



# Securing your retirement

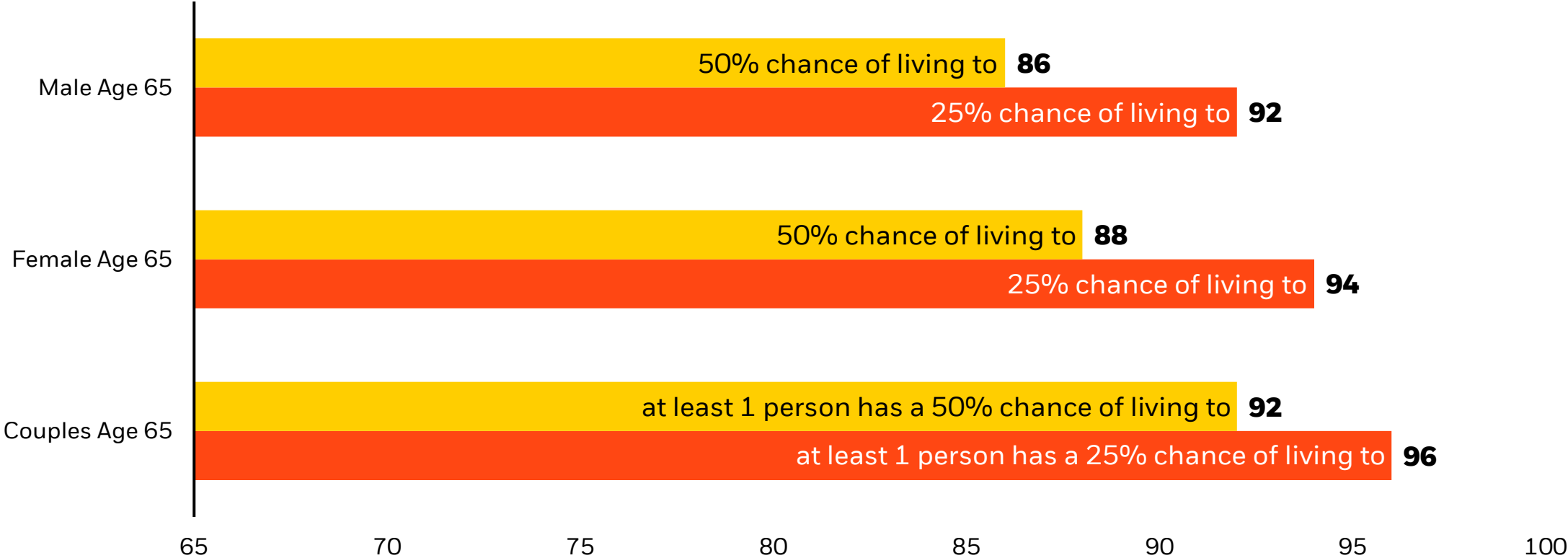
Transforming Social Security into a winning retirement strategy

This material should be regarded as informational on Social Security and is not intended to provide specific advice. If you have questions regarding your particular situation, you should contact the Social Security Administration and/or your legal or tax advisors.

# Living longer

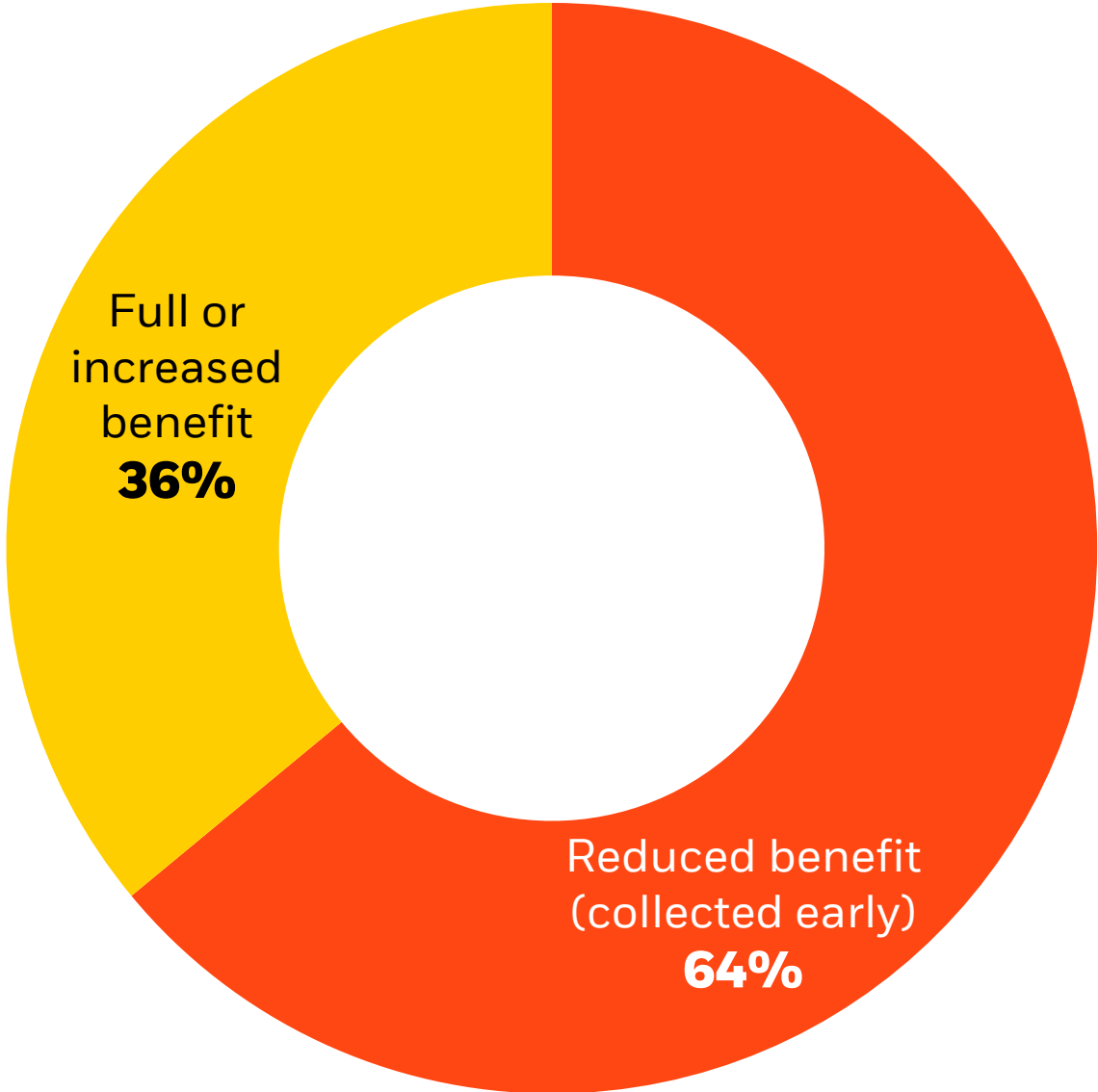
## Life expectancy upon retirement at age 65

A healthy 65-year-old female has a 50% chance of living until age 88 (23 more years)



Source: American Academy of Actuaries and Society of Actuaries, Actuaries Longevity Illustrator (accessed October 12, 2023). Figures assume non-smoker with average health.

# But collecting early



Source: Social Security Administration's Annual statistical supplement, 2023.

# **Rules of retirement benefits**

## **Individual benefits**

# Individual benefits

## Earnings Record

Review your earnings history below to ensure it is accurate. This is important because we base your future benefits on our record of your earnings. There's a limit to the amount of earnings you pay Social Security taxes on each year. Earnings above the limit do not appear on your earnings record. We have combined your earlier years of earnings, but you can view them online with [my Social Security](#). If you find an error view your full earnings record online and call 1-800-772-1213.

Work Year	Earnings Taxed for Social Security	Earnings Taxed for Medicare (began 1966)
1971-1980	\$ 20,000	\$ 20,000
1981-1990	41,250	41,250
1991-2000	257,712	257,712
2001	34,915	34,915
2002	35,591	35,591
2003	36,717	36,717
2004	38,686	38,686
2005	40,325	40,325
2006	42,315	42,315
2007	44,346	44,346
2008	45,437	45,437
2009	47,791	47,791
2010	45,847	45,847
2011	47,146	47,146
2012	48,349	48,349
2013	48,606	48,606
2014	49,860	49,860
2015	50,850	50,850
2016	50,158	50,158
2017	50,440	50,440
2018	50,653	50,653
2019	50,957	50,957
2020	51,995	51,995
2021	Not yet recorded	

**Best 35 Years**

## Earnings Not Covered by Social Security

You may also have earnings from work not covered by Social Security. This work may have been for federal, state, or local government or in a foreign country.

If you participate in a retirement plan or receive a pension based on work for which you did not pay Social Security tax, it could lower your benefits. To find out more, visit [ssa.gov/gpo-wep](https://ssa.gov/gpo-wep).

## Important Things to Know about Your Social Security Benefits

- Social Security benefits are not intended to be your only source of retirement income. You may need other savings, investments, pensions, or retirement accounts to make sure you have enough money when you retire.
- You need at least 10 years of work (40 credits) to qualify for retirement benefits. Your benefit amount is based on your highest 35 years of earnings. If you have fewer than 35 years of earnings, years without work count as 0 and may reduce your benefit amount.
- We use cost of living adjustments so your benefits will keep up with inflation.
- The age you claim benefits will affect the benefit amount for your surviving spouse.
- If you get retirement or disability benefits, your spouse and children also may qualify for benefits.
- If you are divorced and were married for 10 years, you may be able to claim benefits on your ex-spouse's record. If your divorced spouse receives benefits on your record, that does not affect your or your current spouse's benefit amounts.
- When you apply for either retirement or spousal benefits, you may be required to apply for the other benefit as well.
- For more information about benefits for you and your family, visit [ssa.gov/benefits/](https://ssa.gov/benefits/)

## Retirement Benefits

You have earned enough credits to qualify for retirement benefits. To qualify for benefits, you earn "credits" through your work — up to four each year. Your full retirement age is 67, based on your date of birth: April 10, 1960. As shown in the chart, you can start your benefits at any time between ages 62 and 70. **For each month you wait to start your benefits, your monthly benefit will be higher—for the rest of your life.**

These personalized estimates are based on your earnings to date and assume you continue to earn \$51,995 per year until you start your benefits.

To learn more about retirement benefits, visit [ssa.gov/benefits/retirement/learn.html](https://ssa.gov/benefits/retirement/learn.html).

## Disability Benefits

You have earned enough credits to qualify for disability benefits. If you became disabled right now, your monthly payment would be about **\$1,656 a month**.

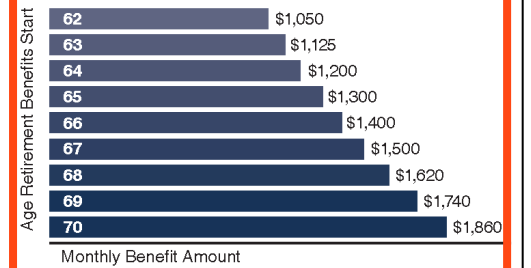
## Survivors Benefits

You have earned enough credits for your eligible family members to receive survivors benefits. If you die this year, members of your family who may qualify for monthly benefits include:

Minor child:	<b>\$2,129</b>
Spouse, if caring for a disabled child or child younger than age 16:	<b>\$2,129</b>
Spouse, if benefits start at full retirement age:	<b>\$2,838</b>
Total family benefits cannot be more than:	<b>\$4,968</b>

Your spouse or minor child may be eligible for an additional one-time death benefit of \$255.

## Personalized Monthly Retirement Benefit Estimates (Depending on the Age You Start)



## Medicare

You have enough credits to qualify for Medicare at age 65. Medicare is the federal health insurance program for:

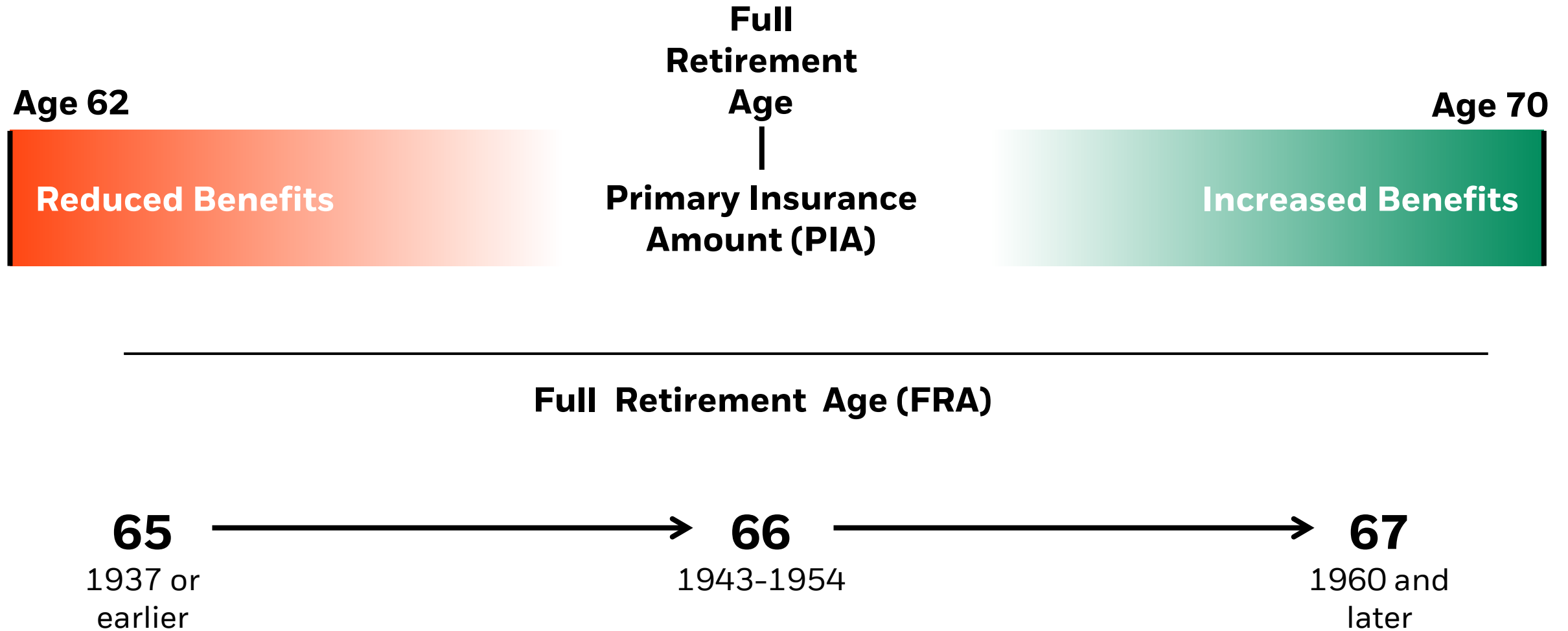
- people age 65 and older,
- under 65 with certain disabilities, and
- people of any age with End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant).

Even if you do not retire at age 65, you may need to sign up for Medicare within 3 months of your 65th birthday to **avoid a lifetime late enrollment penalty**. Special rules may apply if you are covered by certain group health plans through work.

For more information about Medicare, visit [medicare.gov](https://medicare.gov) or [ssa.gov/medicare](https://ssa.gov/medicare) or call **1-800-MEDICARE (1-800-633-4227)** (TTY 1-877-486-2048).

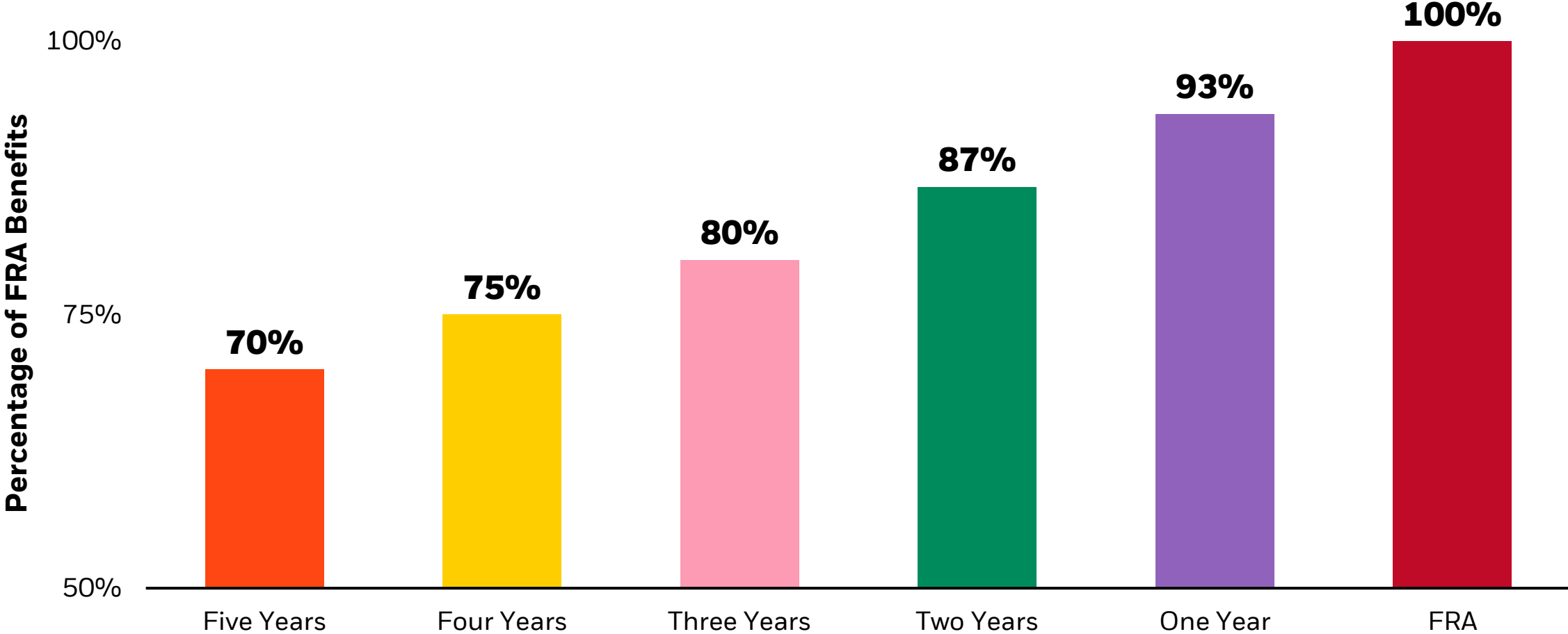
**www.ssa.gov**

# The tradeoff for individual benefits



Source: Social Security Administration ([www.ssa.gov](http://www.ssa.gov)).

# Cost of collecting early



Source: Social Security Administration ([www.ssa.gov](http://www.ssa.gov)). Assumes full retirement age of 67.

# Considerations for collecting early

**Working**



**Longevity**



**Spouse**





# Continuing to work while collecting early

## 2024 retirement earnings limit

Applies to any retirement benefits collected before FRA. Earnings limit looks at wages only.

Your age	2024 limit	What happens above the limit
Under FRA	<b>\$22,320</b> /year	<b>\$1</b> of benefits withheld per <b>\$2</b> of earnings above limit
Year reach FRA	<b>\$59,520</b> /year	<b>\$1</b> of benefits withheld per <b>\$3</b> in earnings above limit for months prior to reaching FRA
Month reach FRA and beyond	None	Nothing

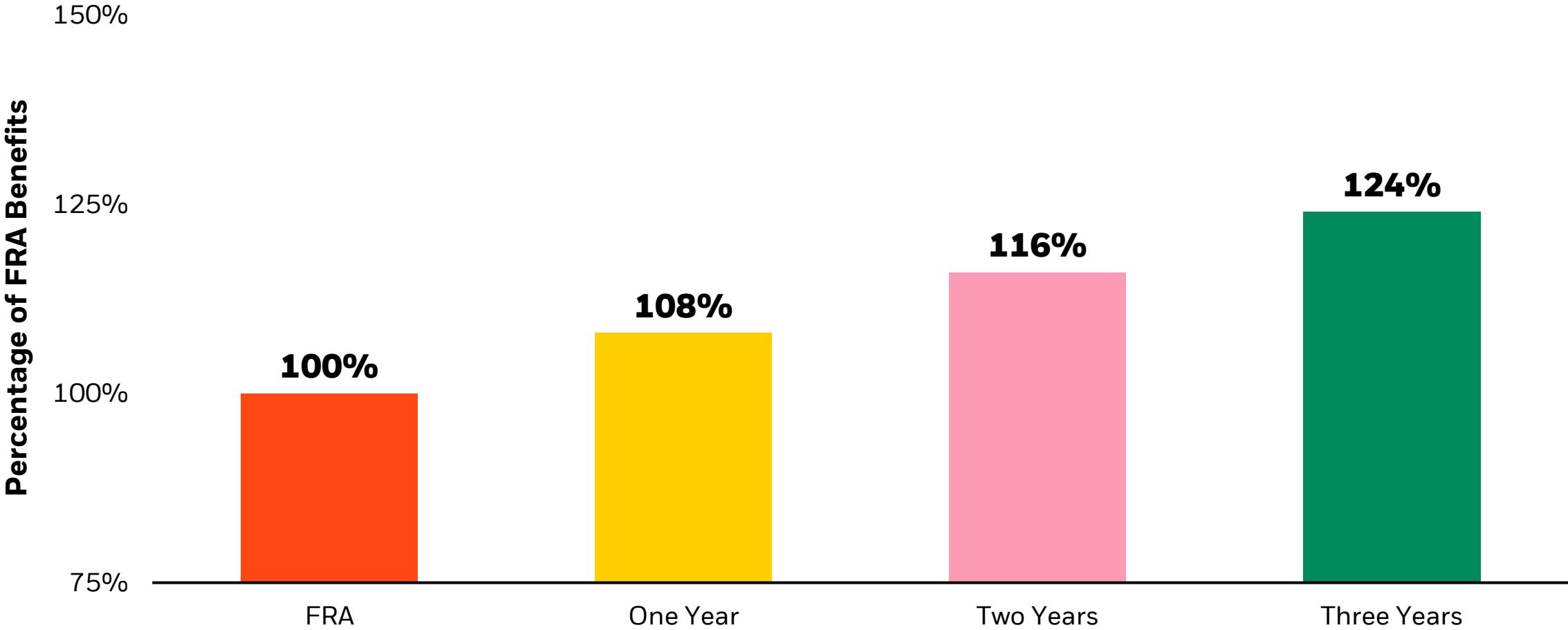
Source: Social Security Administration ([www.ssa.gov](http://www.ssa.gov)).

# Changing your mind

Source: Social Security Administration (www.ssa.gov).

SOCIAL SECURITY ADMINISTRATION		Form Approved TOE 420 OMB No. 0960-0015	
<b>REQUEST FOR WITHDRAWAL OF APPLICATION</b>			Do not write in this space
<p><b>IMPORTANT NOTICE.</b>— This is a request to cancel your application. If it is approved, the decision we made on your application will have no legal effect, all rights attached to an application, including the rights of reconsideration, hearing, and appeal will be forfeited, and any payments we made to you or anyone else on the basis of that application will have to be returned. You must then reapply if you want a determination of your Social Security rights at any time in the future but any subsequent application may not involve the same retroactive period. This procedure is intended to be used only when your decision to file has resulted, or will result, in a disadvantage to you. Your local Social Security office will be glad to explain whether, and how, this procedure will help you.</p>			
NAME OF WAGE EARNER, SELF-EMPLOYED INDIVIDUAL, OR ELIGIBLE INDIVIDUAL		SOCIAL SECURITY NUMBER	
PRINT YOUR NAME (First name, middle initial, last name)		DATE OF APPLICATION	TYPE OF BENEFIT
		TYPE OF APPLICATION	
<p>I hereby request the withdrawal of my application, dated as above, for the reasons stated below. I understand that (1) this request may not be cancelled after 60 days from the mailing of notice of approval; and (2) if a determination of my entitlement has been made, there must be repayment of all benefits paid on the application I want withdrawn, and all other persons whose benefits would be affected must consent to this withdrawal. I further understand that the application withdrawn and all related material will remain a part of the records of the Social Security Administration and that this withdrawal will not affect the proper crediting of wages or self-employment income to my Social Security earnings record.</p>			
Give reason for withdrawal. (If you need more space, use the reverse of this form.)			
<p>1. <input type="checkbox"/> I intend to continue working. (I have been advised of the alternatives to withdrawal for applicants under full retirement age and still wish to withdraw my application.)</p>			
<p>2. <input type="checkbox"/> Other (Please explain fully): _____</p> <p>_____</p> <p>_____</p>			
			<input type="checkbox"/> Continued on reverse
SIGNATURE OF PERSON MAKING REQUEST			
Signature (First name, middle initial, last name) (Write in ink)		Date (Month, day, year)	
<b>SIGN HERE</b> ▶		Telephone Number (include area code)	
Mailing Address (Number and Street, Apt. No., P.O. Box, or Rural Route)			
City and State		ZIP Code	Enter Name of County (if any) in which you now live
<p><b>Witnesses are required ONLY if this request has been signed by mark (X) above. If signed by mark (X), two witnesses to the signing who know the person making the request must sign below, giving their full addresses.</b></p>			
1. Signature of Witness		2. Signature of Witness	
Address (Number and Street, City, State and ZIP Code)		Address (Number and Street, City, State and ZIP Code)	
FOR USE OF SOCIAL SECURITY ADMINISTRATION			
<input type="checkbox"/> APPROVED	<input type="checkbox"/> NOT APPROVED BECAUSE _____	<input type="checkbox"/> BENEFITS NOT REPAYED	<input type="checkbox"/> CONSENT(S) NOT OBTAINED
		<input type="checkbox"/> OTHER (Attach special determination)	
SIGNATURE OF SSA EMPLOYEE		TITLE	DATE
		<input type="checkbox"/> CLAIMS AUTHORIZER	<input type="checkbox"/> OTHER (Specify)

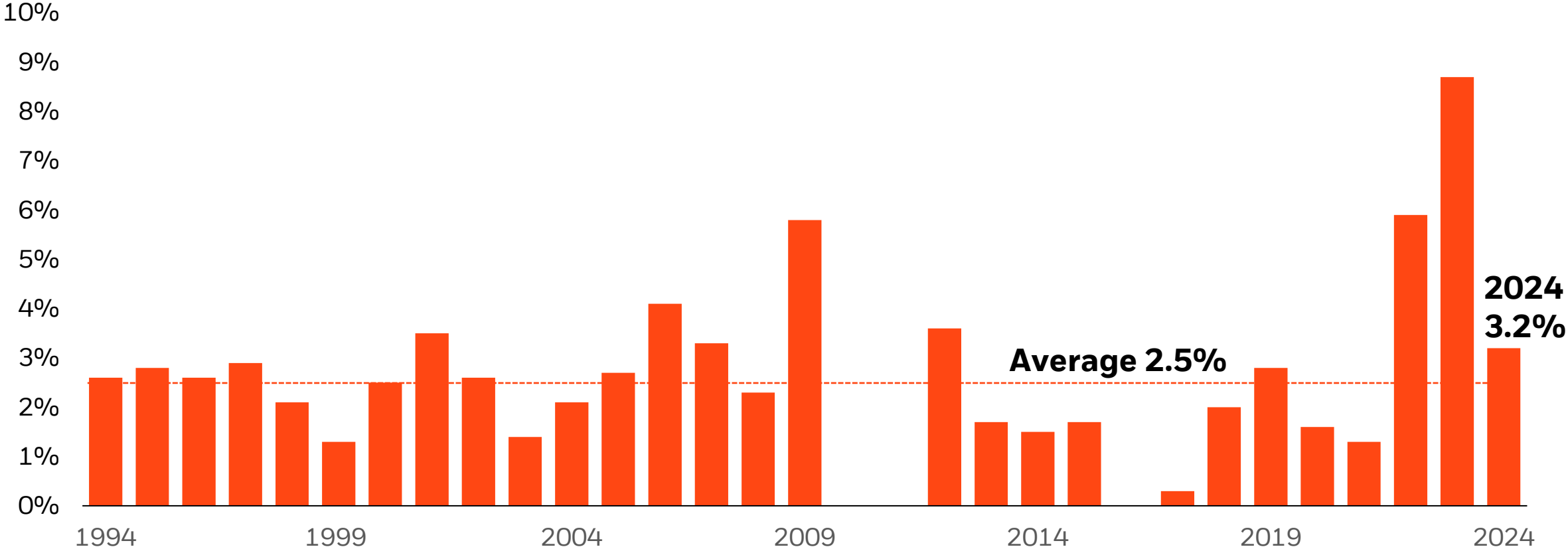
# Guaranteed increases for collecting late



Source: Social Security Administration ([www.ssa.gov](http://www.ssa.gov)). Assumes full retirement age of 67.

# Benefits adjusted annually for cost-of-living increases

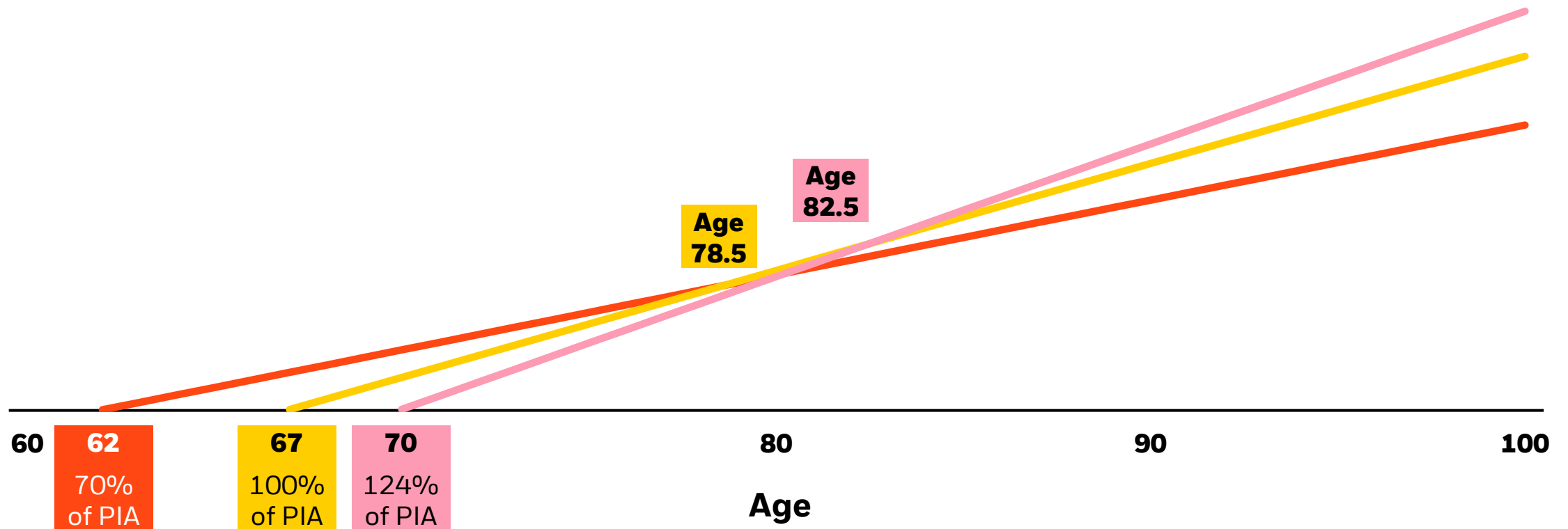
## Social Security cost-of-living adjustments since 1994



Source: Social Security Administration ([www.ssa.gov](http://www.ssa.gov)).

# A question of longevity

## Break even analysis



Assumes individual has a FRA of 67.

# **Rules of retirement benefits**

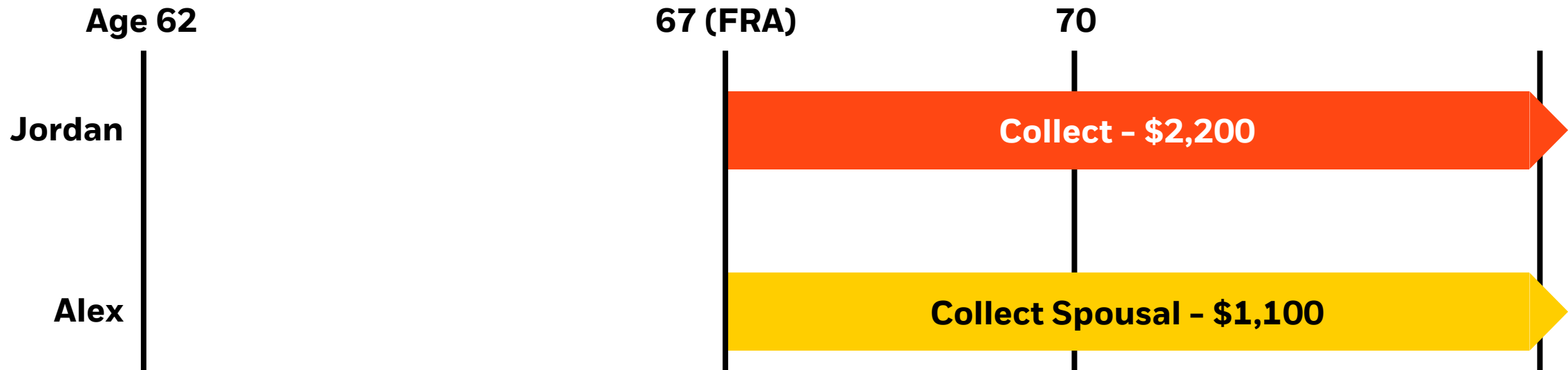
**Spousal and survivor benefits**

# Spousal benefits amount

**Jordan**  
PIA: \$2,200

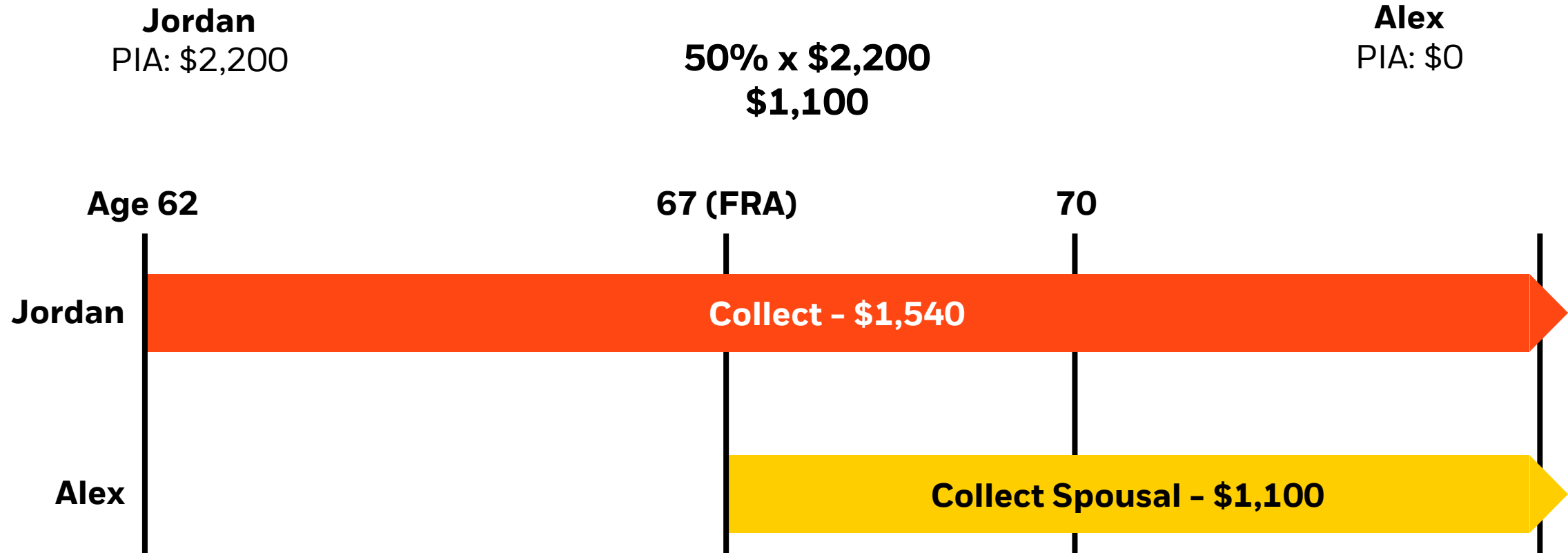
**50% x \$2,200**  
**\$1,100**

**Alex**  
PIA: \$0



Source: Social Security Administration ([www.ssa.gov](http://www.ssa.gov)). Hypothetical example shown for illustrative purposes.

# Spousal benefits amount

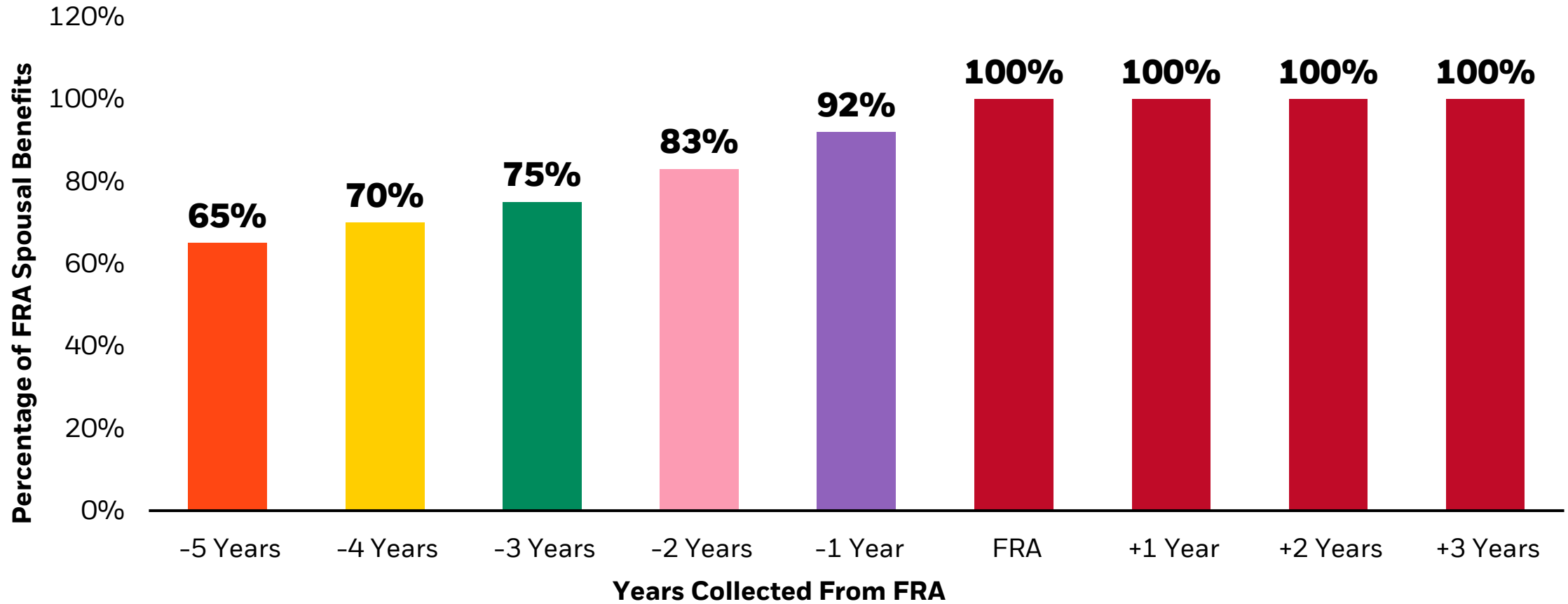


Source: Social Security Administration ([www.ssa.gov](http://www.ssa.gov)). Hypothetical example shown for illustrative purposes.



# Spousal benefits reduction

## Maximum spousal benefit amount

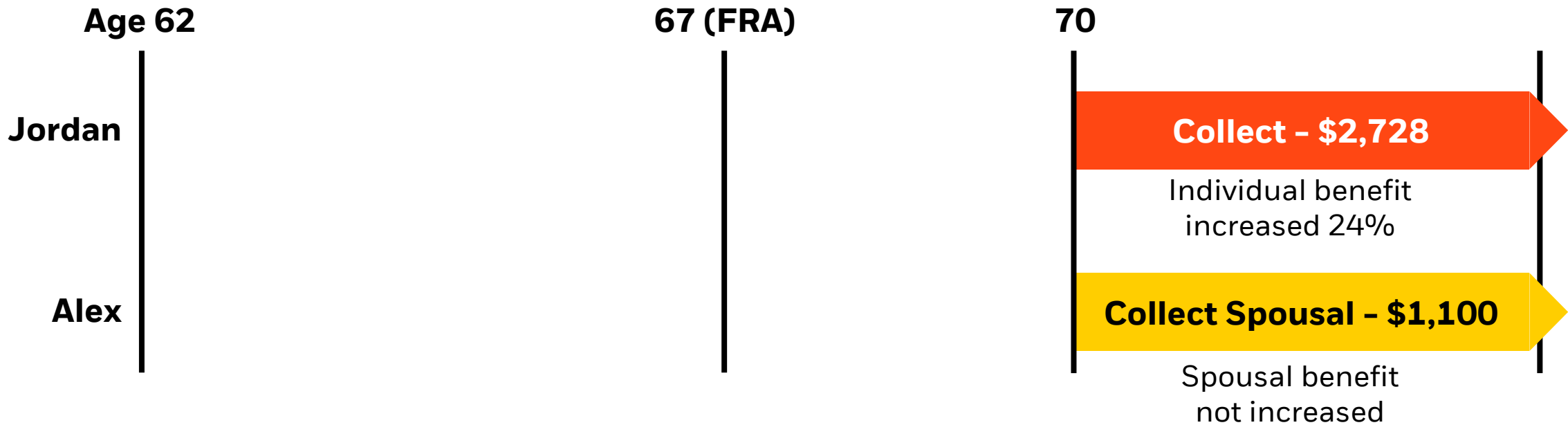


Source: Social Security Administration ([www.ssa.gov](http://www.ssa.gov)). Assumes full retirement age of 67.

# Spousal benefits eligibility

**Jordan**  
PIA: \$2,200

**Alex**  
PIA: \$0

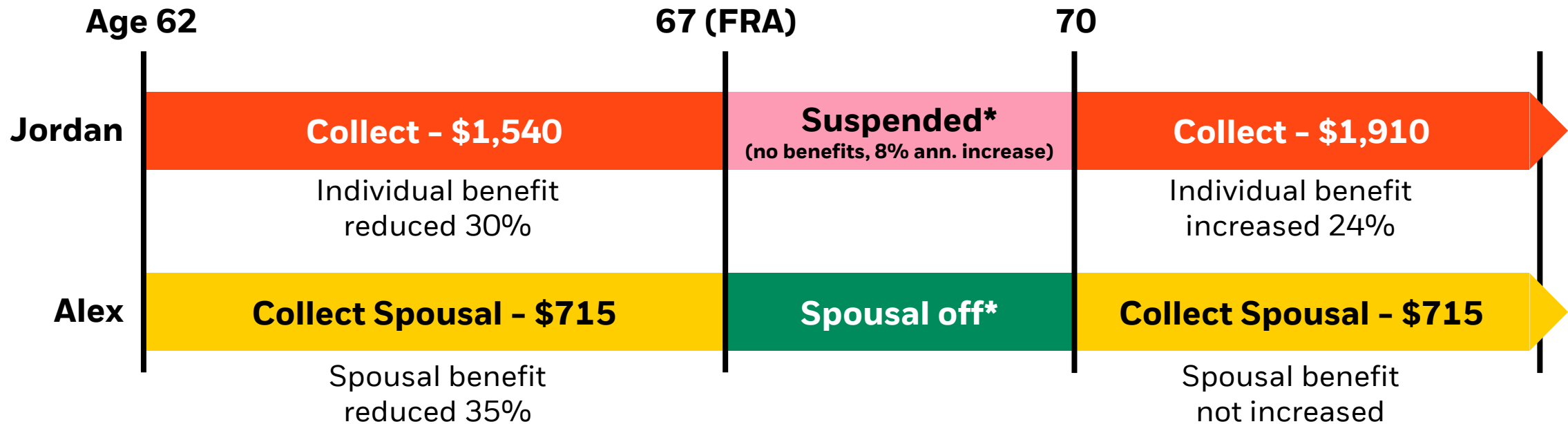


Source: Social Security Administration ([www.ssa.gov](http://www.ssa.gov)). Hypothetical example shown for illustrative purposes.

# Suspending benefits still an option, but with new consequences

**Jordan**  
PIA: \$2,200

**Alex**  
PIA: \$0

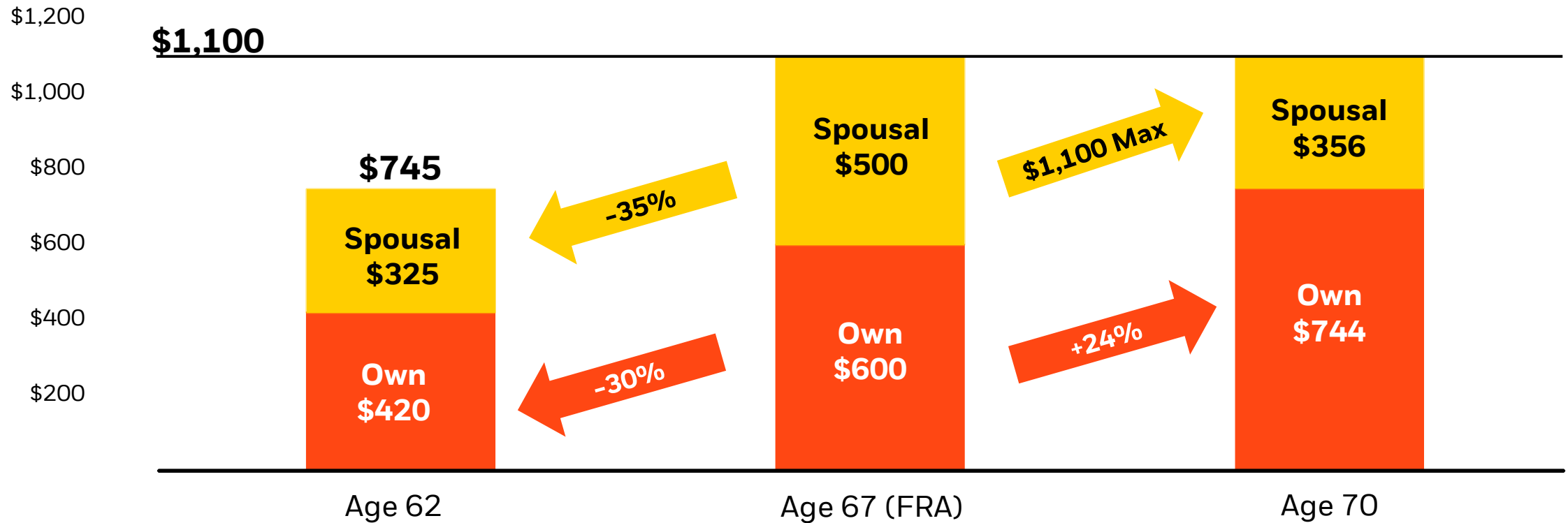


Source: Social Security Administration (www.ssa.gov). Hypothetical example shown for illustrative purposes. \*If request to suspend is made after April 30, 2016.

# Adding spousal benefits to individual benefits

**Jordan**  
PIA: \$2,200

**Alex**  
PIA: \$600

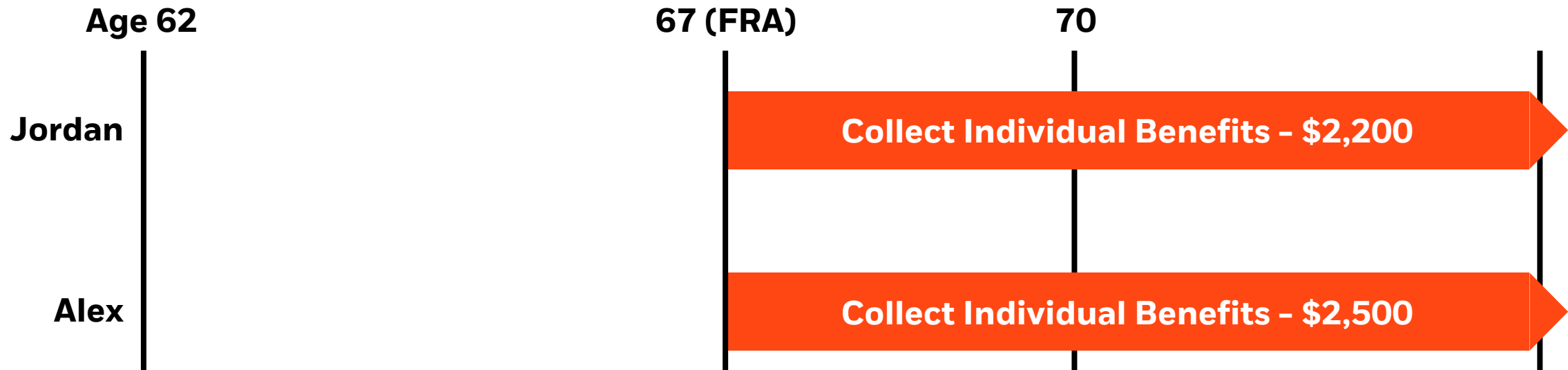


Source: Social Security Administration (www.ssa.gov). Hypothetical example shown for illustrative purposes.

# Spousal benefits eligibility

**Jordan**  
PIA: \$2,200

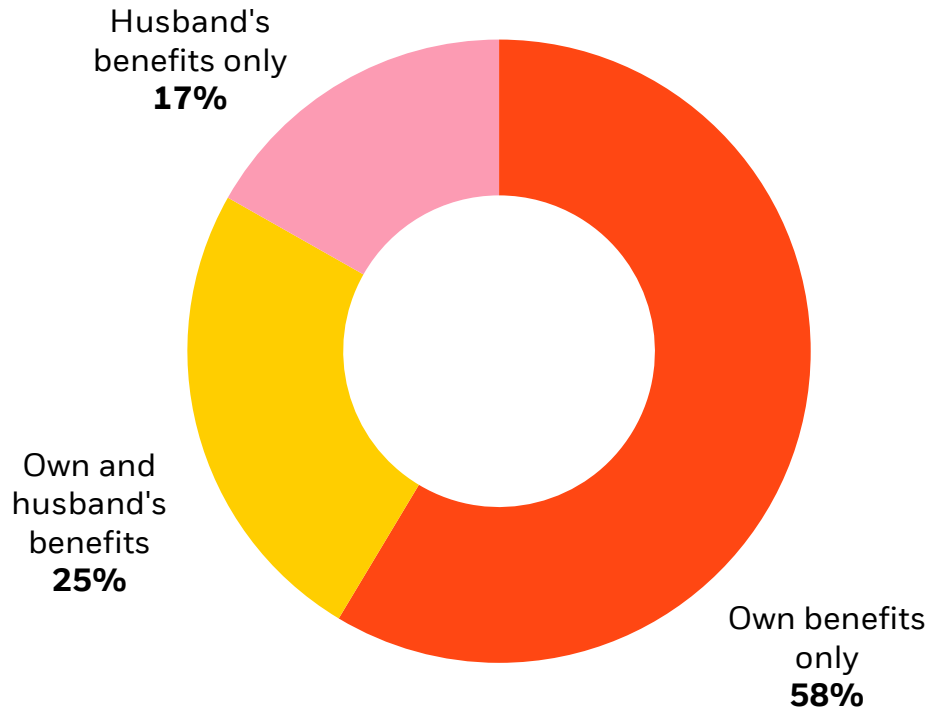
**Alex**  
PIA: \$2,500



Source: Social Security Administration ([www.ssa.gov](http://www.ssa.gov)). Hypothetical example shown for illustrative purposes.

# Survivor benefits

## Women are collecting their husband's benefits



**Jordan**  
PIA: \$2,200

**Alex**  
PIA: \$600

Jordan's benefits  
(64, 6 months)  
**\$1,833**

Survivor benefits  
**\$1,833**



Jordan's benefits  
(70)  
**\$2,728**

Survivor benefits  
**\$2,728**



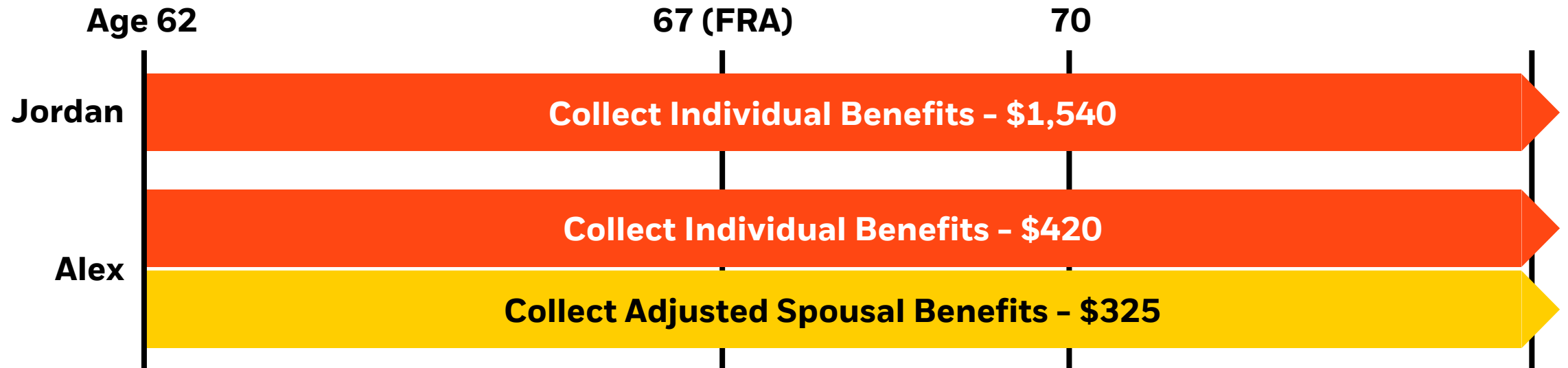
Source: Social Security Administration's Annual statistical supplement, 2023. Hypothetical example shown for illustrative purposes. Assumes full retirement age of 67 and primary insurance amount of \$2,200.

# Collection strategies

# Married couple collecting at age 62

**Jordan**  
 YOB: 1960  
 PIA: \$2,200  
 Lives through age 75

**Alex**  
 YOB: 1960  
 PIA: \$600  
 Lives through age 84



Jordan's Benefits  
 \$258,720

Alex's Benefits  
 \$70,560

Spousal Benefits  
 \$54,600

Survivor Benefits  
 \$196,020

Total  
 \$579,900

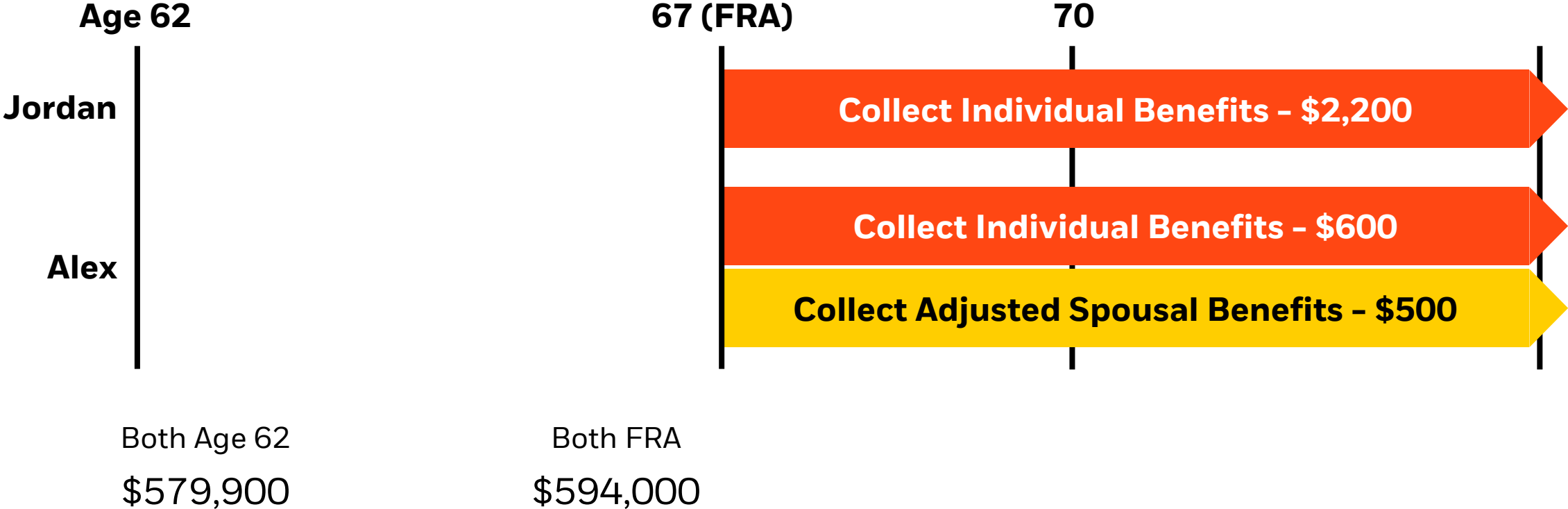
Hypothetical example shown for illustrative purposes.



# Married couple collecting at age 67 (FRA)

**Jordan**  
YOB: 1960  
PIA: \$2,200  
Lives through age 75

**Alex**  
YOB: 1960  
PIA: \$600  
Lives through age 84



Hypothetical example shown for illustrative purposes.

# Married couple collecting at age 70

**Jordan**

YOB: 1960

PIA: \$2,200

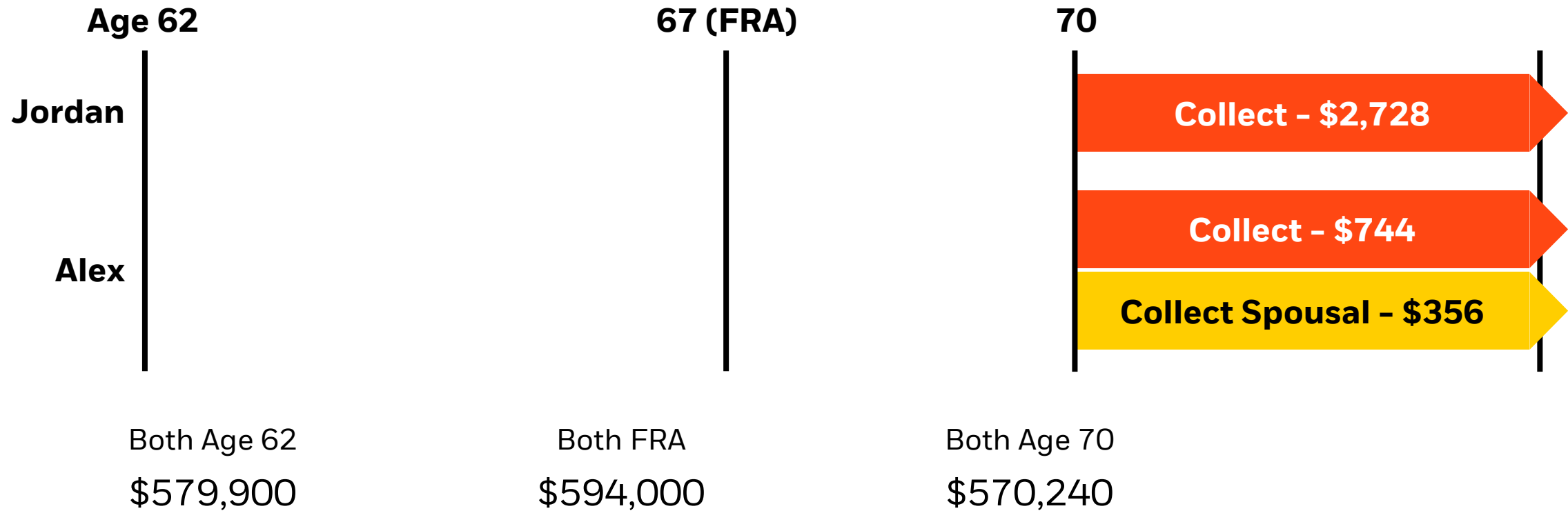
Lives through age 75

**Alex**

YOB: 1960

PIA: \$600

Lives through age 84

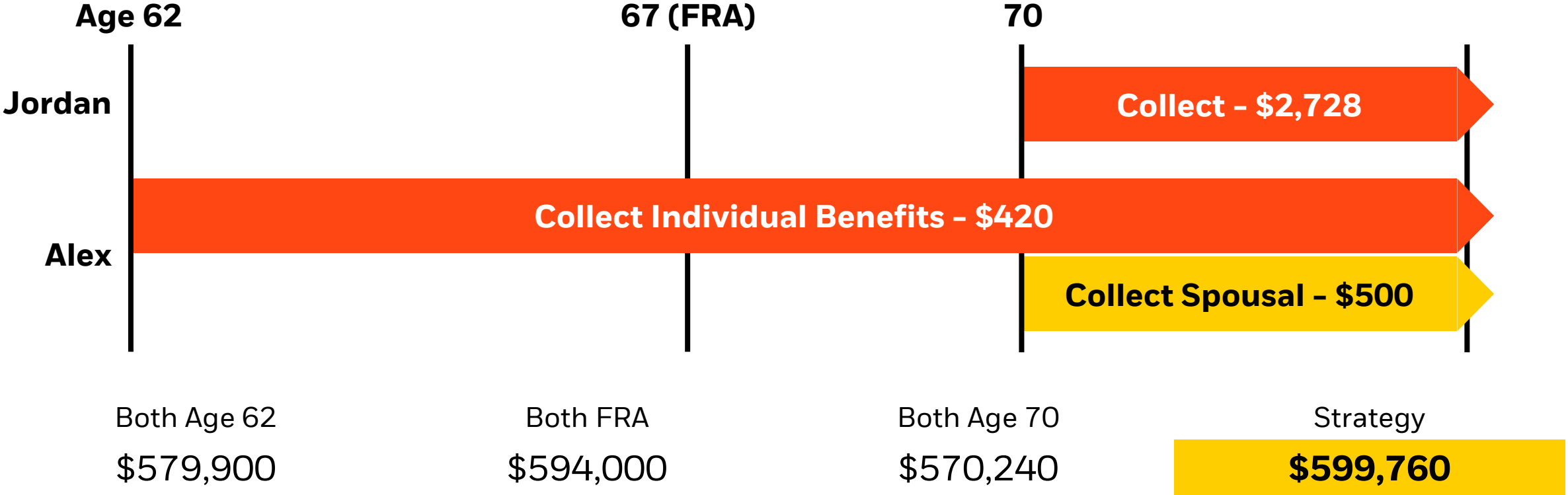


Hypothetical example shown for illustrative purposes.

# Married couple with large difference in benefits

**Jordan**  
 YOB: 1960  
 PIA: \$2,200  
 Lives through age 75

**Alex**  
 YOB: 1960  
 PIA: \$600  
 Lives through age 84

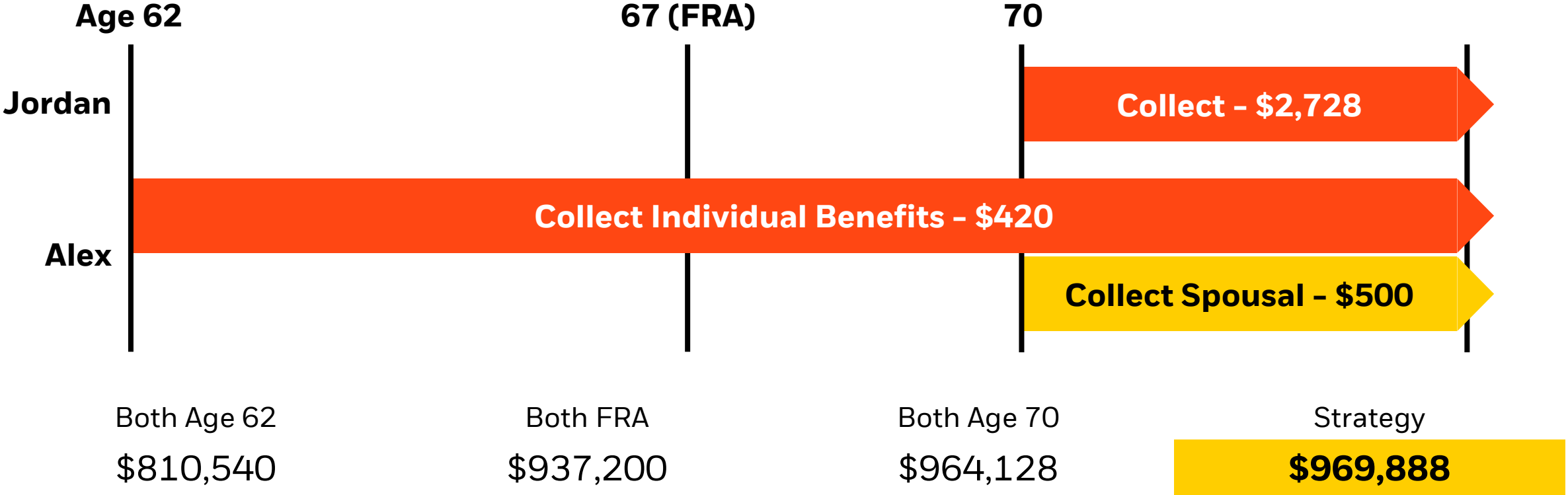


Hypothetical example shown for illustrative purposes.

# Married couple with large difference in benefits

**Jordan**  
 YOB: 1960  
 PIA: \$2,200  
 Lives through age 85

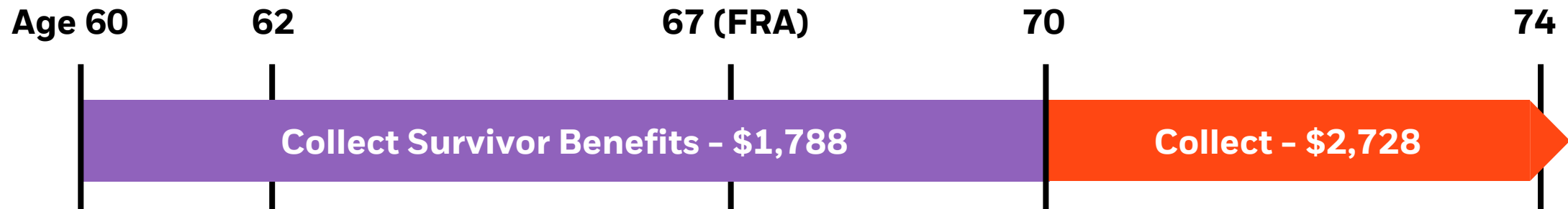
**Alex**  
 YOB: 1960  
 PIA: \$600  
 Lives through age 92



Hypothetical example shown for illustrative purposes.

# Widow with significant individual benefits

**Chris**  
PIA: \$2,200  
Survivor: \$2,500  
Lives through age 92



Age 62  
\$740,679

FRA  
\$780,000

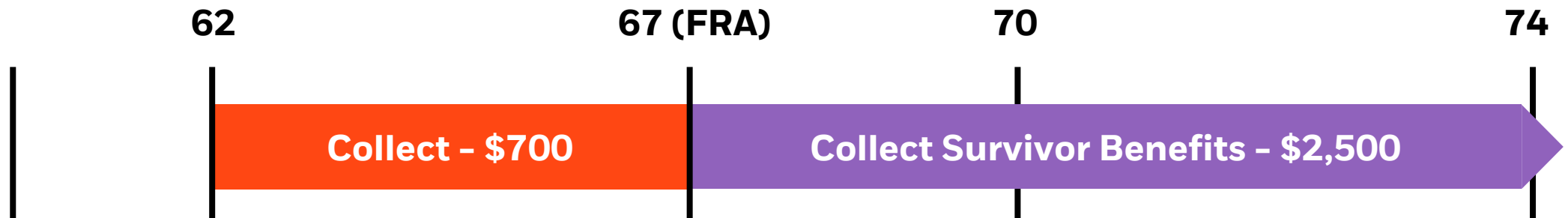
Age 70  
\$752,928

Strategy  
**\$967,428**

Hypothetical example shown for illustrative purposes.

# Widow with lower individual benefits

**Chris**  
PIA: \$1,000  
Survivor: \$2,500  
Lives through age 92



Age 62  
\$740,679

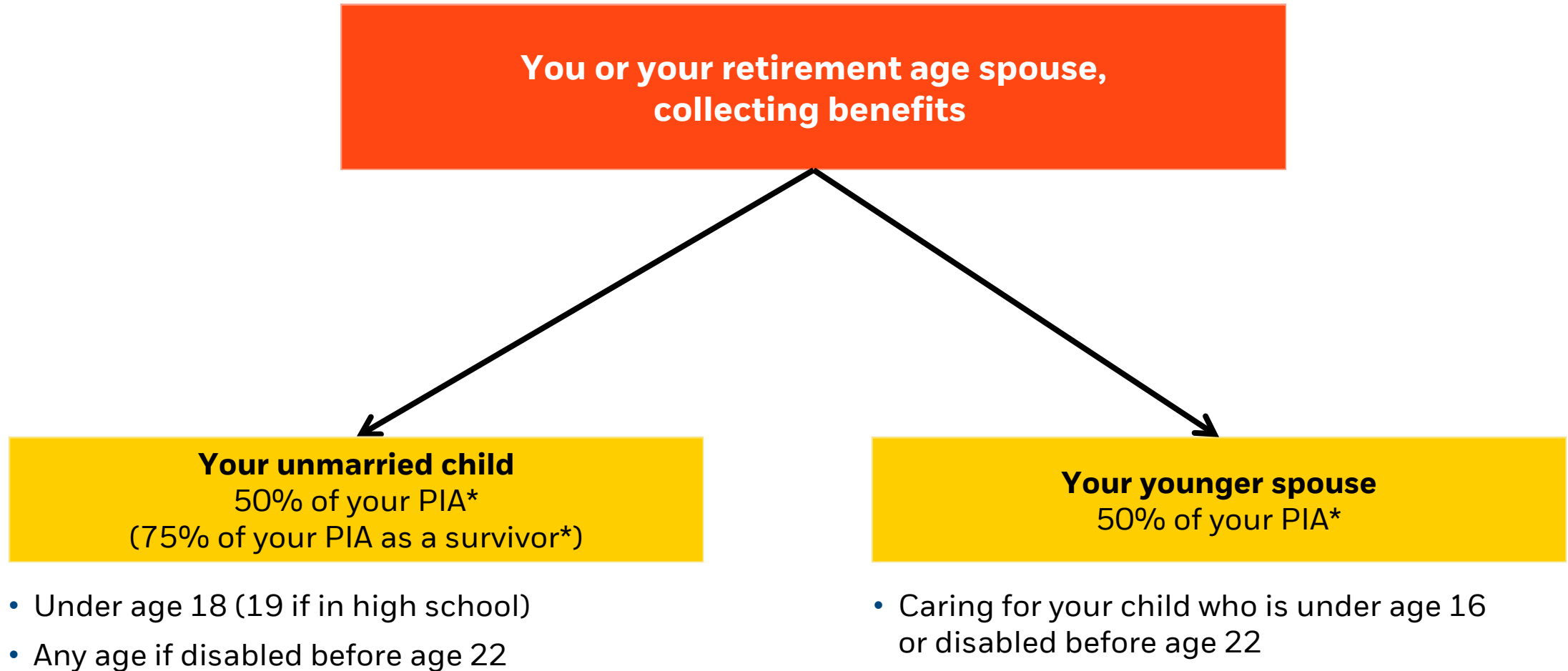
FRA  
\$780,000

Age 70  
\$690,000

Strategy  
**\$822,000**

Hypothetical example shown for illustrative purposes.

# Additional beneficiaries



\*Subject to family maximum.

Source: Social Security Administration ([www.ssa.gov](http://www.ssa.gov)).

# Additional beneficiaries – Divorced spouse

## Spousal benefits

- Married to ex-spouse for 10+ years
- Unmarried
- Both are at least age 62
- Divorced for at least 2 years\*

## Survivor benefits

- Married to ex-spouse for 10+ years
- Unmarried or married after age 60
- At least age 60

2 years does not apply if the individual was eligible for spousal benefits at the time of divorce.

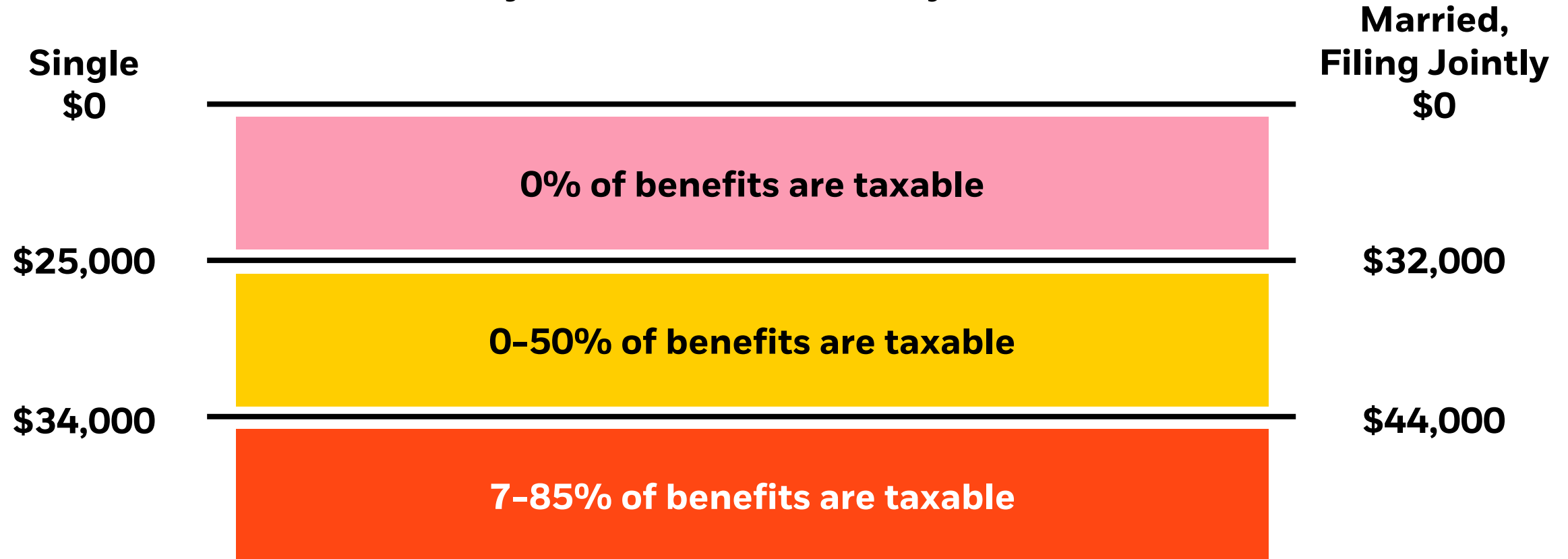
Source: Social Security Administration ([www.ssa.gov](http://www.ssa.gov)).



# Taxation of Social Security benefits

Provisional Income =

$\frac{1}{2}$  Social Security benefits + Modified Adjusted Gross Income



\*Source: Social Security Administration ([www.ssa.gov](http://www.ssa.gov)).

## Next steps

Download your statement at  
[www.ssa.gov](http://www.ssa.gov).

Meet with your financial professional to review a personalized analysis.

Incorporate collection into your retirement plan.

# How to file for benefits

**1. Online:** Preferred method. Go to [www.ssa.gov](http://www.ssa.gov). Click on “benefits” then “retirement” then “apply for retirement benefits.”

**2. In Person:** Call Social Security at 1-800-772-1213 and schedule an appointment for an in office interview to file for benefits.

**3. Via Phone:** Call Social Security at 1-800-772-1213 and schedule an appointment for a telephone interview to file for benefits.

# Important notes

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