

## § 416.650

guardian or fiduciary of the beneficiary, the account may be established to indicate this relationship. If the payee is not the legally appointed guardian or fiduciary, the accounts may be established as follows:

(1) For U.S. Savings Bonds—

\_\_\_\_\_  
(Name of beneficiary)  
(Social Security Number), for whom  
\_\_\_\_\_  
(Name of payee) is representative payee for Supplemental Security Income benefits;

(2) For interest or dividend paying accounts—

\_\_\_\_\_  
(Name of beneficiary) by  
\_\_\_\_\_  
(Name of payee), representative payee.

(c) *Interest and dividend payments.* The interest and dividends which result from an investment are the property of the beneficiary and may not be considered to be the property of the payee.

## § 416.650 When will we select a new representative payee for you?

When we learn that your interest is not served by sending your benefit payment to your present representative payee or that your present payee is no longer able or willing to carry out payee responsibilities, we will promptly stop sending your payment to the payee. We will then send your benefit payment to an alternative payee or directly to you, until we find a suitable payee. We may suspend payment as explained in § 416.611(c) if we find that paying you directly would cause substantial harm and we cannot find a suitable alternative representative payee before your next payment is due. We will terminate payment of benefits to your representative payee and find a new payee or pay you directly if the present payee:

(a) Has been found by us or a court of competent jurisdiction to have misused your benefits;

(b) Has not used the benefit payments on your behalf in accordance with the guidelines in this subpart;

(c) Has not carried out the other responsibilities described in this subpart;

(d) Dies;

(e) No longer wishes to be your payee;

(f) Is unable to manage your benefit payments; or

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(g) Fails to cooperate, within a reasonable time, in providing evidence, accounting, or other information we request.

[69 FR 60239, Oct. 7, 2004]

## § 416.655 When representative payment will be stopped.

If a beneficiary receiving representative payment shows us that he or she is mentally and physically able to manage or direct the management of benefit payments, we will make direct payment. Information which the beneficiary may give us to support his or her request for direct payment include the following—

(a) A physician's statement regarding the beneficiary's condition, or a statement by a medical officer of the institution where the beneficiary is or was confined, showing that the beneficiary is able to manage or direct the management of his or her funds; or

(b) A certified copy of a court order restoring the beneficiary's rights in a case where a beneficiary was adjudged legally incompetent; or

(c) Other evidence which establishes the beneficiary's ability to manage or direct the management of benefits.

## § 416.660 Transfer of accumulated benefit payments.

A representative payee who has conserved or invested benefit payments shall transfer these funds and the interest earned from the invested funds to either a successor payee, to the beneficiary, or to us, as we will specify. If the funds and the earned interest are returned to us, we will recertify them to a successor representative payee or to the beneficiary.

[47 FR 30475, July 14, 1982, as amended at 75 FR 7552, Feb. 22, 2010]

## § 416.665 How does your representative payee account for the use of benefits?

Your representative payee must account for the use of your benefits. We require written reports from your representative payee at least once a year (except for certain State institutions that participate in a separate onsite review program). We may verify how your representative payee used your benefits. Your representative payee

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should keep records of how benefits were used in order to make accounting reports and must make those records available upon our request. If your representative payee fails to provide an annual accounting of benefits or other required reports, we may require your payee to receive your benefits in person at the local Social Security field office or a United States Government facility that we designate serving the area in which you reside. The decision to have your representative payee receive your benefits in person may be based on a variety of reasons. Some of these reasons may include the payee's history of past performance or our past difficulty in contacting the payee. We may ask your representative payee to give us the following information:

- (a) Where you lived during the accounting period;
- (b) Who made the decisions on how your benefits were spent or saved;
- (c) How your benefit payments were used; and
- (d) How much of your benefit payments were saved and how the savings were invested.

[69 FR 60239, Oct. 7, 2004, as amended at 71 FR 61409, Oct. 18, 2006]

### Subpart G—Reports Required

**AUTHORITY:** Secs. 702(a)(5), 1611, 1612, 1613, 1614, and 1631 of the Social Security Act (42 U.S.C. 902(a)(5), 1382, 1382a, 1382b, 1382c, and 1383); sec. 211, Pub. L. 93-66, 87 Stat. 154 (42 U.S.C. 1382 note); sec. 202, Pub. L. 108-203, 118 Stat. 509 (42 U.S.C. 902 note).

**SOURCE:** 46 FR 5873, Jan. 21, 1981, unless otherwise noted.

#### INTRODUCTION

#### § 416.701 Scope of subpart.

(a) *Report provisions.* The Social Security Administration, to achieve efficient administration of the Supplemental Security Income (SSI) program for the Aged, Blind, and Disabled, requires that you (or your representative) must report certain events to us. It is important for us to know about these events because they may affect your continued eligibility for SSI benefits or the amount of your benefits. This subpart tells you what events you must report; what your reports must

include; and when reports are due. The rules regarding reports are in §§416.704 through 416.714.

(b) *Penalty deductions.* If you fail to make a required report when it is due, you may suffer a penalty. This subpart describes the penalties; discusses when we may impose them; and explains that we will not impose a penalty if you have good cause for failing to report timely. The rules regarding penalties are in §§416.722 through 416.732.

#### § 416.702 Definitions.

For purposes of this subpart—

*Essential person* means someone whose presence was believed to be necessary for your welfare under the State program that preceded the SSI program. (See §§416.220 through 416.223 of this part.)

*Parent* means a natural parent, an adoptive parent, or the spouse of a natural or adoptive parent.

*Representative payee* means an individual, an agency, or an institution selected by us to receive and manage SSI benefits on your behalf. (See subpart F of this part for details describing when a representative payee is selected and a representative payee's responsibilities.)

*Residence in the United States* means that your permanent home is in the United States.

*United States* or *U.S.* means the 50 States, the District of Columbia, and the Northern Mariana Islands.

*We, Us, or Our* means the Social Security Administration.

*You* or *Your* means an applicant, an eligible individual, an eligible spouse, or an eligible child.

[46 FR 5873, Jan. 21, 1981, as amended at 65 FR 16814, Mar. 30, 2000]

#### REPORT PROVISIONS

#### § 416.704 Who must make reports.

(a) You are responsible for making required reports to us if you are—

(1) An eligible individual (see §416.120(c)(13));

(2) An eligible spouse (see §416.120(c)(14));

(3) An eligible child (see §§416.120(c)(13) and 416.1856); or

(4) An applicant awaiting a final determination upon an application.