required by law, even before we periodically update these appendices. If the data you need to find your primary insurance amount have not yet been included in the appendices, you may find the figures in the FEDERAL REGISTER on or about November 1.

[52 FR 8247, Mar. 17, 1987]

APPENDIX I TO SUBPART C OF PART 404—
AVERAGE OF THE TOTAL WAGES FOR
YEARS AFTER 1950

Explanation: We use these figures to index your social security earnings (as described in §404.211) for purposes of computing your average indexed monthly earnings.

| Calendar year | Average of the total wages |
|---------------|----------------------------|
| 1951 | \$2,799.16 |
| 1952 | 2,973.32 |
| 1953 | 3,139.44 |
| 1954 | 3,155.64 |
| 1955 | 3,301.44 |
| 1956 | 3,532.36 |
| 1957 | 3,641.72 |
| 1958 | 3,673.80 |
| 1959 | 3,855.80 |
| 1960 | 4,007.12 |
| 1961 | 4,086.76 |
| 1962 | 4,291.40 |
| 1963 | 4,396.64 |
| 1964 | 4,576.32 |
| 1965 | 4,658.72 |
| 1966 | 4,938.36 |
| 1967 | 5,213.44 |
| 1968 | 5,571.76 |
| 1969 | 5,893.76 |
| 1970 | 6,186.24 |
| 1971 | 6,497.08 |
| 1972 | 7,133.80 |
| 1973 | 7,580.16 |
| 1974 | 8,030.76 |
| 1975 | 8,630.92 |
| 1976 | 9,226.48 |
| 1977 | 9,779.44 |
| 1978 | 10,556.03 |
| 1979 | 11,479.46 |
| 1980 | 12,513.46 |
| 1981 | 13,773.10 |
| 1982 | 14,531.34 |
| 1983 | 15,239.24 |
| 1984 | 16,135.07 |
| 1985 | 16,822.51 |
| 1986 | 17,321.82 |
| 1987 | 18,426.51 |

| Calendar year | Average of the total wages |
|---------------|----------------------------|
| 1988 | 19,334.04 |
| 1989 | 20,099.55 |
| 1990 | 21,027.98 |

[47 FR 30734, July 15, 1982, as amended at 52 FR 8247, Mar. 17, 1987; 57 FR 44096, Sept. 24, 1992]

APPENDIX II TO SUBPART C OF PART 404—BENEFIT FORMULAS USED WITH AVERAGE INDEXED MONTHLY EARNINGS

As explained in §404.212, we use one of the formulas below to compute your primary insurance amount from your average indexed monthly earnings (AIME). To select the appropriate formula, we find in the left-hand column the year after 1978 in which you reach age 62, or become disabled, or die before age 62. The benefit formula to be used in computing your primary insurance amount is on the same line in the right-hand columns. For example, if you reach age 62 or become disabled or die before age 62 in 1979, then we compute 90 percent of the first \$180 of AIME, 32 percent of the next \$905 of AIME, and 15 percent of AIME over \$1,085. After we figure your amount for each step in the formula, we add the amounts. If the total is not already a multiple of \$0.10, we round the total as follows:

- (1) For computations using the benefit formulas in effect for 1979 through 1982, we round the total upward to the nearest \$0.10, and
- (2) For computations using the benefit formulas in effect for 1983 and later, we round the total downward to the nearest \$0.10.

BENEFIT FORMULAS

| Year you reach age 62 ¹ | 90 percent of the first— | plus 32 percent of the next— | plus 15 percent of AIME over— |
|------------------------------------|--------------------------|------------------------------|-------------------------------|
| 1979 | \$180 | \$905 | \$1,085 |
| 1980 | 194 | 977 | 1,171 |
| 1981 | 211 | 1,063 | 1,274 |
| 1982 | 230 | 1,158 | 1,388 |
| 1983 | 254 | 1,274 | 1,528 |
| 1984 | 267 | 1,345 | 1,612 |
| 1985 | 280 | 1,411 | 1,691 |
| 1986 | 297 | 1,493 | 1,790 |
| 1987 | 310 | 1,556 | 1,866 |
| 1988 | 319 | 1,603 | 1,922 |
| 1989 | 339 | 1,705 | 2,044 |
| 1990 | 356 | 1,789 | 2,145 |
| 1991 | 370 | 1,860 | 2,230 |
| 1992 | 387 | 1,946 | 2,333 |

¹ Or become disabled or die before age 62.

[57 FR 44096, Sept. 24, 1992; 57 FR 45878, Oct. 5, 1992]