

Employer Subsidies

Tip Sheet 2021

What does Social Security take into consideration when you work?

When a Social Security Disability Insurance (SSDI) beneficiary works and has completed their Trial Work Period (TWP), Social Security will compare their gross monthly earnings (before taxes) and work pattern, to a monthly threshold referred to as Substantial Gainful Activity (SGA). In 2021, that amount is \$1,310 or \$2,190 if you are blind. The SGA amount will usually change annually. This is how it generally works: If you gross at or above SGA, you will *not* be entitled to your SSDI payment for that month, however, if you gross below SGA, you will be entitled to your SSDI payment.

What is an Employer Subsidy?

An Employer Subsidy is a work incentive that Social Security can use when determining if a person is performing SGA. It is a reasonable accommodation that employers willingly pay for and provide to an individual with a disability. It usually costs more than the actual value of the services rendered by the individual. It is *not* provided to other employees in the same position, or paid for by a third-party.

How can an Employer Subsidy help me?

Each month Social Security deducts the value of your subsidy from your countable gross monthly earnings. If this deduction reduces your countable earnings below SGA, then you will be entitled to a cash benefit payment for that month.

Who can qualify for an Employer Subsidy?

An SSDI beneficiary who receives accommodations at work, such as extra supervision, special assistance, additional breaks, and/or a modified work routine or tasks, would likely qualify for an Employer Subsidy.

When can an Employer Subsidy be used?

An Employer Subsidy can only be used once you have completed your TWP and earn SGA.

How is an Employer Subsidy approved?

In order to obtain approval, an individual and their employer must complete the Employee Work Activity Questionnaire (*Form SSA-3033*) to help Social Security determine the nature and value of the Employer Subsidy. This form can be found at: www.ssa.gov/forms/ssa-3033.pdf.

Note: Social Security reviews Employer Subsidies annually.

How is the value of an Employer Subsidy determined?

The dollar value of an Employer Subsidy is based on a percentage of the individual's actual work productivity. Each month Social Security deducts the value of the subsidy from an individual's countable gross monthly earnings. If this deduction reduces countable earnings below SGA, then the individual will be entitled to their cash benefit payment for that month.

A Community Work Incentives Coordinator can help you understand the process of Employer Subsidies and the impact of work on your Social Security disability benefits.

For more information about **Work Without Limits Benefits Counseling** contact

1-877-YES-WORK (1-877-937-9675) or visit <http://www.workwithoutlimits.org/benefits-counseling/>