

Collecting Social Security Strategically

Married and Maximizing Social Security Benefits

If you are married, the decision of when to collect Social Security benefits is more than just a question of longevity. You may be able to switch between individual, spousal, and survivor benefits throughout your lifetime in order to maximize your Social Security income. Although each couple's situation is unique, you may receive higher lifetime benefits by adopting one of the two simple strategies depicted below.

Filing and Suspending

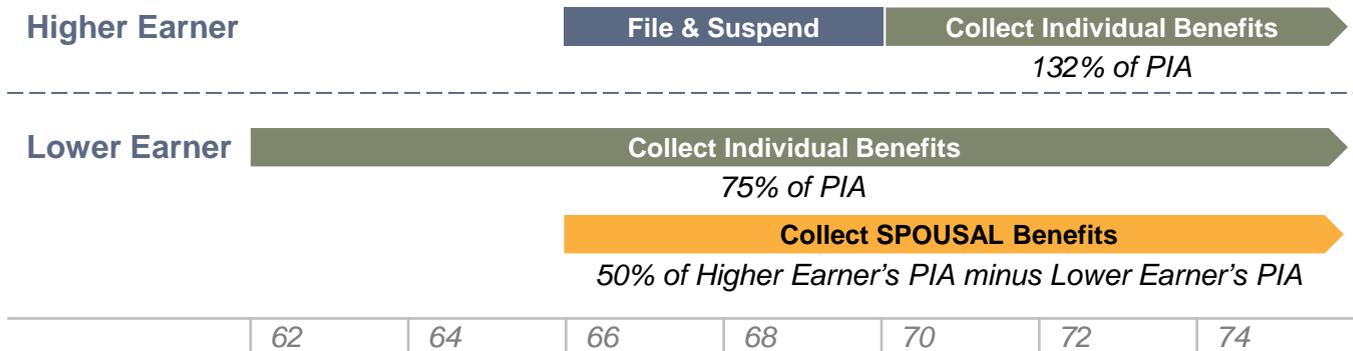
- Both strategies involve "filing and suspending" at Full Retirement Age (or FRA – the age at which Social Security retirement benefits are equal to the Primary Insurance Amount, or PIA).
- This strategy, also called "filing and deferring," allows you to **file for Social Security retirement benefits but defer your checks to a later date.**
- Once the higher earner files and suspends at FRA, his/her spouse is able to collect spousal benefits immediately.
- This strategy may allow the lower earner to collect spousal benefits earlier while letting the higher earner maximize his/her benefits.
- The strategy also has the potential to boost survivor benefits (as you will see in the examples below).

The following page illustrates two situations that capitalize on filing and suspending.

Keep in mind that the examples assume that both you and your spouse have a FRA of 66. Your FRA is determined by when you were born. You can find your FRA at www.ssa.gov/pubs/ageincrease.htm. If you were born after 1954, then your FRA will be later than age 66, and your percentage of PIA at age 62 and age 70 will be lower than what is illustrated in the charts below.

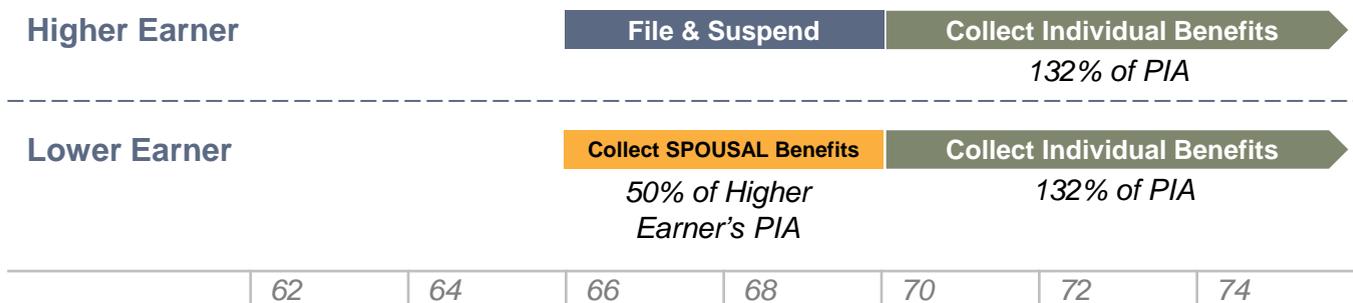
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LARGE Differences in Social Security Benefits



- Lower earner files for and collects reduced individual SS benefits at A62 (75% of PIA).
- Higher earner files and SUSPENDS at FRA – allowing lower earner to file for adjusted spousal benefits.
- Lower earner files for unreduced adjusted spousal benefits at FRA (equal to 50% of higher earner's PIA minus lower earner's PIA).
- Higher earner collects increased individual benefits at age 70 (132% of PIA). These increased benefits will be passed onto the lower earner as survivor benefits if the higher earner passes away first.

SMALL Differences in Social Security Benefits



- Higher earner files and SUSPENDS at FRA – allowing lower earner to file for “Spouse Only” Social Security benefits.
- Lower earner files for, and collects, “spouse only” benefits at FRA (50% of higher earner's PIA). This is possible even if the lower earner's PIA is greater than half of the higher earner's PIA.
- Lower earner files for, AND SWITCHES TO, increased individual benefits at A70 (132% of PIA).
- Higher earner collects increased individual benefits at A70 (132% of PIA). These increased benefits will be passed onto the lower earner as survivor benefits if the higher earner passes away first.