

## **Number 13.7 - SOCIAL SECURITY (FICA)**

**Effective Date:** March 1, 1996

**Applicable To:** All classified employees, as well as exempt, appointed, and temporary, with the Executive Branch of the State of Vermont.

**Issued By:** Department of Personnel

### **GENERAL INFORMATION**

On August 14, 1935, Congress approved the Social Security Act, chapter 531, 49 Stat. 620. This act provides to employees and to the dependents and survivors of those employees the basic protection accorded to others by the old age and survivors insurance system.

Employees of the State of Vermont whose services are covered by 3 VSA 573, are required to pay for periods of such coverage into the contribution fund established by 3 VSA 576.

Employees and employers are required to make equal payments to the Federal Government to enable employees to collect monthly Social Security benefits when they retire. All employees of the State of Vermont are required to have Federal Insurance Contribution Act (FICA) taxes withheld from their gross taxable salary, up to the maximum taxable amount.

The State and employees are required to make equal payments to the federal government.

Pre-tax deductions, such as health insurance premiums and flexible spending accounts, decrease the amount of FICA tax being paid and will have an impact on the amount the employee receives from Social Security when the employee retires.

For more information, employees can contact:

Social Security Administration  
58 Pearl Street  
Burlington, VT 05401  
802-951-6753  
800-772-1213  
800-325-0778 (TDD)

or

Social Security Administration  
33 School Street

Montpelier, VT 05602  
802-223-3476  
800-772-1313  
800-325-0778 (TDD)