Understanding Social Security Retirement, Spouse, & Survivors Benefits 2023

Note: This event is public. Please do not share any personal information, such as dates of births or social security numbers, about yourself or others during the event.

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Beware of Social Security Phone Scams

Telephone scammers are pretending to be government employees. They may threaten you and may demand immediate payment to avoid arrest or other legal action. Do not be fooled!

If you receive a suspicious call:
1. HANG UP!
2. DO NOT GIVE THEM MONEY OR PERSONAL INFORMATION!
3. REPORT THE SCAM AT oig.ssa.gov

What to look out for

- The caller says there is a problem with your Social Security number or account.
- Scammers pretend they’re from Social Security or another government agency. Caller ID or documents sent by email may look official but they are not.
- Scammers threaten you with arrest or other legal action.
- Any call asking you to pay a fee or debit with credit or debit cards.

Be Alert
Social Security may call you in some situations but will never:
- Threaten you
- Suspend your Social Security Number
- Demand immediate payment from you
- Require payment by cash, gift card, pre-paid debit card, or wire transfer

Be Active
Protect yourself and your friends and family!
- If you receive a questionable call, just hang up and report the call at oig.ssa.gov
- Learn more at oig.ssa.gov/scam
- Share this information with others
**my Social Security – Registration**

**Step 1: Visit ssa.gov/myaccount**

**Step 2: Sign in or Create An Account**

With a *my* Social Security Account:

- Check your application status online;
- Get your benefit verification letter;
- Change your address and phone number;
- Start or change your direct deposit;
- Request a replacement Social Security card;
- Get your SSA-1099 and much more!

www.ssa.gov/myaccount
Retirement Estimator

Your Retirement Benefit Estimate

The age that you start your benefits determines how much you receive each month.

We created estimates for you at three common retirement ages using your earnings information. You can also add your own custom estimates by changing your stop work age and future earnings.

<table>
<thead>
<tr>
<th>Age at Retirement</th>
<th>Annual Earnings</th>
<th>Monthly Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age 65</td>
<td>$45,000</td>
<td>$1,434</td>
</tr>
<tr>
<td>Age 67 (Full Retirement)</td>
<td>$46,000</td>
<td>$1,525</td>
</tr>
<tr>
<td>Age 70</td>
<td>$40,000</td>
<td>$1,891</td>
</tr>
<tr>
<td>Age 62</td>
<td>$40,000</td>
<td>$1,040</td>
</tr>
</tbody>
</table>

• Convenient, secure, and quick financial planning tool
• Immediate and accurate benefit estimates
• Create “What if” scenarios based on different ages and earnings

How You Qualify for Benefits

• You need to work to earn Social Security “credits”

• Each $1,640 in earnings gives you one credit

• You can earn a maximum of 4 credits per year

Example: To earn 4 credits in 2023, you must earn at least $6,560. 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 your lifetime earnings

• **Step 1** – We adjust or “index” your actual earnings to account for changes in average wages over time

• **Step 2** – We find your average indexed monthly earnings using the 35 years in which you earned the most (do not need to be consecutive and do not need to be most recent)

• **Step 3** – We apply a formula to your “average indexed monthly earnings” and arrive at your basic benefit or primary insurance amount

Your Age at the Time You Elect Retirement Benefits Affects the Amount

<table>
<thead>
<tr>
<th>Year of Birth</th>
<th>Full Retirement Age</th>
<th>% at age 62</th>
<th>% at age 70</th>
</tr>
</thead>
<tbody>
<tr>
<td>1943-1954</td>
<td>66</td>
<td>75.0%</td>
<td>132.00%</td>
</tr>
<tr>
<td>1955</td>
<td>66 + 2 months</td>
<td>74.2%</td>
<td>130.67%</td>
</tr>
<tr>
<td>1956</td>
<td>66 + 4 months</td>
<td>73.3%</td>
<td>129.33%</td>
</tr>
<tr>
<td>1957</td>
<td>66 + 6 months</td>
<td>72.5%</td>
<td>128.00%</td>
</tr>
<tr>
<td>1958</td>
<td>66 + 8 months</td>
<td>71.7%</td>
<td>126.67%</td>
</tr>
<tr>
<td>1959</td>
<td>66 + 10 months</td>
<td>70.8%</td>
<td>125.33%</td>
</tr>
<tr>
<td>1960 or later</td>
<td>67</td>
<td>70.0%</td>
<td>124.00%</td>
</tr>
</tbody>
</table>

If You’re a Worker and Start Retirement Benefits

• At age 62, you get a permanent lower monthly payment

• At your full retirement age, you get your full benefit

• After your full retirement age, you get an even higher monthly payment for delaying
You Can Work and Receive Benefits

<table>
<thead>
<tr>
<th>If You Are</th>
<th>You Can Make Up To</th>
<th>If You Make More, Some Benefits Will Be Withheld</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under FRA* in 2023</td>
<td>$21,240/yr. ($1,770/mo.)</td>
<td>$1 for every $2</td>
</tr>
<tr>
<td>Turning FRA in 2023</td>
<td>$56,520/yr. ($4,710/mo.)</td>
<td>$1 for every $3</td>
</tr>
<tr>
<td>Month You Attain Full Retirement Age &amp; Continuing</td>
<td>No Limit</td>
<td>No Limit</td>
</tr>
</tbody>
</table>

*FRA = Full Retirement Age

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.

www.ssa.gov

Earnings Test Calculator
www.ssa.gov/OACT/COLA/RTeffect.html

Retirement Earnings Test Calculator

Automatic Determinations
Complete the form to see the effect of the Retirement Earnings Test on retirement benefits.

Please note that the retirement earnings test always uses the normal (full) retirement age applicable to retired workers.

Exempt amounts under the Retirement Earnings Test

Enter your date of birth: Month 6 Day 2 Year 1954

Your estimated earnings: $ 32000

If you reach your normal (or full) retirement age this year, enter only those earnings made prior to the month you reach this age. The retirement earnings test does not apply once you reach normal retirement age.

Your estimated monthly benefit: $ 1355 (before application of the retirement test)

Is the current year the first year you are receiving benefits?  
☐ Yes  ☐ No

Note: special rules apply in the first year you retire.

Submit request  Reset
Special Payments After Retirement

Bonuses, Vacation Pay, Commissions, Sick Pay, Insurance Commissions, Carryover Crops, and Other Special Payments

What are “special payments”? After you retire, you may receive payments for work you did before you started to receive Social Security benefits. Usually, these payments will not affect your Social Security benefit if they are for work done before you retired. This fact sheet describes some of the more common types of special payments, helps you to decide if you received any, and tells you what steps to take if you did.

How do earnings limits affect benefits? If a person who gets Social Security retirement benefits is younger than their full retirement age, there are limits to how much they can earn from work before it affects their benefits. Your full retirement age varies based on the year you were born. You can visit www.ssa.gov/benefits/retirementplanner/ageincrease.html to find your full retirement age. We reduce benefits, if earnings exceed certain limits.

- If you are younger than your full retirement age, we deduct $1 in benefits for each $2 you earn above the earnings limit. In 2023, the limit is $21,240.
- In the year you reach your full retirement age, we reduce your benefits $1 for every $3 you earn above the earnings limit. In 2023, the limit is $56,520.
- Starting with the month you reach full retirement age you can receive full benefits no matter how much money you earn.

If you think you received a special payment...

Other Benefits on the Retiree’s Record

www.ssa.gov/benefits/retirement/planner/applying7.html

Your Child

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

Your Spouse

- Age 62 or older
- At any age, if caring for a child under age 16 or disabled
Spouse’s Benefit Computation
www.ssa.gov/benefits/retirement/planner/applying7.html#h2

50% - Spousal benefits
You could be entitled up to half of your spouse's benefit.

• Benefit is 50% of worker’s unreduced benefit
• Permanent Reduction for early retirement
• If spouse’s own benefit is less than 50% of the worker’s, the benefits are combined
• Does not reduce payment to worker

Divorced Spouse’s Benefits
www.ssa.gov/benefits/retirement/planner/applying7.html#h4

• Marriage lasted at least 10 years
• Be unmarried at the time of filing
• Ex-spouse 62 or older
• Divorced at least two years and you and your ex-spouse are at least 62, you can get benefits even if ex-spouse is not receiving benefits
• Ex-spouse’s benefit amount has no effect on the amount the worker or the worker’s current spouse can receive
Deemed Filing Rules
www.ssa.gov/benefits/retirement/planner/claiming.html

For those born BEFORE January 2, 1954

- At your full retirement age, you can choose to receive only spouse’s benefits and delay receiving your retirement benefit until a later date.

For those born on January 2, 1954 or LATER

- You do not have the option of filing for just spouse’s benefits. If you file for spouse’s benefits, you must also file for retirement benefits.
- Basically, you file for one benefit and you will be effectively filing for all retirement or spousal benefits.

Survivor Benefits
www.ssa.gov/benefits/survivors

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 disabled
- Remarriage after age 60 (50 if disabled) is protected
- Divorced widows/widowers may qualify

Your Child if:
- Not married under age 18
- (under 19 if still in high school)
- Not married and disabled before age 22
**Survivor Benefit Computation**
www.ssa.gov/benefits/survivors

100% - **Survivor benefit**

You could be entitled up to 100% of your deceased spouse’s (divorced spouse’s) benefit

- You will be entitled up to 100% of a deceased spouse’s (divorced spouse’s) benefit or your own, *whichever benefit is higher*
- At full retirement age, 100% of deceased worker’s benefit
- At age 60, 71.5% of deceased worker’s benefit (remember there is a permanent reduction for starting benefits early)
- Option to reduced benefits on one record and switch to other record later

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**Social Security Benefits and Taxation**
www.ssa.gov/benefits/retirement/planner/taxes.html

If you file as a **“individual”** and your combined income **is**:

- Between $25,000 and $34,000, you have to pay income tax on up to 50% of your benefits.
- More than $34,000, up to 85% of your benefits may be taxable.

If you file as a **“joint return”** and your combined income **is**:

- Between $32,000 and $44,000, you have to pay income tax on up to 50% of your benefits.
- More than $44,000, up to 85% of your benefits may be taxable.

**Combined income is:**

Your adjusted gross income
+ Nontaxable interest
+ ½ of your Social Security
= Your “Combined Income”
2023 Retirement Benefit Formula

If your average monthly earnings are = $7,000

Then your full monthly benefit would be = $2,839

90% of First.......................................................... $1,115 = $1,003
32% of Earnings over $1,115 through $6,721........ $5,606 = $1,794
($6,721-$1,115 = $5,606)
15% of Earnings over $6,721.............................. $279 = $42
($7,000-$6,721 = $279)

$7,000 = $2,839

*Payments rounded to whole dollar amounts

Special Rules Affecting Non-Covered Pensions
www.ssa.gov/benefits/retirement/planner/gpo-wep.html

When part of your pension is from work not covered by Social Security two laws may affect your Social Security benefit amount:

- **Windfall Elimination Provision (WEP) applies when you have at least 40 Social Security credits and you are eligible for Social Security benefits on your own work record**

- **Government Pension Offset (GPO) applies only to Social Security spouse or widow(er)’s benefits**
Applying for Benefits

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

By phone 1-800-772-1213
If deaf or hard of hearing, call Social Security’s TTY number, 1-800-325-0778.

Local office information ([www.ssa.gov/locator](http://www.ssa.gov/locator))

*You choose the most convenient option for you!*

- You can apply for benefits three months before you want your payments to start.
- Benefits are paid the month after they are due.
(Go to [https://www.ssa.gov/pubs/EN-05-10031.pdf](https://www.ssa.gov/pubs/EN-05-10031.pdf) for a payment calendar)

*Note:* Child and survivor claims can only be done by phone or in a field office *(not online)*
Disclaimer

This information is current at the time of the presentation, but Social Security policy is subject to change. Please visit SSA.gov for up-to-date information on our programs.

Q&A Session

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