



# Social Security Says Goodbye to Paper Checks

Written On May 19, 2011 By [Bob Kraft](#)

You may have heard that the Social Security Administration is switching from paper checks to direct deposits for all people who receive benefits from the agency. New beneficiaries had to switch as of May 1, 2011. Those currently receiving benefits have until March 1, 2013, to make the change.

The Social Security Administration has a page on their Web site dedicated to questions and answers about the electronic system. You can read all about it here. These are the first few questions and answers:

## **What is direct deposit?**

Direct deposit delivers your Social Security or Supplemental Security Income (SSI) benefit into your bank, savings and loan or credit union's account quickly and safely. The U.S. Treasury sends an electronic message to your bank, savings and loan or credit union crediting your account with the exact amount of your Social Security or SSI

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benefit. You can withdraw money, put some in savings or pay bills-the things you do with your money now. The difference is, your check isn't printed or mailed.

### **Do I have to receive my benefits electronically?**

Yes. Effective May 1, 2011, applicants filing for Social Security and Supplemental Security Income (SSI) benefit payments must choose either direct deposit or the Direct Express® debit card. Currently entitled beneficiaries and recipients receiving payment by check will have until March 1, 2013 to switch to direct deposit or the Direct Express® debit card. As of March 2011, 85 percent of all Social Security and SSI beneficiaries received their benefits by direct deposit. For more information, please visit the Department of the Treasury's Go Direct® website <http://www.godirect.org>

### **I'm interested in receiving my benefits electronically. What should I do?**

Here are three options:

If you have an account, go to your bank, savings and loan or credit union. They can answer your questions about direct deposit. If you don't have an account, consider opening one and sign up for direct deposit at that time. Most banks, savings and loans and credit unions offer a variety of accounts, some with little or no fees. Look for one that meets your needs.

You can enroll in the Direct Express® Debit Card. It is a great alternative you can use to access your benefits. And you don't need a bank account.

Consider opening a low-cost Electronic Transfer Account (ETA). This account costs no more than \$3.00 per month, and you get at least four free cash withdrawals per month.