



DISCUSSING RETIREMENT PLANNING WITH YOUR CLIENTS

SOCIAL SECURITY QUICK REFERENCE

Age to Receive 100% Monthly Benefits

Year of Birth	Full Retirement Age (FRA)
Before 1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67

Social Security Administration, "Social Security, "Retirement Planner: Benefits by Year of Birth," 2017, SSA.gov

Increase for Delayed Retirement

Year of Birth	Rate of Increase
1943 and later	8%

Social Security Administration, "Retirement Planner: Delayed Retirement Credits" 2017, SSA.gov

2023 Monthly Benefits

Type of Worker	Ave 2020 Monthly Soc Sec Benefits*
Retired worker	\$1,827
Retired couple	\$2,734
Disabled worker	\$1,483

**Social Security Administration, "2020 Social Security Changes," SSA.gov*

Life Expectancy for Those Who Reach Age 65*

Male	Female	Adults 65+
50% chance of living to age 84	50% chance of living to age 86	25% will live past 90 10% will live past 95

Social Security Administration, "Calculators: Life Expectancy," 2016.

Benefits Taken at Age 62 (early)

FRA	Discount Factor	\$1,000 Becomes
66	25%	\$750
67	30%	\$700

Social Security Administration, "Retirement Planner: Benefits by Year of Birth" 2017, SSA.gov. Percentages are approximate due to rounding.

2017 Windfall Elimination Provision (WEP)

Years of Substantial Earnings	Adjustment
30 or more	90%
29	85%
28	80%
27	75%
26	70%
25	65%
24	60%
23	55%
22	50%
21	45%
20 or less	40%

Social Security Administration, "Windfall Elimination Provision" 2017, SSA.gov

Cost of Living Adjustments (COLAs)

Year Implemented	COLA
2019	2.8%
2020	1.6%
2021	1.3%
2022	5.9%
2023	8.7%

"2021 Social Security Changes," SSA.gov. COLA increases are added to benefits beginning the year you reach 62

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Provisional Income Tax on Social Security Benefits

Income Amount	FRA
File individual tax return and combined income* is \$25,000-\$34,000	Up to 50% of benefits may be taxable
File individual tax return and combined income* is more than \$34,000	Up to 85% of benefits may be taxable
File joint tax return and combined income* is \$32,000-\$44,000	Up to 50% of benefits may be taxable
File joint tax return and combined income* is more than \$44,000	Up to 85% of benefits may be taxable

*The Social Security Administration defines your "combined income" as your adjusted gross income + nontaxable interest + 1/2 of your Social Security benefits. Social Security Administration "Benefits Planner: Income Taxes and Your Social Security 2017," SSA.gov

2020 Earned Income Limits

Under FRA—\$1 of benefits withheld for every \$2 in earnings above the limit for years prior to reaching FRA	\$18,240 yr
Individual reaches FRA in 2020—\$1 of benefits withheld for every \$3 in earnings above the limit for months prior to reaching FRA	\$48,600 yr
Month individuals reached FRA and beyond—Reduction no longer applies	↑ to 50% benefits may be taxable

Social Security Administration, "2020 Social Security Changes" SSA.gov

Provisional Income Tax on Social Security Benefits

Beneficiary	Eligibility	Benefit*
Spouse	<ul style="list-style-type: none"> 62+ Any age if caring for your child who is also receiving benefits 60+ (50+ if disabled) upon your passing 	<ul style="list-style-type: none"> Can receive 50% of your full benefit at FRA, reduced if taken before FRA Upon your passing, surviving spouse can receive 100% of your benefit at FRA, no less than 71.5% if taken earlier
Child	<ul style="list-style-type: none"> Under 18 (19 if in high school full time) Any age if disabled before age 22 Currently unmarried 	<ul style="list-style-type: none"> Can receive 50% of your full benefit Upon your passing, surviving children can receive 75% of your benefit
Ex-spouse	<ul style="list-style-type: none"> 62+ Must have been married for at least 10 years Currently unmarried 60+ (50+ if disabled) upon your passing 	<ul style="list-style-type: none"> Can receive 50% of your full benefit at FRA, reduced if taken before FRA, even if you have not filed Entitled to same survivor benefits as current spouse

*Earnings limits, family limits and Windfall Elimination Provisions apply Security "Survivors Planner: How Much Would Your Benefit Be?" SSA.gov, 2017

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