



Understanding Social Security Retirement, Spouse, & Survivors Benefits 2021

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



Securing today
and tomorrow

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Beware of Social Security Phone Scams



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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](https://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**.



Any call asking you to pay a fine or debt with retail gift cards, cash, wire transfers, or pre-paid debit cards.



Callers threaten you with arrest or other legal action.

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



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my Social Security – Registration



Step 1: Visit ssa.gov and select **my Social Security**

Step 2: Select “Create An Account”

Step 3: Verify your Identity

Step 4: Choose a Username and Password

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!

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Social Security Statement

- The *Statement* is one of Social Security’s most far-reaching educational tools.
 - In 2020, we provided more than 83 million *Statements* in print and online.
- Workers age 18 and older can access their *Statement* online using *my Social Security*. We mail a *Statement* to workers age 60 and older who do not have an online account.

ssa.gov/myaccount/statement.html



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How You Qualify for Benefits

- You need to work to earn Social Security “credits”
- Each \$1,470 in earnings gives you one credit
- You can earn a maximum of 4 credits per year



Example: To earn 4 credits in 2021, you must earn at least **\$5,880**. Earning 40 credits (10 years of work) throughout your working life will qualify you for a retirement benefit.

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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



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

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

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

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

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Retirement Estimator www.ssa.gov/benefits/retirement/estimator.html

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.


If you start your benefits:	And you earn an average of:	Your benefit will be about:
At age 65	\$45,000 a year (from now until age 65)	\$1,434 a month
At full retirement (age 67)	\$40,000 a year (from now until full retirement)	\$1,525 a month
At age 70	\$40,000 a year (from now until age 70)	\$1,891 a month
At age 62	\$40,000 a year (from now until age 62)	\$1,040 a month

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

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You Can Work and Receive Benefits


If You Are	You Can Make Up To	If You Make More, Some Benefits Will Be Withheld
Under FRA* in 2021	\$18,960/yr. (\$1,580/mo.)	\$1 for every \$2
Turning FRA in 2021	\$50,520/yr. (\$4,210/mo.)	\$1 for every \$3
Month You Attain Full Retirement Age & Continuing	No Limit	No Limit

*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.

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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 Day Year

Your **estimated earnings**: \$

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**: \$ (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.

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www.ssa.gov/pubs/EN-05-10063.pdf

2021



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 getting Social Security benefits. Usually, those 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.

What qualifies as a special payment?

If you worked for wages, income received after retirement counts as a special payment if the last task you did to earn the payment was completed before you stopped working. Some special payments to employees include bonuses, accumulated vacation or sick pay, severance pay, back pay, standby pay, sales commissions, and retirement payments. Another example of a special payment is deferred compensation reported on a W-2 form for one year but earned in a previous year.

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/retirement/planner/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 2021, the limit is \$18,960.
- In the year you reach your full retirement age, we reduce your benefits \$1 for every \$3 you earn above the earnings limit. In 2021, the limit is \$50,520.
- Starting with the month you reach full retirement age, you can get your full benefits no matter how much money you earn.

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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



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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

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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



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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.

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File and Suspend

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

Effective April 30, 2016

If you suspend your benefits, everyone else collecting on your record is suspended as well with the exception of divorced spouses. Also, if you do suspend your benefits, we will only permit reinstatement beginning with the month after the month of the request.

- If you have reached full retirement age, but are not yet age 70, you can ask to suspend your retirement benefit payments.
- If you suspend your benefits, they will start automatically the month you reach age 70.

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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



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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 Disability

www.ssa.gov/benefits/disability

Who Can Get Disability Benefits?

Worker

- Must have paid into Social Security five out of last 10 years
- For younger workers, under age 31 less work is required

Spouse

- At age 62
- At any age if caring for child under 16 or disabled
- Divorced spouses may qualify

Child

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

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Social Security Benefits and Taxation

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

If you file 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.

If you file as an **“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.


** Combined income is:

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

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2021 Retirement Benefit Formula

If your average monthly earnings are = \$6,300

Then your full monthly benefit would be = \$2,543

	90% of First.....	\$996 = \$896
	32% of Earnings over \$996 through \$6,002..... ($\$6,002 - \$996 = \$5,006$)	\$5,006 = \$1,602
	15% of Earnings over \$6,002..... ($\$6,300 - \$6,002 = \298)	\$298 = \$45
		\$6,300 = \$2,543


*Payments rounded to whole dollar amounts



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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**

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Applying for Benefits

3 options available to apply:

-  Online 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.
-  Call your local office (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> for a payment calendar)

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

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Contacting Social Security

www.socialsecurity.gov/agency/contact

Visit the website

www.ssa.gov

Contact a local office

Offices are currently open to provide service by phone Monday - Friday from 9 AM to 4 PM except Federal holidays. Get the phone number of local offices at www.ssa.gov/locator.

Call the toll-free number

1-800-772-1213

Specific questions can be answered from 8:00 a.m. to 5:30 p.m., Monday through Friday. Information is provided by automated phone service 24 hours a day.

If deaf or hard of hearing, call Social Security's TTY number, 1-800-325-0778.

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▲ Coronavirus (COVID-19) Updates ▲

Social Security www.socialsecurity.gov SEARCH MENU LANGUAGES SIGN IN/UP

What should I do if I get a call claiming there's a problem with my Social Security number or account?



Coronavirus (COVID-19) Impact - Read More



Online Services



Retirement



Disability



Medicare Enrollment



my Social Security

Check out your *Social Security Statement*, change your address & manage your benefits online today.



Social Security Number

Your Social Security number remains your first and continuous link with Social Security.



Retirement Estimator

Calculate your benefits based on your actual Social Security earnings record.



FAQs

Get answers to frequently asked questions about Social Security.

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Q&A Session

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





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