

Social Security

www.socialsecurity.gov

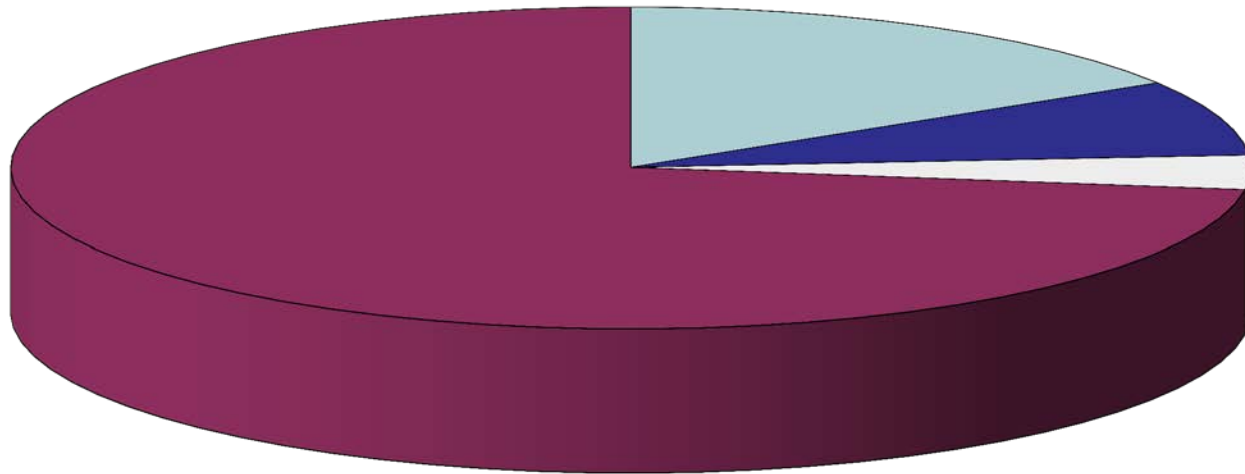


Planning Your Retirement

www.socialsecurity.gov

Who Gets Benefits from Social Security?

60 million people



- 8.9 million Disabled Workers and 1.9 million Dependents
- 4.2 million Widows/Widowers
- 1.9 million Children of Deceased Workers
- 40 million Retired Workers and 3 million Dependents

Thinking of Retiring? Planning is Key

- Deciding what is the 'right' age to retire
- How working after retirement can affect benefits
- Medicare considerations
- Online retirement estimator
- How to apply online for benefits

Social Security Retirement Planner

<http://www.socialsecurity.gov/planners/retire/>

When To Start Receiving Retirement Benefits

At Social Security, we've often asked, "What is the best age to start receiving retirement benefits?" The answer is that there is no one "best age" for everyone and, ultimately, it is your choice. You should make an informed decision about when to apply for benefits based on your individual and family circumstances. We hope the following information will help you understand how Social Security can fit into your retirement decision.

Your decision is a personal one

Would it be better for you to begin receiving benefits early with a smaller monthly amount or wait for a larger monthly payment later that you may not receive as long? The answer is highly personal and depends on a number of factors, such as your current cash needs, your health and family longevity, whether you plan to work in retirement, whether you have other retirement income sources, your anticipated future financial needs and obligations, and, of course, the amount of your future Social Security benefit. We hope you will weigh all the facts carefully and consider your own circumstances before making the important decision about when to begin receiving Social Security benefits.

Monthly payments differ substantially based on when you start receiving benefits

If you live to the average life expectancy for someone your age, you will receive about the same amount in lifetime benefits no matter whether you choose to start receiving benefits at age 62, full retirement age, age 70 or any age in between. However, monthly benefit amounts can differ substantially based on your retirement age. Basically, you can get lower monthly payments for a longer period of time or higher monthly payments over a shorter period of time. The amount you receive when you first get benefits sets the base for the amount you will receive for the rest of your life, though you do receive annual cost-of-living adjustments and, depending on your work history, may receive higher benefits if you continue to work.

The following chart provides an example of how your monthly benefit amount can differ based on the age at which you decide to start receiving benefits.

Age You Choose to Start Receiving Benefits	Monthly Benefit Amount
62	\$750
63	\$800
64	\$856
65	\$915
66	\$1,000
67	\$1,080
68	\$1,160
69	\$1,240
70	\$1,320

Let's say your full retirement age is 66 and your monthly benefit starting at that age is \$1,000. If you choose to start getting benefits at age 62, your monthly benefit will be reduced by 25 percent to \$750 to account for the longer period of time you receive benefits. This is generally a permanent reduction in your monthly benefit.

If you choose to not receive benefits until age 70, you would increase your monthly benefit amount to \$1,320. This increase is from delayed retirement credits you get for your decision to postpone receiving benefits past your full retirement age. The benefit amount at age 70 in this example is 32 percent more than you would receive per month if you chose to start getting benefits at full retirement age.

Retirement may be longer than you think

When thinking about retirement, be sure to plan for the long term. Many of us will live much longer than the "average" retiree, and, generally, women tend to live longer than men. About one out of every four 65-year-olds

When To Start Receiving Retirement Benefits

www.socialsecurity.gov

Social Security Administration
SSA Publication No. 05-10147
ICN 480136
Unit of Issue 41D (one hundred)
July 2008

Use the Retirement Estimator

- Convenient, secure, and quick financial planning tool
- Immediate and accurate benefit estimates
- Lets you create “What if” scenarios based on different ages and earnings



The screenshot shows the Social Security Retirement Estimator page. At the top, there is the Social Security logo and navigation links for Home, Numbers & Cards, Benefits, Information for..., Business & Government, and Our Agency. The main heading is "Retirement Estimator". Below this is a banner image of a smiling couple with the text "Retirement Estimator". The page is divided into sections: "How the Retirement Estimator Works", "Related Information", "Online Applications", and "Who Can Use the Retirement Estimator".

How the Retirement Estimator Works

The Retirement Estimator gives estimates based on your actual Social Security earnings record. Please keep in mind that these are **just** estimates. We can't provide your actual benefit amount until you apply for benefits. **And that amount may differ from the estimates provided because:**

- Your earnings may increase or decrease in the future.
- After you start receiving benefits, they will be adjusted for cost-of-living increases.
- Your estimated benefits are based on current law. The law governing benefit amounts may change because, by 2033, the payroll taxes collected will be enough to pay only about 77 cents for each dollar of scheduled benefits.
- Your benefit amount may be affected by military service, railroad employment or pensions earned through work on which you did not pay Social Security tax.

Who Can Use the Retirement Estimator

Related Information

- [Estimate Your Life Expectancy](#)
- [Other Benefit Calculators](#)
- [What is the best age to start receiving retirement benefits?](#)
- [Benefits For Your Spouse](#)
- [Other Things To Consider](#)

Online Applications

- [Apply Online For Retirement Benefits](#)
- [Apply Online For Spouse's Benefits](#)

Note:

If you need information about how to move around in the Retirement Estimator, please read "How To Move Around In This Application."

www.socialsecurity.gov/estimator

my Social Security Account

Your Online Account ... Your Control ...
www.socialsecurity.gov/myaccount



Prepare for your
SOMEDAY

Join the millions and
discover your benefits.
Open a *my* Social Security account.

What's your #Someday?

SocialSecurity.gov


Follow the Social Security Administration
at the above social media sites.

Social Security Administration | 1545 Publication No. 90-1082001-0000 | July 2014

- **You must be at least 18 years old and have:**
 - **A valid E-mail address;**
 - **A Social Security number;**
and
 - **A U.S. mailing address.**

Note: Personal security questions will be asked when you set up an account!

my Social Security Account

If you don't get benefits, you can—

- **View, save, and print your online *Social Security Statement*.**

If you do get benefits you can—

- **Get your benefit verification letter;**
- **Check your benefit and payment information and your earnings record;**
- **Change your address and phone number; and**
- **Start or change your direct deposit;**
- **Request a replacement Medicare card; and**
- **Get a replacement SSA-1099 or SSA-1042S.**

Your Online *Social Security Statement* Provides

- **Estimates of the retirement and disability benefits you may receive;**
- **Estimates of benefits your family may get when you receive Social Security or die;**
- **A list of your lifetime earnings according to Social Security's records;**
- **The estimated Social Security and Medicare taxes you've paid;**
- **Information about qualifying and signing up for Medicare; and**
- **A printable version of your *Social Security Statement*.**

How Do You Qualify for Retirement Benefits?

- You need to work to earn Social Security “credits”
- Each \$1,300 in earnings gives you one credit
- You can earn a maximum of 4 credits per year



Example: To earn 4 credits in 2017, you must earn at least \$5,200. Earning 40 credits (10 years of work) throughout your working life will qualify you for a retirement benefit.

How Social Security Determines Your Benefit

Social Security benefits are based on earnings

- Step 1 -Your wages are adjusted for changes in wage levels over time
- Step 2 -Find the monthly average of your 35 highest earnings years
- Step 3 -Result is “average indexed monthly earnings”



How Social Security Determines Your Benefit

We use the highest 35 years of earnings to compute your benefit amount. If you do not have 35 years of earnings, we will use all of the earnings on the record. We will factor in an annual total of \$0.00 earnings for each of the remaining years. Therefore, any work in later years will replace a “zero” year, and may increase your benefit.

2017 Retirement Benefit Computation Example

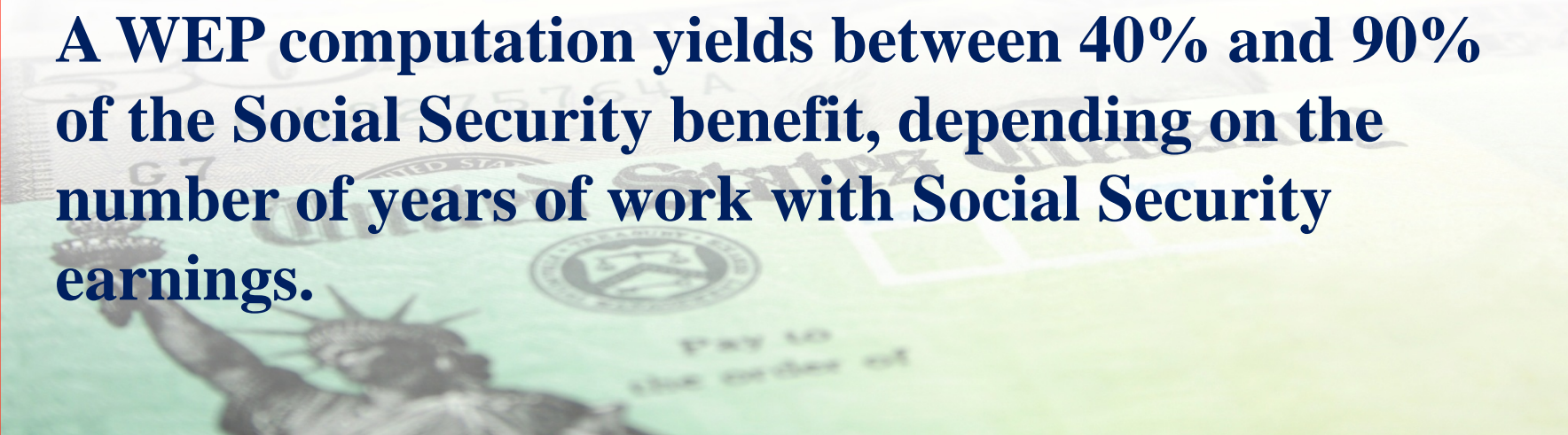
If your average monthly earnings are = \$5,500
Then your monthly benefit would be = \$2,245

Average Monthly Earnings	\$5,500	
90% of First	\$885 = \$796.50	
32% of Earnings over \$885 through \$5,336 ($\$5,536 - \$885 = \$4,451$)	\$4,451 = \$1,424.32	
15% of Earnings over \$5336	\$164 = \$24.60	
	<hr/>	<hr/>
	\$5,500	\$2,245

Windfall Elimination Provision (WEP)

If you have worked for an employer who does not withhold Social Security taxes from your salary, such as a government agency or an employer in another country, the pension you get based on that work may reduce your Social Security retirement benefits.

A WEP computation yields between 40% and 90% of the Social Security benefit, depending on the number of years of work with Social Security earnings.

The background of the lower half of the slide features a faded image of the Statue of Liberty on the left and a Social Security check on the right. The check is from the United States Treasury and includes the text 'PAY TO THE ORDER OF' and 'U.S. SOCIAL SECURITY ADMINISTRATION'.

Full Retirement Age

Year of Birth	Full Retirement Age
1937 or earlier	65
1938	65 & 2 months
1939	65 & 4 months
1940	65 & 6 months
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

Your Age At The Time You Choose Retirement Benefits Affects the Amount

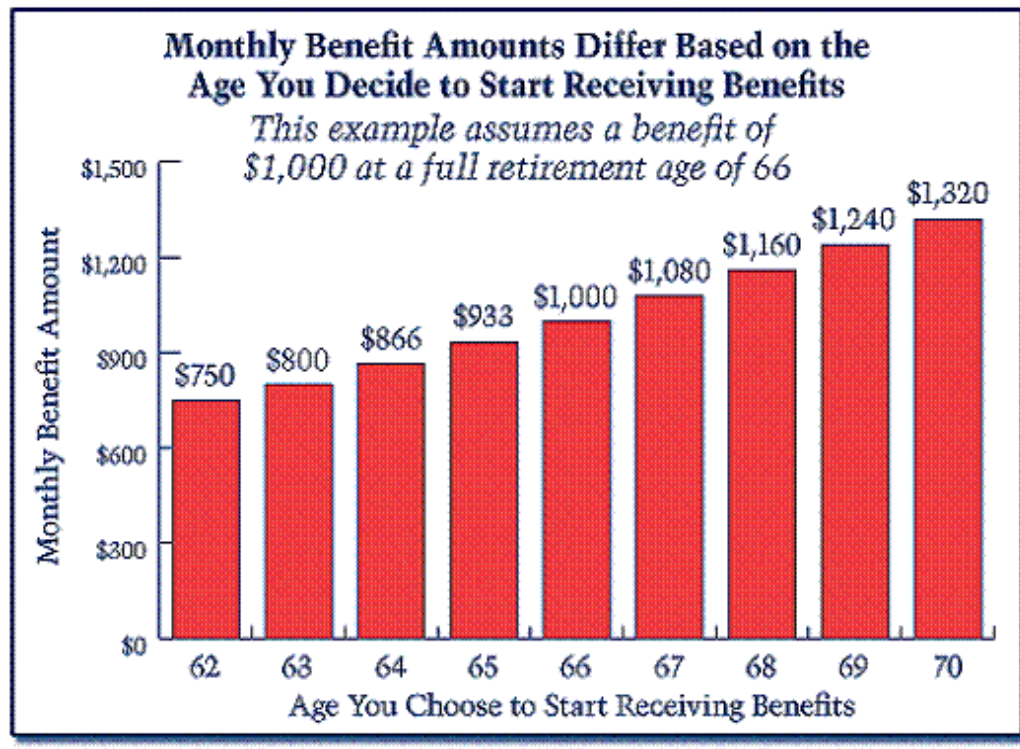
For example, if you were born from 1943 through 1954, your full retirement age is 66:

- **Age 62 75% of benefit**
- **Age 66 100% of benefit**
- **Age 70 132% of benefit**

- **At age 62, you get a lower monthly payment**
- **At your full retirement age, you get your full benefit**
- **You get an even higher monthly payment if you defer collecting you benefits past your full retirement age**



Monthly Benefits and Your Age



After you reach full retirement age, you can receive special credit--referred to as a **delayed retirement credit (DRC)**--for each full month before age 70 in which you are eligible for, but do not receive Social Security benefits.

You Can Work & Still Receive Benefits

<u>If You Are</u>	<u>You Can Make Up To</u>	<u>If You Make More, Some Benefits Will Be Withheld</u>
Under Full Retirement Age	\$16,920/yr. (\$1,410/mo.)	\$1 for every \$2
The Year Full Retirement Age is Reached	\$44,880/yr. (\$3,740/mo.)	\$1 for every \$3
Month of Full Retirement Age and Above	No Limit	No Limit



Note: If some of your retirement benefits are withheld because of your earnings, your benefits will be increased starting at your full retirement age to take into account those months in which benefits were withheld.

Applying for Retirement Benefits

- Apply online at www.socialsecurity.gov
- Call Social Security to schedule an appointment (telephone or in-office) at 1-800-772-1213 (TTY 1-800-325-0778); or
- Apply at your local Social Security office.

The screenshot displays the Social Security Administration's official website. At the top left is the Social Security Administration logo and the text "Social Security Official Social Security Website". To the right are links for "Accessibility", "Español", "Contact Us", "FAQs", and "Sign In", along with a search bar. A dark blue navigation bar contains links for "Home", "Numbers & Cards", "Benefits", "Information for...", "Business & Government", and "Our Agency". The main content area features a large banner with a photograph of four smiling people in a park. To the right of the photo is a green box with the text "Retire Online!" and sub-points: "Join millions like us retiring online.", "Estimate your benefits.", "Apply for retirement.", and "Manage your account." Below the banner are five circular indicators, with the second one from the left being filled. Underneath are four service tiles: "my Social Security" (with a padlock icon and "Sign In" and "Create an Account" buttons), "Online Services" (with a laptop icon), "Retirement Estimator" (with a calculator icon), and "FAQs" (with an information icon). Each tile includes a brief description of the service. At the bottom of the page, there are sections for "Items of Interest" and "News".

What Will You Need When Applying for Your Social Security Benefits?

- **Social Security number for each applicant**
- **Proof of age** (if date of birth allegation doesn't match Social Security records, or foreign born)
- **Proof of US citizenship or lawful status** (if foreign born)
- **Latest W-2 or self-employment tax return**
- **Earnings estimate**
- **Bank information for direct deposit**
- **Information about marriages/divorces**
- **Information about military or railroad service**

In Addition to the Retiree, Who Else Can Get Benefits?

Your Child

- **Not married under 18** (under 19 if still in high school)
- **Not married and disabled before age 22** (unless married to a Social Security Disability Beneficiary)



Your Spouse

- **Age 62 or older**
- **At any age, if caring for a child under age 16 or older if child is disabled**

In Addition to the Retiree, Who Else Can Get Benefits?

Your Ex-Spouse

- **Marriage lasted at least 10 years**
- **Ex-spouse 62 or older and unmarried**
(you can be married)
- **Divorced at least two years and you and your ex-spouse are at least 62, he or she can get benefits even if you are not retired**
- **Ex-spouse's benefit amount has no effect on the amount you or your current spouse can get**

Deemed Filing FAQ

www.ssa.gov/planners/retire/deemedfaq.html

- **What is the change in the law for people who qualify for both Social Security retirement and spouses benefits?**

If you are eligible for benefits both as a retiree and as a spouse (or divorced spouse), you must file for both benefits.

This “deemed filing” used to apply only before the full retirement age, which is currently 66. Now, deemed filing will apply at any age, if you reach age 62 after January 1, 2016.

Voluntary Suspension FAQ

www.ssa.gov/planners/retire/suspendfaq.html

- What is the change in the law for voluntarily suspending Social Security retirement benefits?**

If you take your retirement benefit and then ask (on or after April 30, 2016) to suspend it to earn delayed credits, your spouse or dependents (excluding divorced spouses) generally won't be able to receive benefits on your Social Security record during the suspension. You also won't be able to receive benefits on anyone else's record during that time.

Same Sex Couples

- **Social Security is now processing some retirement spouse claims for same-sex couples and paying benefits where they are due.**
- **We continue to work closely with the Department of Justice to develop and implement additional policy and processing instructions.**
- **If you are in a same-sex marriage or other legal same-sex relationship, even if you live in a state that prohibits same-sex marriage, we encourage you to apply right away to protect your rights.**

Spouse's Benefit Computation

- **Benefit is 50% of worker's unreduced benefit if spouse is full retirement age.**
- **Reduction for early retirement (the amount is permanently reduced based on the number of months up to his or her full retirement age).**
- **If spouse's own benefit is less than 50% of the worker's, the benefits are combined.**
- **Does not reduce payment to worker.**

Who Can Get Survivors Benefits?

Your Child if:

- **Not married under age 18** (under 19 if still in high school)
- **Not married and disabled before age 22**

Widow or Widower:

- **Full benefits at full retirement age; reduced benefits at age 60**
- **If disabled, as early as age 50**
- **At any age, if caring for child under 16, or older child if disabled**
- **Remarriage after age 60 (50 if disabled)**
- **Divorced widows/widowers may qualify**

Widow or Widower Benefit Computation

- **At full retirement age, 100% of deceased worker's unreduced benefit**
- **At age 60, 71.5% of deceased worker's unreduced benefit**
- **Reduced benefits on one record at age 60, reduced or unreduced benefit on other record at age 62 or older**
- **Full benefits to both widow or widower and divorced widow or widower**

Government Pension Offset (GPO)

If you receive a government pension based on work not covered by Social Security, your Social Security spouse's or widow(er)'s benefits may be partially reduced or may be reduced to zero. Your Social Security benefit will be reduced by $2/3$ of your government pension.



Your Benefits Can Be Taxable

- About 1/3 of people who get Social Security pay income taxes on their benefits.
- At the end of each year, you'll receive a *Social Security Benefit Statement* (Form SSA-1099).

Use this statement to complete your Federal income tax return to find out if you have to pay taxes on your benefit.

- Visit www.irs.gov for more information.

Note: Social Security offers VOLUNTARY TAX WITHHOLDING

Who Can Get Medicare ?

- **Age 65 & older**
- **24 months after entitlement to Social Security disability benefits**
- **Amyotrophic Lateral Sclerosis** (eliminates 24 month waiting period)
- **Permanent kidney failure and receive maintenance dialysis or a kidney transplant**
- **Exposure to Environmental Health Hazards**

1-800-MEDICARE

(1-800-633-4227)

www.medicare.gov

Medicare Has Four Parts

Part A - Hospital Insurance

- **Covers most inpatient hospital expenses**
- **2017 Deductible \$1,316**

Part B - Medical Insurance

- **Covers 80% doctor bills & other outpatient medical expenses after 1st \$183 in approved charges**
- **2017 Standard Monthly Premium \$134.00**

Medicare Has Four Parts

Part C – Medicare Advantage Plans

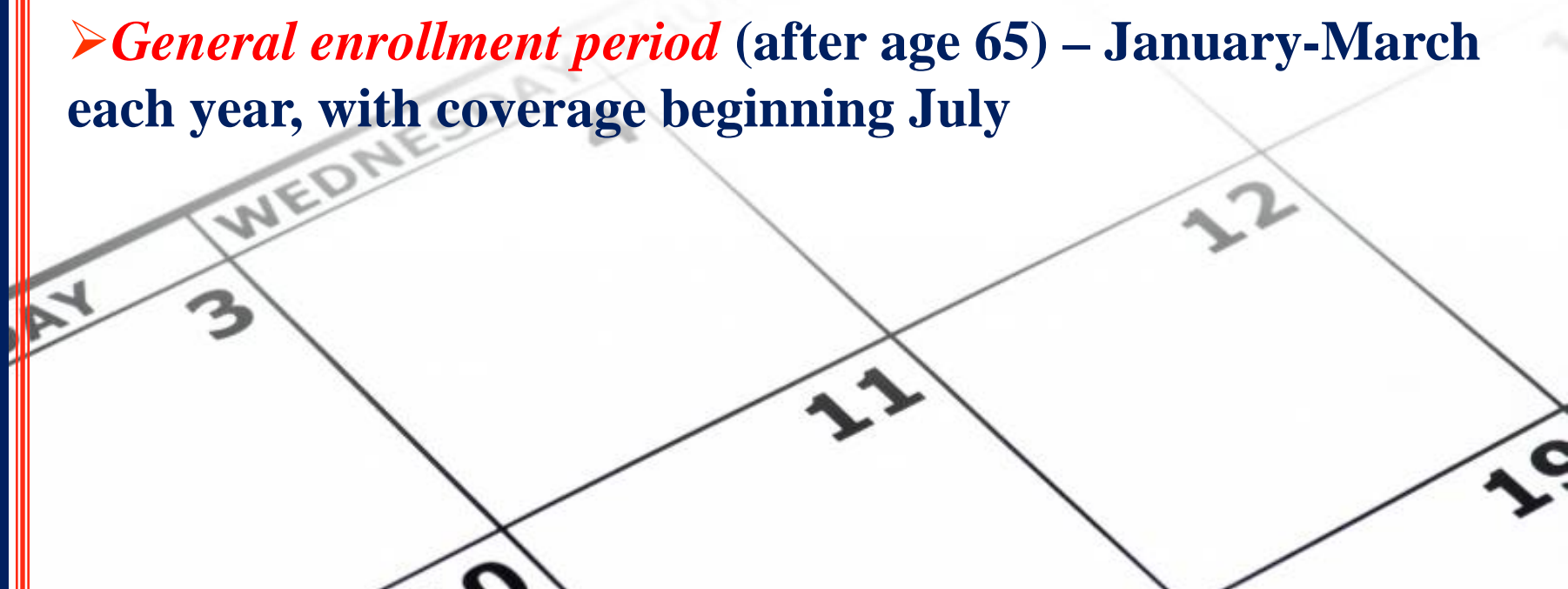
- Health plan options offered by Medicare-approved private insurance companies
- When you join a Medicare advantage plan, you can get the benefits and services covered under Part A, Part B, and in most plans, Part D

Part D – Medicare Prescription Drug Coverage

- Covers a major portion of your prescription drug costs
- Your out-of-pocket costs—monthly premiums, annual deductible and prescription co-payments—will vary by plan
- You enroll with a Medicare-approved prescription drug provider (not Social Security)

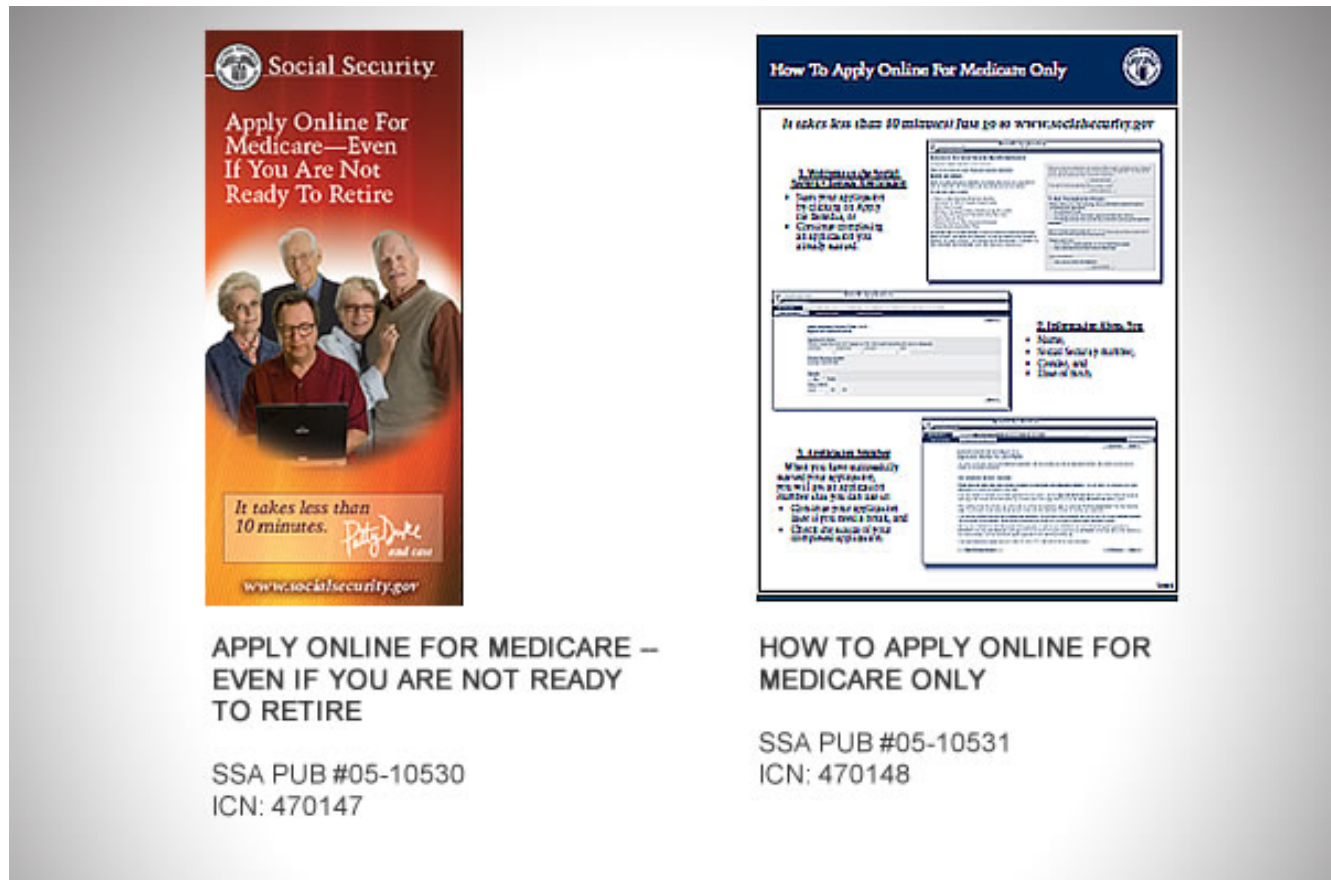
When Can I Sign Up for Medicare Part B?

- ***Initial enrollment period*** – at age 65 (3 months before and after age 65)
- ***Special enrollment period*** – if still working and covered under a group health plan based on current employment (yours or spouse's); or, within 8 months after employment or group health coverage ends
- ***General enrollment period*** (after age 65) – January-March each year, with coverage beginning July



Sign Up for Medicare Online!

- Apply online at www.socialsecurity.gov
- Apply online for Medicare even if you are not ready to retire



The image displays two promotional materials from the Social Security Administration. On the left is a vertical poster with a red-to-orange gradient background. It features the Social Security logo at the top, followed by the text 'Apply Online For Medicare—Even If You Are Not Ready To Retire'. Below this is a photograph of four elderly people (three women and one man) gathered around a laptop. At the bottom of the poster, it says 'It takes less than 10 minutes.' with a signature 'Patly Duke and team' and the website 'www.socialsecurity.gov'. On the right is a screenshot of a website titled 'How To Apply Online For Medicare Only'. The page has a blue header and contains three numbered sections: 1. 'What you will need to apply', 2. 'Information you will need', and 3. 'Application process'. Each section includes a list of requirements and steps. The website also features a search bar and a 'Go' button.

APPLY ONLINE FOR MEDICARE – EVEN IF YOU ARE NOT READY TO RETIRE

SSA PUB #05-10530
ICN: 470147

HOW TO APPLY ONLINE FOR MEDICARE ONLY

SSA PUB #05-10531
ICN: 470148

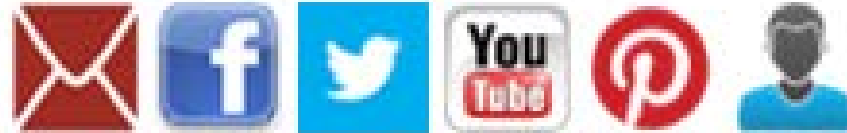
Extra Help Could Further Reduce Medicare Prescription Drug Costs

Extra Help is available for beneficiaries with limited resources and income to help pay for the costs—monthly premiums, annual deductibles and prescription co-payments—related to a Medicare prescription drug plan.

The Extra Help could be worth about \$4,000 per year.

- Apply online at www.socialsecurity.gov
- Call Social Security to apply over the phone or request an application at 1-800-772-1213 (TTY 1-800-325-0778)

Social Security Embraces Social Media



- Discover us on Facebook, Twitter, YouTube, and Pinterest
- View popular agency webinar videos at *www.socialsecurity.gov/webinars*
- Sign-up to get E-mails and SMS/Texting when we update popular *www.socialsecurity.gov* web pages

Anti-Fraud

We take fraud seriously!

If you suspect fraud, waste, or abuse, report it to SSA's Office of the Inspector General (OIG) by:

- Submitting a report online at oig.ssa.gov and using the e-8551 (Fraud Reporting Form);**
- Calling the OIG Hotline at 1-800-269-0271 from 10:00 a.m. to 4:00 p.m. (EST) (TTY 1-866-501-2101 for the deaf or hard of hearing);**
- Faxing your statement to 410-597-0118; or**
- Mailing your statement to Social Security Fraud Hotline, P.O. Box 17785, Baltimore, MD 21235**

www.socialsecurity.gov/antifraudfacts

QUESTIONS???

