



# Agreement Between The United States And The United Kingdom

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## Introduction

An agreement between the United States and the United Kingdom (U.K.) improves Social Security protection for people who work or have worked in both countries. It helps many people who, without the agreement, would not be eligible for monthly retirement, disability or survivors benefits under the Social Security system of one or both countries. It also helps people who would otherwise have to pay Social Security taxes to both countries on the same earnings.

The provisions of the agreement that eliminate double Social Security taxation became effective January 1, 1985. The provisions that permit people who meet certain conditions to use their work in both countries to qualify for

benefits became effective January 1, 1988. For purposes of the agreement, references to the United Kingdom include England; Scotland; Wales; Northern Ireland; the Isle of Man; and the Channel Islands of Jersey, Guernsey, Alderney, Herm and Jethow.

The agreement covers Social Security taxes (including the U.S. Medicare portion) and Social Security retirement, disability and survivors insurance benefits. It does not cover benefits under the U.S. Medicare program or the Supplemental Security Income program.

This booklet covers highlights of the agreement and explains how it may help you **while you work** and **when you apply for benefits**.

## The agreement may help you, your family and your employer

- **While you work**—If your work is covered by both the U.S. and the U.K. Social Security systems, you (and your employer, if you are employed) would normally have to pay Social Security taxes to both countries for the same work. However, the agreement eliminates this double coverage so you pay taxes to only one system (see pages 2-5).
- **When you apply for benefits**—You may have some Social Security credits in both the United States and the United Kingdom but not have enough to be eligible for benefits in one country or the other. The agreement makes it easier to qualify for benefits by letting you add together your Social Security credits in both countries. For more details, see the section on “Monthly benefits” beginning on page 5.

## Coverage and Social Security taxes

Before the agreement, employees, employers and self-employed people could, under certain circumstances, be required to pay Social Security taxes to both the United States and the United Kingdom for the same work.

Under the agreement, if you work as an employee in the United States, you normally will be covered by the United States, and you and your employer will pay Social Security taxes only to the United States. If you work as an employee in the United Kingdom, you normally

will be covered by the United Kingdom, and you and your employer pay Social Security taxes only to the United Kingdom.

On the other hand, if your employer sends you from one country to work for that employer or an affiliate in the other country for five years or less, you will continue to be covered by your home country and you will be exempt from coverage in the other country. For example, if a U.S. company sends an employee to work for that employer or an affiliate in the United Kingdom for no more than five years, the employer and the employee will continue to pay only U.S. Social Security taxes and will not have to pay in the United Kingdom.

If you are self-employed and reside in the United States or the United Kingdom, you generally will be covered and taxed only by the country where you reside.

People working on the U.K. continental shelf are considered to be working in the United Kingdom.

## Summary of agreement rules

The following table shows whether your work is covered under the U.S. or U.K. Social Security system. If you are covered under U.S. Social Security, you and your employer (if you are an employee) must pay U.S. Social Security taxes. If you are covered under the U.K. system, you and your employer (if you are an employee) must pay U.K. Social Security taxes. The next section (beginning on page 10) explains how to get a form from the country where you are covered that will prove you are exempt in the other country.

<b>Your work status</b>	<b>Coverage and taxes</b>
<b><i>You are working in the U.K.:</i></b>	
<i>For a U.S. employer who:</i>	
• Sent you to work in the U.K. for five years or less	U.S.
• Sent you to work in the U.K. for more than five years	U.K.
• Hired you in the U.K.	U.K.
<i>For a non-U.S. employer</i>	U.K.
<i>For the U.S. government and you are a:</i>	
• U.S. national	U.S. (either Social Security or federal retirement program)
• U.K. national	U.K.
<b><i>You are working in the U.S.:</i></b>	
<i>For an employer in the U.K. who:</i>	
• Sent you to work in the U.S. for five years or less	U.K.
• Sent you to work in the U.S. for more than five years	U.S.
• Hired you in the U.S.	U.S.
<i>For a non-U.K. employer</i>	U.S.
<i>For the U.K. government and you are a:</i>	
• U.K. national	U.K.
• U.S. national	U.S.
<b><i>You are self-employed and you:</i></b>	
• Reside in the U.S.	U.S.
• Reside in the U.K.	U.K.
<b><i>If this table does not seem to describe your situation and you are:</i></b>	
• Working in the U.S.	Write to the U.S. address on page 10 for further information.
• Working in the U.K.	Write to the U.K. address on page 10 for further information.

**NOTE:** As the table indicates, a U.S. worker employed in the United Kingdom can be covered by U.S. Social Security only if he or she works for a U.S. employer. A U.S. employer includes a corporation organized under the laws of the United States or any state, a partnership if at least two-thirds of the partners are U.S. residents, a person who is a resident of the U.S. or a trust if all the trustees are U.S. residents. The term also includes a foreign affiliate of a employer if the U.S. employer has entered into an agreement with the Internal Revenue Service (IRS) under section 3121(l) of the Internal Revenue Code to pay Social Security taxes for U.S. citizens and residents employed by the affiliate.

## Certificate of coverage

A certificate of coverage issued by one country serves as proof of exemption from Social Security taxes on the same earnings in the other country.

### Certificates for employees

To establish an exemption from compulsory coverage and taxes under the U.K. system, your employer must request a certificate of coverage (form US/UK 1) from the U.S. at this address:

Social Security Administration Office of  
International Programs  
P.O. Box 17741  
Baltimore, MD 21235-7741  
USA

If preferred, the request may be sent by FAX to **(410) 966-1861**. Please note this FAX number should only be used to request certificates of coverage.

No special form is required to request a certificate but the request must be in writing and provide the following information:

- Full name of worker;
- Date and place of birth;
- Citizenship;
- Country of worker's permanent residence;
- U.S. Social Security number;
- Date of hire;
- Country of hire;
- Name and address of the employer in the U.S. and the U.K.; and
- Date of transfer and anticipated date of return.

In addition, your employer must indicate if you remain an employee of the U.S. company while working in the United Kingdom or if you become an employee of the U.S. company's affiliate in the United Kingdom. If you become an employee of an affiliate, your employer must indicate if the U.S. company has an agreement with the IRS under section 3121(l) of the Internal Revenue Code to pay U.S. Social Security

taxes for U.S. citizens and residents employed by the affiliate and, if yes, the effective date of the agreement.

Your employer can also request a certificate of U.S. coverage for you over the Internet using a special online request form available at [www.socialsecurity.gov/coc](http://www.socialsecurity.gov/coc). Only an employer can use the online form to request a certificate of coverage. A self-employed person must submit a request by mail or fax.

To establish your exemption from coverage under the U.S. Social Security system, your employer in the United Kingdom must request a certificate of coverage (form UK/US 1) from the United Kingdom at this address:

Inland Revenue National Insurance  
Contributions Office Center for Non-  
Residents  
Rooms BP 1301/BP 1302  
Bamburgh House  
Benton Park View  
Longbenton  
Newcastle upon Tyne NE98 1ZZ  
ENGLAND

The same information required for a certificate of coverage from the United States is needed to get a certificate from the United Kingdom except that you must show your U.K. National Insurance number rather than your U.S. Social Security number.

### Certificates for self-employed people

If you are self-employed and would normally have to pay Social Security taxes to both the U.S. and the U.K. systems, you can establish your exemption from one of the taxes.

- If you reside in the United States, write to the Social Security Administration at the address on page 10; or
- If you reside in the United Kingdom, write to Inland Revenue at the address on page 10.

Be sure to provide the following information in your letter:

- Full name;
- Date and place of birth;
- Citizenship;
- Country of permanent residence;
- U.S. and/or U.K. Social Security number;
- Nature of self-employment activity;
- Dates the activity was or will be performed; and
- Name and address of your trade or business in both countries.

### Effective date of coverage exemption

The certificate of coverage you receive from one country will show the effective date of your exemption from paying Social Security taxes in the other country. Generally, this will be the date you began working in the other country.

Certificates of coverage issued by the United Kingdom should be retained by the employer in the United States in case of an audit by the IRS. No copies should be sent to IRS unless specifically requested by IRS. However, a self-employed person must attach a **photocopy** of the certificate to his or her income tax return each year as proof of the U.S. exemption.

Copies of certificates of coverage issued by the United States will be provided for both the employee and the employer. It will be their responsibility to present the certificate to the U.K. authorities when requested to do so. To avoid any difficulties, your employer (or you,

if you are self-employed) should request a certificate as early as possible, preferably before your work in the other country begins.

If you or your employer request a certificate of coverage, you should read the Privacy Act and Paperwork Reduction Act statements at the end of this booklet.

### Monthly benefits

The following table shows the various types of Social Security benefits payable under the U.S. and U.K. Social Security systems and briefly describes the eligibility requirements that normally apply for each type of benefit. If you do not meet the normal requirements for these benefits, the agreement may help you to qualify (see page 7).

This table is only a general guide. You can get more specific information about U.S. benefits at any U.S. Social Security office or by calling our toll-free number at **1-800-772-1213** or by visiting Social Security's website at **[www.socialsecurity.gov](http://www.socialsecurity.gov)**. You can get more detailed information about the U.K. system by writing to the U.K. address on the inside cover or by visiting the U.K. Social Security system website at **[www.dwp.gov.uk](http://www.dwp.gov.uk)**.

Under U.S. Social Security, you may earn up to four credits each year depending on the amount of your covered earnings. For example, in 2017, you get one credit for each \$1,300 of your covered annual earnings up to a maximum of four credits for the year. Under the U.K. system, credits are measured in weeks. To simplify the information in the table, requirements are shown in years of credits.

<b>Retirement or old-age benefits</b>	
<b><i>United States</i></b>	<b><i>United Kingdom</i></b>
<b>Worker</b> —Full benefit at full retirement age.* Reduced benefit as early as age 62. Required work credits range from one and one-half to 10 years (10 years if age 62 in 1991 or later).	<b>Worker</b> —Full benefit at age 65 for men with 44 years of contributions, or reduced benefit with 11 years. Full benefit at age 60 for women (increasing to age 65 between 2010 and 2020) with 40 years of contributions, or reduced benefit with 10 years.

\*Full retirement age for people born in 1938 is age 65. The full retirement age increases gradually until it reaches age 67 for people born in 1960 or later.

<b>Disability benefits</b>	
<i>United States</i>	<i>United Kingdom</i>
<b>Worker</b> —Under full retirement age* can get benefit if unable to do any substantial gainful work for at least a year. One and one-half to 10 years credit needed, depending on age at date of onset. Some recent work credits also needed unless worker is blind.	<b>Worker</b> —A contributor who has not retired can get an invalidity benefit if he or she has been incapable of working for 52 weeks during which time he or she was entitled to statutory sickness pay or short-term incapacity benefits. The contributor must have paid a required number of contributions in a recent tax year.

*\*Full retirement age for people born in 1938 is age 65. The full retirement age increases gradually until it reaches age 67 for people born in 1960 or later.*

<b>Family benefits to dependents of retired or disabled people</b>	
<i>United States</i>	<i>United Kingdom</i>
<b>Wife</b> —Full benefit at full retirement age* or at any age if caring for the worker's entitled child under age 16 (or disabled before age 22). Reduced benefit as early as age 62 if not caring for a child.	<b>Wife</b> —Retirement pension at age 60 based on husband's contributions if she does not qualify for a higher pension based on her own contributions. If under age 60, an increased pension is paid to the husband. An increased invalidity benefit is payable for a wife in certain circumstances.
<b>Husband</b> —Same as wife.	<b>Husband</b> —Wife cannot claim extra retirement pension for husband, but can claim increased invalidity benefit in certain circumstances.
<b>Divorced wife</b> —Full benefit at full retirement age.* Reduced benefit as early as age 62. Must be unmarried and have been married to worker for at least 10 years.	<b>Divorced wife</b> —Retirement pension payable at age 60 based on ex-husband's contributions provided she has also contributed to the U.K. system. Remarriage after age 60 will not affect entitlement.
<b>Divorced husband</b> —Same as divorced wife.	<b>Divorced husband</b> —At age 65; other requirements same as divorced wife.
<b>Children</b> —If unmarried, up to age 18 (age 19 if in an elementary or secondary school full time) or any age if disabled before age 22.	<b>Children</b> —Up to age 16 (age 19 for certain students).

*\*Full retirement age for people born in 1938 is age 65. The full retirement age increases gradually until it reaches age 67 for people born in 1960 or later.*

<b>Survivors benefits</b>	
<i>United States</i>	<i>United Kingdom</i>
<b>Widow</b> —Full benefit at full retirement age* or at any age if caring for the deceased's entitled child under age 16 (or disabled before age 22). Reduced benefit as early as age 60 (or age 50 if disabled) if not caring for a child. Benefits may be continued if remarriage occurs after age 60 (or age 50 if disabled).	<b>Widow</b> —Full benefit at age 55 or at any age if caring for a dependent child of the worker. Reduced benefit as early as age 45. Benefit may continue if remarriage occurs after age 60.

## Survivors benefits

<i>United States</i>	<i>United Kingdom</i>
<b>Widower</b> —Same as widow.	<b>Widower</b> —Benefit payable at age 65, if widowed before age 65 and also contributed to the U.K. system.
<b>Divorced widow(er)</b> —Same as widow(er) if marriage lasted at least 10 years.	<b>Divorced widow(er)</b> —No provision.
<b>Children</b> —Same as for children of retired or disabled worker.	<b>Children</b> —Same as for children of retired or disabled contributors.
<b>Lump-sum death benefit</b> —A one-time payment not to exceed \$255 payable on the death of an insured worker.	<b>Lump-sum death benefit</b> —No provision.

*\*Full retirement age for people born in 1938 is age 65. The full retirement age increases gradually until it reaches age 67 for people born in 1960 or later.*

### How benefits can be paid

If you have Social Security credits in both the United States and the United Kingdom, you may be eligible for benefits from one or both countries. If you meet all the basic requirements under one country's system, you will get a regular benefit from that country. If you do not meet the basic requirements, the agreement may help you qualify for a benefit as explained below.

- **Benefits from the U.S.**—If you do not have enough work credits under the U.S. system to qualify for regular benefits, you may be able to qualify for a partial benefit from the United States based on both U.S. and U.K. credits. However, to be eligible to have your U.K. credits counted, you must have earned at least six credits (generally one and one-half years of work) under the U.S. system. If you already have enough credits under the U.S. system to qualify for a benefit, the United States cannot count your U.K. credits.
- **Benefits from the U.K.**—The United Kingdom provides benefits through a two-tier program:
  1. The first tier, called the basic pension, is payable to workers who meet a minimum length of work requirement. Under the agreement, if you do not have enough credits under the U.K. system, your U.S. credits can be counted. To be eligible to

have your U.S. and U.K. credits counted, you must have at least one year of coverage credited under the U.K. system.

2. The second tier is called the additional pension and is based on both the length of work under the U.K. system and the amount of earnings. A person can qualify for the additional pension with as little as one year of U.K. coverage. Therefore, credits under the U.S. system will **not** be considered when determining eligibility for the additional pension.

### How credits get counted

You do not have to do anything to have your credits in one country counted by the other country. If we need to count your credits under the U.K. system to help you qualify for a U.S. benefit, we will get a copy of your U.K. record directly from the United Kingdom when you apply for benefits. If U.K. officials need to count your U.S. credits to help you qualify for a U.K. benefit, they will get a copy of your U.S. record directly from the Social Security Administration when you apply for the U.K. benefit.

Although each country may count your credits in the other country, your credits are not actually transferred from one country to the other. They remain on your record in the country where you earned them and can also be used to qualify for benefits there.

## Computation of U.S. benefit under the agreement

When a U.S. benefit becomes payable as a result of counting both U.S. and U.K. Social Security credits, an initial benefit is determined based on your U.S. earnings as if your entire career had been completed under the U.S. system. This initial benefit is then reduced to reflect the fact that U.K. credits helped to make the benefit payable. The amount of the reduction will depend on the number of U.S. credits: the more U.S. credits, the smaller the reduction; and the fewer U.S. credits, the larger the reduction.

## A U.K. pension may affect your U.S. benefit

If you qualify for Social Security benefits from both the United States and the United Kingdom and did not need the agreement to qualify for either benefit, the amount of your U.S. benefit may be reduced. This is a result of a provision in U.S. law that can affect the way your benefit is figured if you also receive a pension based on work that was not covered by U.S. Social Security. For more information, call our toll-free number, **1-800-772-1213**, or visit our website, **[www.socialsecurity.gov](http://www.socialsecurity.gov)**, and get a copy of our publication, *Windfall Elimination Provision* (Publication No. 05-10045). If you are outside the United States, you may write to us at the address on the inside cover.

## What you need to know about Medicare

Medicare is the U.S. national health insurance program for people age 65 or older or who are disabled. Medicare has four parts:

- Hospital insurance (Part A) helps pay for inpatient hospital care and certain follow-up services.
- Medical insurance (Part B) helps pay for doctors' services, outpatient hospital care and other medical services.
- Medicare Advantage plans (Part C) are available in many areas. People with Medicare Parts A and B can choose to

receive all of their health care services through a provider organization under Part C.

- Prescription drug coverage (Part D) helps pay for medications doctors prescribe for medical treatment.

You are eligible for free hospital insurance at age 65 if you have worked long enough under U.S. Social Security to qualify for a retirement benefit. People born in 1929 or later need 40 work credits (about 10 years of covered work) to qualify for retirement benefits.

Although the agreement between the United States and the United Kingdom allows the Social Security Administration to count your U.K. credits to help you qualify for U.S. retirement, disability or survivors benefits, the agreement does not cover Medicare benefits. As a result, we cannot count your credits in the United Kingdom to establish entitlement to free Medicare hospital insurance.

For more information about Medicare, call our toll-free number, **1-800-772-1213**, and ask for the publication, *Medicare* (Publication No. 05-10043) or visit Medicare's website at **[www.medicare.gov](http://www.medicare.gov)**.

## Claims for benefits

If you live in the United States and wish to apply for U.S. or U.K. benefits:

- Visit or write any U.S. Social Security office; or
- Phone our toll-free number, **1-800-772-1213**, 7 a.m. to 7 p.m. any business day. People who are deaf or hard of hearing may call our toll-free TTY number, **1-800-325-0778**.

You can apply for U.K. benefits at any U.S. Social Security office by completing an application form SSA-2490.

If you live in the United Kingdom and wish to apply for U.S. or U.K. benefits, contact:

- The Federal Benefits Unit at the U.S. Embassy in London (phone **207-499-9000**) to file for U.S. benefits; or
- Any U.K. Social Security office to file for U.K. benefits.

You can apply with one country and ask to have your application considered as a claim for benefits from the other country. Information from your application will then be sent to the other country. Each country will process the claim under its own laws—counting credits from the other country when appropriate—and notify you of its decision.

If you have not applied for benefits before, you may need to provide certain information and documents when you apply. These include the worker's U.S. and U.K. Social Security numbers, proof of age for all claimants, evidence of the worker's U.S. earnings in the past 24 months and information about the worker's coverage under the U.K. system. You may wish to call the Social Security office before you go there to see if any other information is needed.

### **Payment of benefits**

Each country pays its own benefit. U.S. payments are made by the U.S. Department of Treasury each month and cover benefits for the preceding month.

Payments under the U.K. system may be paid at different times and for various periods of time depending upon the amount of the payment and the wishes of the recipient. For more information, contact the appropriate U.K. authorities as shown on the inside cover.

### **Absence from U.S. territory**

Normally, people who are not U.S. citizens may receive U.S. Social Security benefits while outside the U.S. only if they meet certain requirements. Under the agreement, however, you may receive benefits as long as you reside in the United Kingdom regardless of your nationality. If you are not a U.S. or U.K. citizen and live in another country, you may not be able to receive benefits. The restrictions on U.S. benefits are explained in the publication, *Your Payments While You Are Outside The United States* (Publication No. 05-10137).

### **Appeals**

If you disagree with the decision made on your claim for benefits under the agreement, contact any U.S. or U.K. Social Security office. The people there can tell you what you need to do to appeal the decision.

The U.K. Social Security authorities will review your appeal if it affects your rights under the U.K. system, while U.S. Social Security authorities will review your appeal if it affects your rights under the U.S. system. Since each country's decisions are made independently of the other, a decision by one country on a particular issue may not always conform with the decision made by the other country on the same issue.

### **Authority to collect information for a certificate of coverage (see pages 4-5)**

#### **Privacy Act**

The *Privacy Act* requires us to notify you that we are authorized to collect this information by section 233 of the *Social Security Act*. While it is not mandatory for you to furnish the information to the Social Security Administration, a certificate of coverage cannot be issued unless a request has been received. The information is needed to enable Social Security to determine if work should be covered only under the U.S. Social Security system in accordance with an international agreement. Without the certificate, work may be subject to taxation under both the U.S. and the foreign Social Security systems.

#### **Paperwork Reduction Act Notice**

This information collection meets the clearance requirements of 44 U.S.C. section 3507, as amended by section 2 of the *Paperwork Reduction Act of 1995*. You are not required to answer these questions unless we display a valid Office of Management and Budget control number. We estimate that it will take you about 30 minutes to read the instructions, gather the necessary facts, and write down the information to request a certificate of coverage.

## Contacting Social Security

### Visit our website

The most convenient way to conduct Social Security business from anywhere at any time, is to visit [www.socialsecurity.gov](http://www.socialsecurity.gov).

There, you can:

- Apply for retirement, disability, and Medicare benefits;
- Find copies of our publications;
- Get answers to frequently asked questions; and
- So much more!

### Call us

If you don't have access to the internet, we offer many automated services by telephone, 24 hours a day, 7 days a week. If you're in the United States, call us toll-free at **1-800-772-1213** or at our TTY number, **1-800-325-0778**, if you're deaf or hard of hearing.

If you need to speak to a person, we can answer your calls from 7 a.m. to 7 p.m., Monday through Friday. We ask for your patience during busy periods since you may experience a higher than usual rate of busy signals and longer hold times to speak to us. We look forward to serving you.

### For more information

To **file a claim** for U.S. Social Security or U.K. benefits under the agreement, follow the instructions on pages 8-9.

To find out more about U.S. Social Security benefits or for information about a claim for benefits, contact any U.S. Social Security office or call our toll-free number at **1-800-772-1213**. **If you live outside the United States, write to:**

Social Security Administration  
OIO—Totalization  
P.O. Box 17049  
Baltimore, MD 21235-7049  
USA

For more information about the United Kingdom's Social Security programs:

- If you live in the United Kingdom, contact your nearest office of the Department for Work and Pensions;
- If you live outside the United Kingdom, and want information about benefits, contact:

Department for Work and Pensions  
Pensions and Overseas Directorate  
Tyneview Park  
Whitley Road Benton  
Newcastle upon Tyne NE98 1BA  
ENGLAND; or

- If you live outside the United Kingdom and want advice about paying contributions:

Inland Revenue National Insurance  
Contributions Office  
Centre for Non-Residents  
Newcastle upon Tyne NE98 1ZZ  
ENGLAND

If you **do not wish to file a claim for benefits** but would like more information about the agreement, write to:

Social Security Administration  
Office of International Programs  
P.O. Box 17741  
Baltimore, MD 21235-7741  
USA

For additional information visit our website:  
[www.socialsecurity.gov/international](http://www.socialsecurity.gov/international)



Securing today  
and tomorrow

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