

# SOCIAL SECURITY AGE & YOUR BENEFIT

[www.ssa.gov/retirement](http://www.ssa.gov/retirement)



## Estimating Your Benefit

Your Social Security (SS) statement and benefit estimate can be found within your Social Security account, [www.ssa.gov/myaccount](http://www.ssa.gov/myaccount). If you and your employer did not pay into Social Security during certain working years, your benefit may be reduced. Your statement may not reflect this reduction. Learn how your defined benefit pension may affect your SS benefits at [www.ssa.gov/wep](http://www.ssa.gov/wep).

## Starting Your Benefit

You can receive:

- Unreduced benefits at your full retirement age, which is tied to your year of birth. See table to the right.
- Permanently reduced benefits as early as age 62.
- Increased benefits for each year you delay taking SS beyond your full retirement age, up to age 70.

For more information, please visit [www.ssa.gov](http://www.ssa.gov) or [www.ssa.gov/retire2/otherthings.htm](http://www.ssa.gov/retire2/otherthings.htm).

### SOCIAL SECURITY FULL RETIREMENT AGE

Year of Birth	Full Retirement Age
1941	65 & 8 months
1942	65 & 10 months
1943-1954	66
1955	66 & 2 months
1956	66 & 4 months
1957	66 & 6 months
1958	66 & 8 months
1959	66 & 10 months
1960 or later	67

## Taking Benefits Early vs. Later

When you begin taking Social Security benefits **may impact how much you, and your spouse, receive.**

- **Delaying benefits past your full retirement age** may make sense if you want:
  - To reduce the risk of running out of money in late retirement years.
  - To maximize potential lifetime income if you live longer than average.
  - Your spouse to potentially receive a larger survivor benefit for the rest of his/her life.

- **Receiving benefits as early as age 62** may make sense, if:
  - You need the money to live on.
  - You do not anticipate a long life in retirement.
  - Your investments have declined in value and you need time for them to recover before withdrawing.
- Learn more at [www.ssa.gov/retire2/agereduction.htm](http://www.ssa.gov/retire2/agereduction.htm).

### DRAWING SOCIAL SECURITY EARLY

Years Before Full Retirement Age	Reduces Benefit By	Percent of Full Benefit Received
1 year early	6.7%	93.3%
2 years early	13.3%	86.7%
3 years early	20.0%	80.0%
4 years early	25%	75.0%
5 years early <sup>1</sup>	30%	70.0%

### DRAWING SOCIAL SECURITY LATER

Years AFTER Full Retirement Age	Increases Benefit By	Percent of Full Benefit Received
1 year later	8%	108%
2 years later	16%	116%
3 years later	24%	124%
4 years later <sup>2</sup>	32%	132%

<sup>1</sup>Option if full retirement age is 67; <sup>2</sup>Option if full retirement age is 66

# Spousal Benefit

Married	Divorced	Surviving Spouse
<ul style="list-style-type: none"><li>• You can get benefits based on your own work record or you can receive up to 50% of your spouse's benefit, whichever is larger.</li><li>• If you did not pay into Social Security during certain working years, your spousal or survivor benefit could be reduced by 2/3 of your employer pension. Learn more at <a href="http://www.ssa.gov/gpo-wep">www.ssa.gov/gpo-wep</a>.</li><li>• Learn more at <a href="http://www.ssa.gov/retire2/yourspouse.htm">www.ssa.gov/retire2/yourspouse.htm</a>.</li></ul>	<ul style="list-style-type: none"><li>• <b>If your ex-spouse claims benefits based on your work record, there is no impact on your benefit or your current spouse's benefits and it does not matter if you remarried.</b></li><li>• You can <b>receive up to 50% of what your ex-spouse would receive</b> at his/her full retirement age, if:<ul style="list-style-type: none"><li>– You are not entitled to a higher benefit based on your own work record.</li><li>– You were married at least 10 years, have been divorced at least two years, and you are currently unmarried.</li><li>– Both of you are at least 62 years old.</li></ul></li></ul>	<ul style="list-style-type: none"><li>• You can <b>receive benefits based on a deceased spouse's work record</b>, including:<ul style="list-style-type: none"><li>– The deceased spouse's full benefit, if the surviving spouse has reached full retirement age.</li><li>– A reduced benefit, if the surviving spouse is younger than full retirement age, but at least age 60.</li></ul></li></ul>

## Taxes and Your Social Security Benefit

- **Up to 50% to 85% of your Social Security benefit may be subject to federal income taxes.** Learn more at [www.ssa.gov/planners/taxes.htm](http://www.ssa.gov/planners/taxes.htm).
  - Up to 50% is taxable, if your combined income is greater than \$25,000 (single filers) or \$32,000 (married filers).
  - Up to 85% is taxable, if your combined income is greater than \$34,000 (single filers) or \$44,000 (married filers).

### COMBINED INCOME CALCULATOR

Your Adjusted Gross Income  
+ Nontaxable Interest  
+ ½ of Your Social Security Benefits  
= **Your "Combined Income"**

### COST OF LIVING ADJUSTMENTS

Social Security benefits can increase through yearly **cost-of-living adjustments**, which provide more of a boost if you delay benefits and less of a boost if you begin benefits early, because they are calculated as a percentage of your benefit payment. Learn more at [www.ssa.gov/cola](http://www.ssa.gov/cola).

### WORKING WHILE RECEIVING SOCIAL SECURITY

Benefits are reduced, up to \$1 for each \$2 earned above an **annual limit**, but they are unlikely to be "lost." Your benefits are recalculated at full retirement age to give you credit for those months. Learn more at [www.ssa.gov/oact/cola/rtea.html](http://www.ssa.gov/oact/cola/rtea.html).

*The information contained here is for informational purposes only and does not constitute investment, tax or legal advice. Please consult a tax advisor in your state regarding your specific situation.*