



## Understanding the 2022 Cost-of-Living Adjustment for Social Security Recipients

On October 13, the Social Security Administration announced an 8.7 percent increase in Social Security benefits to account for rising inflation. This is the largest cost-of-living adjustment (COLA) since 1981 and amounts to an extra \$146 a month for the average retiree, according to the [Social Security Administration](#).

Since 1975, Social Security benefits have been adjusted automatically based on the Consumer Price Index (CPI), which is a measure of price fluctuations in goods and services. In the third quarter of each year, the Social Security Administration compares the average CPI for July, August, and September to the same timeframe in the previous year and increases Social Security benefits accordingly.

The intention is for each year's COLA to keep pace with each year's average inflation so that Social Security recipients will have equivalent buying power despite price increases. Social Security is the single largest source of retirement income for most Americans.

This 8.7 percent COLA goes into effect with December 2022 benefits, which means most recipients can expect to receive the higher amount starting in January 2023. All recipients can expect to receive letters in December detailing their specific benefit rate for next year. You can verify your increase by logging into your account on the [My Social Security](#) website.

To understand more about how the 2022 COLA may affect your personal finances, talk to your financial advisor.



## Legal Notice

This material is intended to be informational only and does not constitute legal, accounting, or tax advice. Please consult the appropriate legal, accounting, or tax advisor if you require such advice. The opinions expressed in this report are subject to change without notice. This material has been prepared or is distributed solely for informational purposes. It may not apply to all investors or all situations and is not a solicitation or an offer to buy any security or instrument or to participate in any trading strategy. The information and statistics in this report are from sources believed to be reliable but are not guaranteed by CAPTRUST Financial Advisors to be accurate or complete. All publication rights reserved. None of the material in this publication may be reproduced in any form without the express written permission of CAPTRUST: 919.870.6822.

© 2026 CAPTRUST Financial Advisors