



How to Avoid the “One-Third Reduction” to Your SSI Payment by Paying Rent or Your Fair Share

How does Social Security decide the amount of your SSI payment?

Once you turn 18, if you live with a parent or other adult, Social Security may reduce your SSI payment if you are not helping out with the household expenses. Helping out is called “paying your fair share”. This reduction will be one-third of the full SSI payment. For the current SSI benefit rate see: www.ssa.gov/oact/cola/SSI.html

However, due to a change in 2024 by Social Security, if one other person in the home receives a public assistance benefit like TANF, SNAP, or General Relief, Social Security will not ask questions about household expenses and will not reduce your SSI payment by one-third.

Household expenses include rent, mortgage payments, real estate property taxes, heating fuel, gas, electricity, water, sewer, and garbage removal. As of September 30, 2024, Social Security no longer counts food as a household expense. This rule will make it easier for you to avoid the one-third reduction.

When does Social Security make this decision?

When you apply for SSI or undergo the SSI age-18 re-determination, Social Security will do a financial screening. They will first ask if you are paying or planning to pay rent to anyone and, if so, they will determine if the amount you are paying is equal to or greater than one-third of the full SSI benefit rate. For example, in 2025 the full benefit rate of SSI is \$967. Therefore, you must be planning to pay rent (including back rent while waiting to have income) of at least \$323 per month.

Social Security will ask for a written statement so it is best to have this ready. This “rental lease” or simple, signed statement should outline this arrangement including your address, name of the landlord (i.e. parent), the amount and frequency of the rent, and the starting and date of this lease. The start date should be the month you apply for SSI or the month of your 18th birthday if you undergo the age-18 re-determination. The end date could be described as “until further notice”.

If you do not have a written lease than Social Security will ask how much the household expenses cost to decide if you are planning to pay your “fair share”. They may ask for receipts of the household expenses listed above.

Social Security will add up these expenses and divide by the number living in the household. This amount is your “fair share”. If you are not planning to pay your “fair share” they will reduce your benefit rate by one-third.

Example of “fair share”

If the monthly household expenses (remember, not including food) equals \$2000 and there are 4 members living in the household your “fair share” equals \$2000 divided by 4 or \$500. If you pay nothing toward these expenses or anything less than \$500 than you are not paying your fair share and Social Security will reduce your SSI benefit amount by one-third.

Paying rent when you can’t afford your “fair share”

In some households, a person’s “fair share” may be over the amount of the full SSI payment and Social Security will assume you cannot afford this and will go ahead and reduce your payment by one-third. If this is your situation you can plan ahead and arrange to pay rent instead using the steps explained above.

What if I start paying my fair share or rent later?

Notify Social Security and show them anything that proves you help such as receipts of monthly household payments or rent, or bank statements that show the monthly transfer for household expenses or rent etc.

What if Social Security does not accept my statements to avoid the one-third reduction?

If Social Security denies your paperwork to avoid the one-third reduction you can file an online appeal at: <https://secure.ssa.gov/iApp/NMD/start> or revise your paperwork to show that you meet their “fair share” or “rental” requirements.

Main message of this guide

Prepare for the financial screening!

Note: Other calculations may apply to your SSI payment including if you have wages or other income.