

Social Security

Program Operations Manual System (POMS)

TN 5 (01-01)

RS 01801.011 Processing of SEI Tax Returns and Crediting Self-Employment Income

A. INTRODUCTION

Beginning December 31, 1968:

- IRS transmits SEI earnings information to SSA on magnetic media for crediting/posting to SSA's earnings records (E/R's).
- This SE earnings information is based on the amount of NESE shown on a self-employed individual's Schedule SE.

NOTE: See RS 01804.096 for IRS/SSA posting policies prior to December 31, 1968.

B. POLICY

1. General

All SEI (i.e., NESE of \$400.00 or more) is raised to the next dollar before being credited to the E/R, even if the reported SEI is an even dollar amount. This posting rule applies to both initial and adjustment postings transactions received by SSA from IRS or processed/initiated by SSA via Item Correction (ICOR).

2. EXAMPLE

If a farmer reports \$1,600.00 SEI under the optional method of reporting, it will be raised to \$1,601.00.

3. LAG SEI

Any lag SEI (other than the maximum), will be raised to the next higher dollar before it is used in a computation

<http://policy.ssa.gov/poms.nsf/lnx/0301801011>

Income - 04/02/2001

Batch run: 01/27/2009

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