

Example.—John Stone, who is receiving a benefit of \$100 a month, works as an employee during all months of the year and makes a total of \$2,250. This would call for \$800—or eight benefit checks—to be withheld from his benefits for that year and he would be paid benefits for only 4 months. However, for 6 months of the year, Mr. Stone's wages were only \$95 a month. He can, therefore, be paid his benefits for those months and will receive six checks for the year instead of four.

An estimate of yearly earnings that you make will be used as a guide in determining how much you are not due in benefits for 1961 or a later year. This amount will be held back in units of full monthly benefit payments beginning with the payment for the month of January. Therefore, you can tell about when your benefit payments

might start in any year after 1960 by dividing the amount to be withheld from your benefits during the year (based on your estimate) by the amount of your monthly benefit rate (or your total family benefit rate).

If, for example, you estimated that you would earn \$1,400 in a year, \$100 of your benefits would be held back for that year. If your monthly benefit rate (or your total family benefit rate) is also \$100, your check for the month of January would be held back to make up for the amount of benefits not due you. You would be paid your benefits for all of the other months of the year.

If, on the other hand, your monthly benefit rate was \$50, your checks for the months of January and February would be held back. Your benefit payments would start with the payment for the month of March.

Whenever the amount to be withheld leaves a part of a month's benefit payable, the partial benefit is paid after the close of the year.

When Services in Self-Employment Are Substantial*

When a person works as an employee of someone else, the amount of work he does in a month can be measured by the amount of wages he is paid for that work. The monthly earnings of a self-employed person, on the other hand, are not a reliable gage of the amount of work he has done in any particular month.

To make a fair decision as to whether a self-employed person's services in a month are substantial, several factors must be considered:

*The question of whether services are substantial must be decided only where a beneficiary's earnings are over \$1,200 for a year.

1. The amount of time he spends on business;
2. The kind of work he does;
3. How the work compares with what he did in the past.

If he spends more than 45 hours in a month on his business, generally his services would be considered substantial. If he spends 45 hours or less in a month, his services would usually *not* be considered substantial. However, as little as 20 hours of work in a month could be substantial services if they involved the management of a sizable business or were spent in a highly skilled occupation.

Time spent on the business includes time spent planning and managing, as well as doing physical work. It also includes time spent away from the place of business when the activity is related to the business.