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Valerie L. Peck, MBA, CFP®, Presents:

What You Need to Know About Social Security Benefits for Spouses

Did you know that, if you're married, you're entitled to claim Social Security benefits on your spouse's earning record? The Social Security spousal benefit can be a great way to maximize your income in retirement, but, like most aspects of Social Security, claiming spousal benefits is not always straightforward.

Key Facts About Social Security for Spouses

Here are a few key facts about the Social Security spousal benefit:

- As a spouse, you can claim either your own benefit or a spousal benefit, but not both at the same time.
- The most you can get in spousal benefits is 50% of your spouse's Primary Insurance Amount (PIA, which is generally the same as his benefit at full retirement age).
- You can begin collecting benefits as early as age 62.
- To get your spousal benefit, your husband must have filed for his benefit.
- If you file for benefits before you reach full retirement age, you'll automatically get the higher of either your benefit or your spouse's benefit. After full retirement age, you can choose which benefit you'd like to receive.
- Only one spouse can get spousal benefits at a time. In other words, if you are claiming a spousal benefit on your husband's earning record, he can't also claim a spousal benefit on your earning record.
- If you and your spouse decide to take Social Security early (before full retirement age), your benefits will be permanently reduced.
- The average monthly benefit for spouses is \$610.¹

Getting the Most Out of Social Security

To get the most out of your spousal benefits, keep the following strategies and tips in mind:

- You and your spouse could use a "file and suspend" strategy to get the largest possible Social Security benefit. For example, your spouse may file for retirement benefits when he reaches full retirement age, and then suspend collecting them, allowing you to begin receiving spousal benefits while he continues to earn delayed retirement credits that will allow for a larger future benefit.
- You could opt to claim only your spousal benefit until you reach age 70, and then apply for your own benefit. This will allow you to accumulate delayed retirement credits, resulting in a higher benefit when you apply for Social Security on your earning record.
- However, if your spouse was the higher earner in your marriage, it might be smart to take your own benefit early and then switch to a higher spousal benefit at your full retirement age.

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- Getting divorced doesn't mean automatically losing your spousal benefits. If you were married for at least 10 years and then divorced, you may still be eligible to collect Social Security spousal or survivor benefit based on the earnings of your ex-spouse, provided you haven't since remarried.

The decision about when and how to file for Social Security benefits can be complicated. Use the "Benefits for Spouses" calculator on the Social Security website to get started estimating your benefits. However, to get the maximum amount of benefits, you and your spouse may want to work with a financial planner who has experience in Social Security issues. He or she will help you develop and implement a Social Security strategy that makes the most sense for your situation.

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Citations

1 - <http://www.ssa.gov/OACT/FACTS/>

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