MAXIMIZE my SOCIAL SECURITY

Social Security Analysis Prepared For

# Your Family

## Contents



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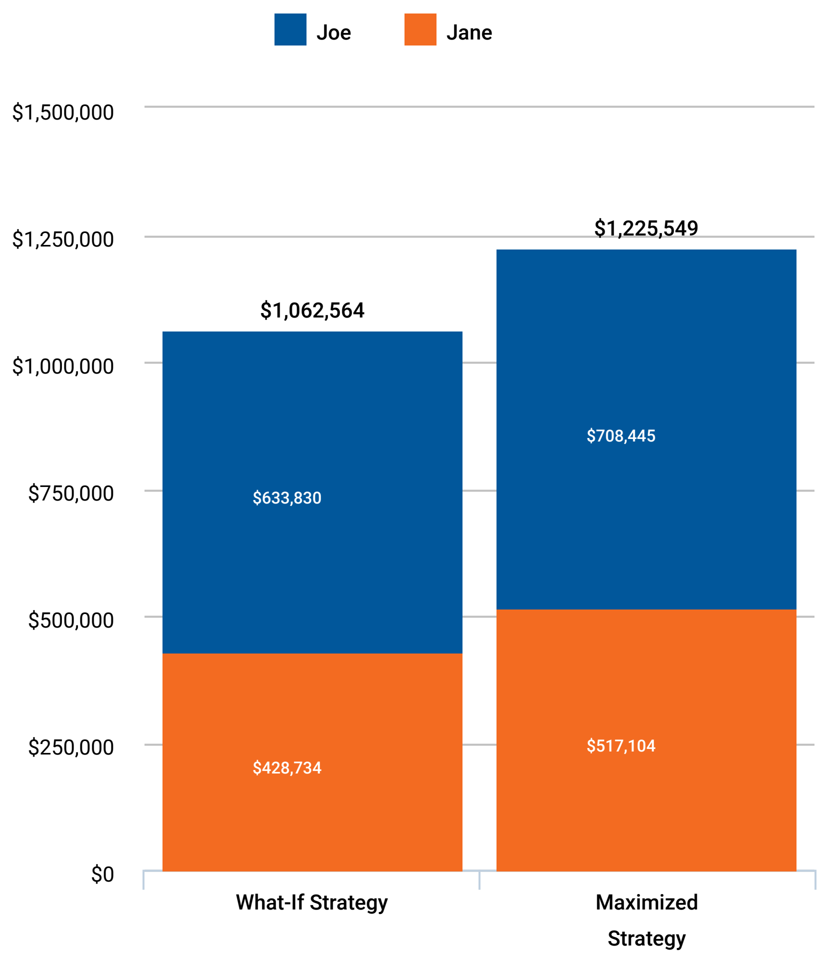
## Maximized Lifetime Benefits

We examined 25,280 collection strategies to find the one that maximizes your lifetime benefits. Using the Filing Strategy for Maximized Benefits shown below, lifetime benefits increase by $162,985 over your What-If strategy.

**$162,985**

Lifetime benefits increase by using the Filing Strategy for Maximized Benefits




All amounts are in today's dollars. Lifetime benefits are calculated as the present value of all future benefits assuming you live through your maximum age of life. Discounting is non-actuarial and is based on the real rate of return implied by your assumed nominal rate of return and inflation rate.

## Filing Strategy for Maximized Benefits

| | | |
|---|---|---|
| Joe | files for retirement benefits in Aug 2020, the year Joe turns 70 | Aug 2020 |

| | | |
|---|---|---|
| Jane | files for spousal benefits in Aug 2020, the year Jane turns 67 | Aug 2020 |

| | | |
|---|---|---|
| Jane | files for retirement benefits in Oct 2023, the year Jane turns 70 | Oct 2023 |

| | | |
|---|---|---|
| Jane | files for widow(er)'s benefits in Dec 2050, the year Jane turns 97 | Dec 2050 |

## What-If Filing Strategy

- Joe files for retirement benefits in Aug 2016, the year Joe turns 66
- Jane files for retirement benefits in Oct 2019, the year Jane turns 66
- Jane files for widow(er)'s benefits in Dec 2050, the year Jane turns 97

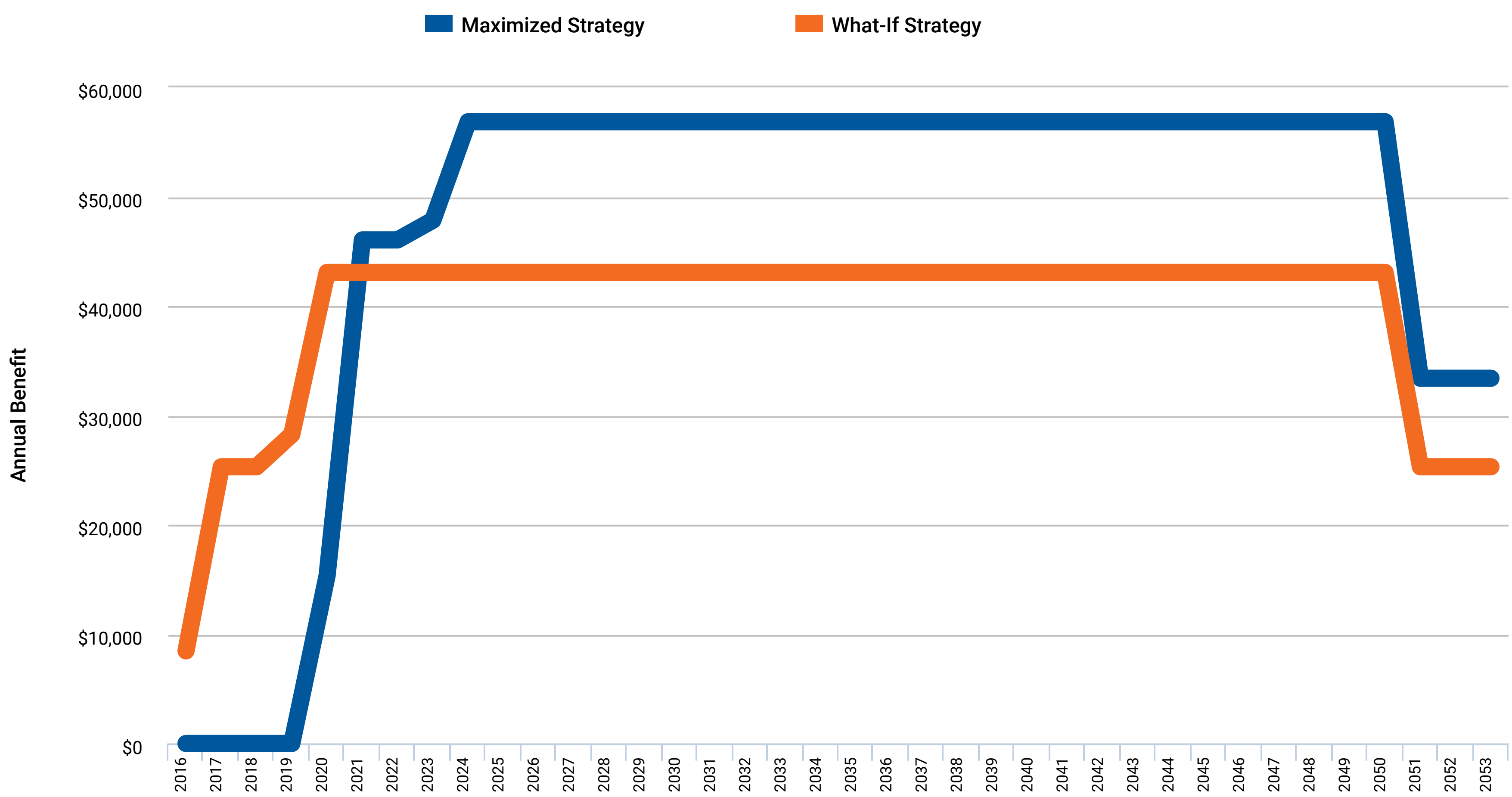
### Maximized Strategy Dates

| | Retirement Benefit | Spousal Benefit | Survivor Benefit | Present Value |
|---|---|---|---|---|
| Joe: | Aug 2020 (70) | N/A | N/A | $708,445 |
| Jane: | Oct 2023 (70) | Aug 2020 (67) | Dec 2050 (97) | $517,104 |
| Total: | | | | $1,225,549 |

### What-If Strategy Dates

| | Retirement Benefit | Spousal Benefit | Survivor Benefit | Present Value |
|---|---|---|---|---|
| Joe: | Aug 2016 (66) | N/A | N/A | $633,830 |
| Jane: | Oct 2019 (66) | N/A | Dec 2050 (97) | $428,734 |
| Total: | | | | $1,062,564 |

## Household Annual Benefit Details



## Household Details - Annual Maximized Benefits

| Year | Ages | | Retirement Benefits | | Spousal Benefits | | Survivor Benefits | | Children's Benefits | Earnings Deduction | Net Benefit |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Joe | Jane | Joe | Jane | Joe | Jane | Joe | Jane | | | |
| 2016 | 66 | 63 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 2017 | 67 | 64 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 2018 | 68 | 65 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 2019 | 69 | 66 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 2020 | 70 | 67 | $11,132 | $0 | $0 | $4,217 | $0 | $0 | $0 | $0 | $15,349 |
| 2021 | 71 | 68 | $33,395 | $0 | $0 | $12,650 | $0 | $0 | $0 | $0 | $46,045 |
| 2022 | 72 | 69 | $33,395 | $0 | $0 | $12,650 | $0 | $0 | $0 | $0 | $46,045 |
| 2023 | 73 | 70 | $33,395 | $3,910 | $0 | $10,541 | $0 | $0 | $0 | $0 | $47,846 |
| 2024 | 74 | 71 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2025 | 75 | 72 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2026 | 76 | 73 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2027 | 77 | 74 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2028 | 78 | 75 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2029 | 79 | 76 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2030 | 80 | 77 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2031 | 81 | 78 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2032 | 82 | 79 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2033 | 83 | 80 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2034 | 84 | 81 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2035 | 85 | 82 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2036 | 86 | 83 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2037 | 87 | 84 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2038 | 88 | 85 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2039 | 89 | 86 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |

| Year | Ages | | Retirement Benefits | | Spousal Benefits | | Survivor Benefits | | Children's Benefits | Earnings Deduction | Net Benefit |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Joe | Jane | Joe | Jane | Joe | Jane | Joe | Jane | | | |
| 2040 | 90 | 87 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2041 | 91 | 88 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2042 | 92 | 89 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2043 | 93 | 90 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2044 | 94 | 91 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2045 | 95 | 92 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2046 | 96 | 93 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2047 | 97 | 94 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2048 | 98 | 95 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2049 | 99 | 96 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2050 | 100 | 97 | $33,395 | $23,457 | $0 | $0 | $0 | $0 | $0 | $0 | $56,852 |
| 2051 | | 98 | | $23,457 | | $0 | | $9,938 | $0 | $0 | $33,395 |
| 2052 | | 99 | | $23,457 | | $0 | | $9,938 | $0 | $0 | $33,395 |
| 2053 | | 100 | | $23,457 | | $0 | | $9,938 | $0 | $0 | $33,395 |

## Household Details - Annual What-If Benefits

| Year | Ages | | Retirement Benefits | | Spousal Benefits | | Survivor Benefits | | Children's Benefits | Earnings Deduction | Net Benefit |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Joe | Jane | Joe | Jane | Joe | Jane | Joe | Jane | | | |
| 2016 | 66 | 63 | $8,468 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $8,468 |
| 2017 | 67 | 64 | $25,299 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $25,299 |
| 2018 | 68 | 65 | $25,299 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $25,299 |
| 2019 | 69 | 66 | $25,299 | $2,962 | $0 | $0 | $0 | $0 | $0 | $0 | $28,261 |
| 2020 | 70 | 67 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2021 | 71 | 68 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2022 | 72 | 69 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2023 | 73 | 70 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2024 | 74 | 71 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2025 | 75 | 72 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2026 | 76 | 73 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2027 | 77 | 74 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2028 | 78 | 75 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2029 | 79 | 76 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2030 | 80 | 77 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2031 | 81 | 78 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2032 | 82 | 79 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2033 | 83 | 80 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2034 | 84 | 81 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2035 | 85 | 82 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2036 | 86 | 83 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2037 | 87 | 84 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2038 | 88 | 85 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2039 | 89 | 86 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |

| Year | Ages | | Retirement Benefits | | Spousal Benefits | | Survivor Benefits | | Children's Benefits | Earnings Deduction | Net Benefit |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Joe | Jane | Joe | Jane | Joe | Jane | Joe | Jane | | | |
| 2040 | 90 | 87 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2041 | 91 | 88 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2042 | 92 | 89 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2043 | 93 | 90 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2044 | 94 | 91 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2045 | 95 | 92 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2046 | 96 | 93 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2047 | 97 | 94 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2048 | 98 | 95 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2049 | 99 | 96 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2050 | 100 | 97 | $25,299 | $17,771 | $0 | $0 | $0 | $0 | $0 | $0 | $43,070 |
| 2051 | | 98 | | $17,771 | | $0 | | $7,529 | $0 | $0 | $25,299 |
| 2052 | | 99 | | $17,771 | | $0 | | $7,529 | $0 | $0 | $25,299 |
| 2053 | | 100 | | $17,771 | | $0 | | $7,529 | $0 | $0 | $25,299 |

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## Comparison of What-If and Maximized Annual Household Benefits

| Year | Ages | | Joe | | Jane | | Total | |
|---|---|---|---|---|---|---|---|---|
| | Joe | Jane | What-If | Maximized | What-If | Maximized | What-If | Maximized |
| 2016 | 66 | 63 | $8,468 | $0 | $0 | $0 | $8,468 | $0 |
| 2017 | 67 | 64 | $25,299 | $0 | $0 | $0 | $25,299 | $0 |
| 2018 | 68 | 65 | $25,299 | $0 | $0 | $0 | $25,299 | $0 |
| 2019 | 69 | 66 | $25,299 | $0 | $2,962 | $0 | $28,261 | $0 |
| 2020 | 70 | 67 | $25,299 | $11,132 | $17,771 | $4,217 | $43,070 | $15,349 |
| 2021 | 71 | 68 | $25,299 | $33,395 | $17,771 | $12,650 | $43,070 | $46,045 |
| 2022 | 72 | 69 | $25,299 | $33,395 | $17,771 | $12,650 | $43,070 | $46,045 |
| 2023 | 73 | 70 | $25,299 | $33,395 | $17,771 | $14,451 | $43,070 | $47,846 |
| 2024 | 74 | 71 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2025 | 75 | 72 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2026 | 76 | 73 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2027 | 77 | 74 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2028 | 78 | 75 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2029 | 79 | 76 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2030 | 80 | 77 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2031 | 81 | 78 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2032 | 82 | 79 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2033 | 83 | 80 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2034 | 84 | 81 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2035 | 85 | 82 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2036 | 86 | 83 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2037 | 87 | 84 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2038 | 88 | 85 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2039 | 89 | 86 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |

| Year | Ages | | Joe | | Jane | | Total | |
|---|---|---|---|---|---|---|---|---|
| | Joe | Jane | What-If | Maximized | What-If | Maximized | What-If | Maximized |
| 2040 | 90 | 87 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2041 | 91 | 88 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2042 | 92 | 89 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2043 | 93 | 90 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2044 | 94 | 91 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2045 | 95 | 92 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2046 | 96 | 93 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2047 | 97 | 94 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2048 | 98 | 95 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2049 | 99 | 96 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2050 | 100 | 97 | $25,299 | $33,395 | $17,771 | $23,457 | $43,070 | $56,852 |
| 2051 | | 98 | | | $25,299 | $33,395 | $25,299 | $33,395 |
| 2052 | | 99 | | | $25,299 | $33,395 | $25,299 | $33,395 |
| 2053 | | 100 | | | $25,299 | $33,395 | $25,299 | $33,395 |

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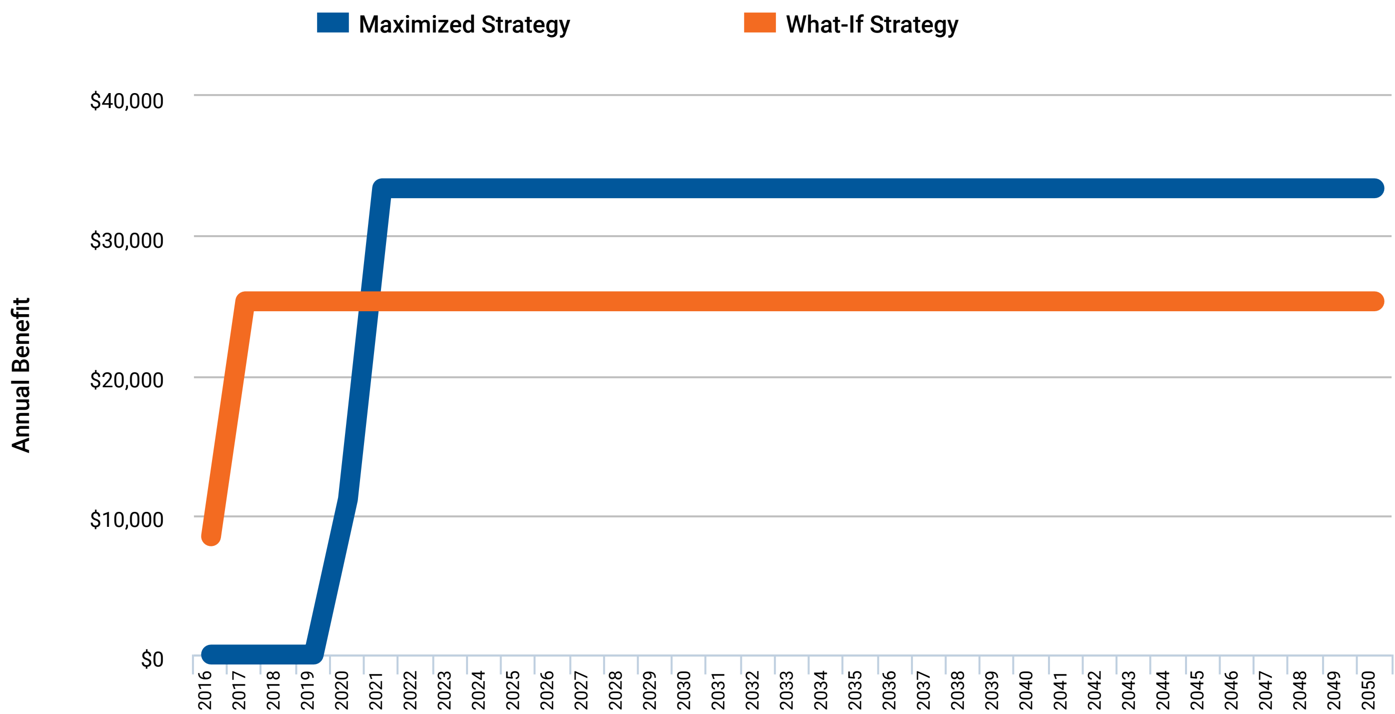
## Joe's Annual Benefit Details




## Joe's Details - Annual Maximized Benefits

| Year | Joe Age | Retirement Benefits | Spousal Benefits | Survivor Benefits | Children's Benefits | Earnings Deduction | Net Benefit |
|---|---|---|---|---|---|---|---|
| 2016 | 66 | $0 | $0 | $0 | $0 | $0 | $0 |
| 2017 | 67 | $0 | $0 | $0 | $0 | $0 | $0 |
| 2018 | 68 | $0 | $0 | $0 | $0 | $0 | $0 |
| 2019 | 69 | $0 | $0 | $0 | $0 | $0 | $0 |
| 2020 | 70 | $11,132 | $0 | $0 | $0 | $0 | $11,132 |
| 2021 | 71 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2022 | 72 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2023 | 73 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2024 | 74 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2025 | 75 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2026 | 76 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2027 | 77 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |

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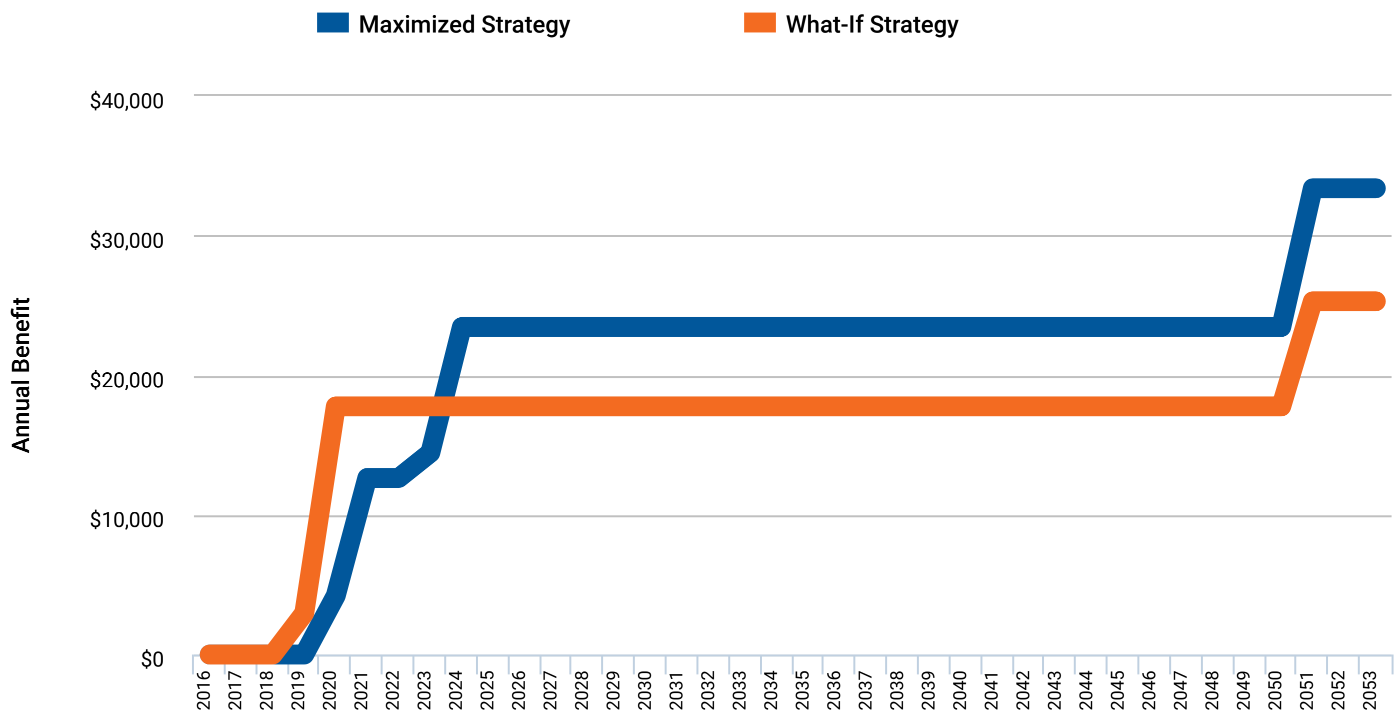
| Year | Joe Age | Retirement Benefits | Spousal Benefits | Survivor Benefits | Children's Benefits | Earnings Deduction | Net Benefit |
|---|---|---|---|---|---|---|---|
| 2028 | 78 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2029 | 79 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2030 | 80 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2031 | 81 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2032 | 82 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2033 | 83 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2034 | 84 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2035 | 85 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2036 | 86 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2037 | 87 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2038 | 88 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2039 | 89 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2040 | 90 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2041 | 91 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2042 | 92 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2043 | 93 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2044 | 94 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2045 | 95 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2046 | 96 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2047 | 97 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2048 | 98 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2049 | 99 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |
| 2050 | 100 | $33,395 | $0 | $0 | $0 | $0 | $33,395 |

## Joe's Details - Annual What-If Benefits

| Year | Joe Age | Retirement Benefits | Spousal Benefits | Survivor Benefits | Children's Benefits | Earnings Deduction | Net Benefit |
|---|---|---|---|---|---|---|---|
| 2016 | 66 | $8,468 | $0 | $0 | $0 | $0 | $8,468 |
| 2017 | 67 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2018 | 68 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2019 | 69 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2020 | 70 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2021 | 71 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2022 | 72 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2023 | 73 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2024 | 74 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2025 | 75 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |

| Year | Joe Age | Retirement Benefits | Spousal Benefits | Survivor Benefits | Children's Benefits | Earnings Deduction | Net Benefit |
|---|---|---|---|---|---|---|---|
| 2026 | 76 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2027 | 77 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2028 | 78 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2029 | 79 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2030 | 80 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2031 | 81 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2032 | 82 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2033 | 83 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2034 | 84 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2035 | 85 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2036 | 86 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2037 | 87 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2038 | 88 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2039 | 89 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2040 | 90 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2041 | 91 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2042 | 92 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2043 | 93 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2044 | 94 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2045 | 95 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2046 | 96 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2047 | 97 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2048 | 98 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2049 | 99 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |
| 2050 | 100 | $25,299 | $0 | $0 | $0 | $0 | $25,299 |

## Jane's Annual Benefit Details




### Jane's Details - Annual Maximized Benefits

| Year | Jane Age | Retirement Benefits | Spousal Benefits | Survivor Benefits | Children's Benefits | Earnings Deduction | Net Benefit |
|---|---|---|---|---|---|---|---|
| 2016 | 63 | $0 | $0 | $0 | $0 | $0 | $0 |
| 2017 | 64 | $0 | $0 | $0 | $0 | $0 | $0 |
| 2018 | 65 | $0 | $0 | $0 | $0 | $0 | $0 |
| 2019 | 66 | $0 | $0 | $0 | $0 | $0 | $0 |
| 2020 | 67 | $0 | $4,217 | $0 | $0 | $0 | $4,217 |
| 2021 | 68 | $0 | $12,650 | $0 | $0 | $0 | $12,650 |
| 2022 | 69 | $0 | $12,650 | $0 | $0 | $0 | $12,650 |
| 2023 | 70 | $3,910 | $10,541 | $0 | $0 | $0 | $14,451 |
| 2024 | 71 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2025 | 72 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2026 | 73 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2027 | 74 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |

| Year | Jane Age | Retirement Benefits | Spousal Benefits | Survivor Benefits | Children's Benefits | Earnings Deduction | Net Benefit |
|---|---|---|---|---|---|---|---|
| 2028 | 75 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2029 | 76 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2030 | 77 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2031 | 78 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2032 | 79 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2033 | 80 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2034 | 81 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2035 | 82 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2036 | 83 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2037 | 84 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2038 | 85 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2039 | 86 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2040 | 87 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2041 | 88 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2042 | 89 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2043 | 90 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2044 | 91 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2045 | 92 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2046 | 93 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2047 | 94 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2048 | 95 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2049 | 96 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2050 | 97 | $23,457 | $0 | $0 | $0 | $0 | $23,457 |
| 2051 | 98 | $23,457 | $0 | $9,938 | $0 | $0 | $33,395 |
| 2052 | 99 | $23,457 | $0 | $9,938 | $0 | $0 | $33,395 |
| 2053 | 100 | $23,457 | $0 | $9,938 | $0 | $0 | $33,395 |

## Jane's Details - Annual What-If Benefits

| Year | Jane Age | Retirement Benefits | Spousal Benefits | Survivor Benefits | Children's Benefits | Earnings Deduction | Net Benefit |
|---|---|---|---|---|---|---|---|
| 2016 | 63 | $0 | $0 | $0 | $0 | $0 | $0 |
| 2017 | 64 | $0 | $0 | $0 | $0 | $0 | $0 |
| 2018 | 65 | $0 | $0 | $0 | $0 | $0 | $0 |
| 2019 | 66 | $2,962 | $0 | $0 | $0 | $0 | $2,962 |
| 2020 | 67 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2021 | 68 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2022 | 69 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |

| Year | Jane Age | Retirement Benefits | Spousal Benefits | Survivor Benefits | Children's Benefits | Earnings Deduction | Net Benefit |
|---|---|---|---|---|---|---|---|
| 2023 | 70 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2024 | 71 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2025 | 72 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2026 | 73 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2027 | 74 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2028 | 75 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2029 | 76 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2030 | 77 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2031 | 78 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2032 | 79 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2033 | 80 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2034 | 81 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2035 | 82 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2036 | 83 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2037 | 84 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2038 | 85 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2039 | 86 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2040 | 87 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2041 | 88 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2042 | 89 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2043 | 90 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2044 | 91 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2045 | 92 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2046 | 93 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2047 | 94 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2048 | 95 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2049 | 96 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2050 | 97 | $17,771 | $0 | $0 | $0 | $0 | $17,771 |
| 2051 | 98 | $17,771 | $0 | $7,529 | $0 | $0 | $25,299 |
| 2052 | 99 | $17,771 | $0 | $7,529 | $0 | $0 | $25,299 |
| 2053 | 100 | $17,771 | $0 | $7,529 | $0 | $0 | $25,299 |

## How to Apply for Benefits

**The most important advice is to access the Social Security website and get their most current official guidance on how to apply:**

**http://www.ssa.gov/retire2/applying8.htm**

Note that you can apply online, by phone, or in person, and that you should apply for benefits no more than four months before the date you want your benefits to start.

Our software calculates the maximized filing strategy for you based on your earnings history and your status as married, single, widowed, disabled, etc.

As you apply for those benefits, be sure to use your **entitlement month**, i.e. the month you start earning Social Security benefits, on your application. These are the same as the **filing dates,** you enter on the What-If Dates screen. Since Social Security pays benefits one month in arrears, you will receive your check one month after the entitlement month. For example, if our software calculates that you file for retirement benefits in December 2016, you will receive your first retirement benefit check in January 2017.

Be careful to start your entitlement neither too early nor too late. Social Security encourages you to apply 3 to 4 months before you want to start your entitlement. So in the above example, if you apply in September 2016, be sure to establish your entitlement month as December 2016.

# Understanding Your Options and Our Calculations

## Calculating and Presenting Your Maximized Results

We use your marital status, birthdates, and earnings record to calculate retirement, spousal, divorced spousal, child-in-care spousal, widow(er), divorced widow(er), mother (father), and divorced mother (father) benefits. Our calculations accord with the November 2, 2015, changes to Social Security provisions.

We consider all possible combinations of filing dates along with your assumptions of inflation, nominal rate of return, and maximum ages of life while also taking into account current disability benefits, child benefits to young children, disabled child benefits to disabled children, non-covered pensions, and your assumptions of future benefit changes. Our software determines the Social Security benefit collection strategy for you and other household members (spouses and children) that maximizes the present value of your household's total lifetime benefits.

We also compare your lifetime benefits under our maximized strategy with your lifetime benefits under an alternative, "What-If" collection strategy that you can specify. If you don't modify our default values for your What-If strategy, we'll compare the lifetime benefits under our maximized strategy with the lifetime benefits under our What-If strategy based on our assumed default collection dates.

In specifying your What-If strategy, our interface is designed to prevent you from entering any strategies that are not permitted by Social Security. We permit you to enter Social Security benefit estimates, as opposed to your earnings histories, when doing so will not produce inaccurate results. In those cases, we correct the system's benefit estimates as needed to account for its ahistoric and inaccurate assumptions of zero future inflation and zero future economy-wide average wage growth.

We present highly accurate estimates of all your household benefits on a year-by-year basis using your selected dates and your maximized dates. We recommend exactly what actions and strategies you should follow and exactly when you should do so. We also account for the effect of your birthdate on how Social Security determines your exact age as well as the fact that Social Security always pays one month in arrears.

We also take full account of the Earnings Test as well as the Adjustment of the Reduction Factor, under which Social Security removes, at your full retirement age, the specific reductions incurred by filing early for benefits you did not actually receive due to the earnings test.

Social Security rules are incredibly complex. The changes to Social Security enacted in 2015 have made it even more complex, especially over the next few years. Although we have spent years working on our tool with meticulous care and test it to the extent possible against calculations that can be correctly made using Social Security's own limited software, our disclaimer makes clear that

Maximize My Social Security is a) an educational tool, b) that we are not financial planners, c) that our software may have mistakes of which we are unaware, and d) that our software is undergoing continual updating and revision to ensure we incorporate all relevant Social Security provisions.

We provide tables with year-by-year breakdowns using your selected dates and your maximized dates. We include columns for your age(s), the benefits you are or will be eligible for, deductions due to the earnings test, and the net total of these for each year. As the years progress down the rows, you can see just how much you (and your spouse or partner if married or partnered) will receive from year to year, both under your What-If scenario dates as well as your maximized dates.

For married and partnered couples, the tables showing the Household Benefit Details is quite useful, allowing couples to easily compare their combined year-by-year breakdowns under each scenario. Users can run any number of What-If scenarios for their households or their clients' households. In the course of finding the strategy that maximizes the household's lifetime benefits, our program may consider tens to hundreds to thousands to hundreds of thousands of alternative strategies.

## Deciding When to Take Social Security Is Critically Important

No one can count on dying on time, i.e., at his or her current life expectancy. If you're married or partnered, the chances that both you and your spouse or partner will die on time are even smaller. Indeed, there is a chance that any of us could live into our 90s or beyond.

You need to plan to live to your maximum age of life, not your expected (average) age of life, for the simple reason that you might. For most of us, our maximum age of life is quite old. This tool takes 100 as its default value for the maximum age of life, but you can change this value on the individual's detail screen under Family Data.

It is possible that you won't live beyond what the Social Security Administration predicts. However, if you do, Social Security income (i.e., "longevity insurance") will be available for the duration of your life.

## Effectively Buying Longevity Insurance from Social Security

Social Security lets us, in effect, buy more longevity insurance by waiting to collect our benefits. The longer we wait (up to some limits discussed below), the higher will be our benefits once we start collecting. But the price we pay for waiting comes in the form of giving up benefits while we wait.

So how long should we wait to start collecting? Our tool helps you answer this question. As discussed below, the answer is different for different types of people who are eligible for different types of benefits.

And the right answer is not always to wait to take all benefits. Indeed, it may be optimal to take one type of benefit (e.g., a spousal benefit) earlier than another type of benefit (e.g., a retirement benefit).

## Calculating the Present Value of Future Benefits

The tool shows you the present value (the value today) of the sum of all your future benefits based on the collections ages you select. But it also shows you the combination of collection ages for the different benefits that will provide the highest present value of lifetime benefits.

In forming the present value of all your future benefits for different collection date choices, we do simple discounting for real interest. That is, we don't engage in what's called actuarial discounting. Actuarial discounting takes into account the chances or probabilities of collecting particular benefits in particular future years. But such actuarial discounting, while appropriate for insurance companies, is not appropriate for individual households who can't count on dying at particular ages with the frequencies observed in large samples.

If your maximum age of life isn't very high, taking benefits earlier will likely produce the highest present value. The same is true if you set a higher interest rate under Assumptions. In forming the present value of your future benefits, our tool takes into account the real rate of return (the return after inflation) you can earn on your savings. If you set a higher interest rate, the program may recommend taking some of your benefits early because you are, in effect, telling the program that you can do better getting lower benefits starting right away and investing them yourself. We recommend making conservative estimates.

## Cash Constraints and Future Benefit Cuts

There are two other reasons that it might be better to take benefits early. You may be cash constrained (also called liquidity or borrowing constrained) and need the Social Security income to live off right away. I.e., you may not have the luxury of waiting to collect. A second reason is that Social Security may reduce benefits in the future. The tool allows you to assume and specify future benefit cuts, both when they will occur and their degree.

If you are cash constrained, the present value of your benefits, while important, is not the only thing to consider. You will also want to compare the annual benefits you'll get if you collect immediately or at the earliest possible date and the higher benefits you can collect by waiting. In showing you both these annual benefit amounts, this tool helps you decide if the immediate sacrifice is worth the long-term gain. The long-term gain can be substantial. Taking your full retirement benefits at age 70, rather than age 62, can result in a benefit that's more than 70 percent higher once you start collecting at 70.

## The Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO)

Maximize My Social Security fully accounts for the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO). These provisions may apply to people who worked in non-covered employment (jobs at which Social Security FICA taxes weren't deducted) as well as in covered employment. The WEP can reduce your Social Security retirement benefit. The GPO can reduce the spousal, child-in-care spousal, divorcee spousal, widow's, divorcee widow's, and mother (father) benefits you can receive based on the work records of your current or deceased spouse or your ex spouse (provided you were married to your ex for at least 10 years).

The WEP only comes into play if and when you receive a pension or a lump-sum retirement distribution from a job that was not covered by Social Security. The same is true of the GPO, with one exception. If the non-covered job providing the pension or lump-sum retirement distribution was in a foreign country, the GPO does not apply. Also, bear in mind that neither the WEP nor GPO are activated until you take your non-covered pension or retirement distribution. This is why our software asks when your non-covered pension or distribution will occur. It needs this information in order to decide whether to suggest you take your benefits early and, thereby, avoid the WEP and GPO for a least some period of time.

The degree to which your retirement benefit is reduced by the WEP depends on the number of years you worked in covered employed and had significant covered earnings. Once you reach 30 years of significant covered earnings, the WEP no long applies. For every extra year of significant covered earnings between 20 and 30, there is a smaller reduction of your retirement benefit due to the WEP.

There is a limit on the amount by which your retirement benefit is reduced by the WEP, namely half of your non-covered pension. If the WEP applies, it reduces your primary insurance amount (your full retirement benefit), which is used to determine the benefits that children, spouses, and ex-spouses can receive when you are alive. Once you die, the WEP calculation stops and your primary insurance amount is calculated the same way it is for other workers. Hence, the survivor benefits that children, spouses, and ex spouses can collect on your work record are not affected by the WEP. There are some additional exemptions from the WEP, such as being a federal employee hired, for the first time, after 1983, see http://www.ssa.gov/pubs/EN-05-10045.pdf.

The GPO ensures that government employees who have not paid Social Security taxes do not receive benefits beyond those available to people who have paid Social Security taxes. The GPO reduces your Social Security benefits by two thirds of your government pension. Lump sum payments of government pension annuities are calculated as if monthly pension benefits were paid. See this Social Security Administration brochure for more information and exceptions: http://www.ssa.gov/pubs/EN-05-10007.pdf.

Maximize My Social Security uses the information you enter on the Non-Covered Earnings screen along with the Past and Future Covered Earnings screens to calculate all of these effects of the WEP and the GPO. To make sure we calculate these effects properly, be sure to read the Page Help tab and the instructions on the Non-Covered Earnings screen and follow the instructions on the Covered Earnings screens so you can enter your information accurately. The effects of the non-covered pension are included in the results. You can explicitly see how the WEP and GPO affect the results by temporarily deleting the non-covered pension and comparing the results with and without the non-covered pension.

## Choosing When to Collect Particular Benefits -- Never Married, Divorced, and Widowed

This tool considers all of the Old Age, Survivors, and Disability Insurance (OASDI) benefits to which you may be eligible, including retirement benefits, spousal benefits, survivor benefits, divorcee benefits, child benefits (including disabled child insurance benefits), and mother's and father's benefits. The tool also includes disability benefits. Social Security lets you choose, within some limits, when to start collecting your OASDI benefits. The tool imposes these limitations.

If you are single and were never married, your choice is simple. You need to decide when to take your retirement benefit. You can collect starting at any time between age 62 and 70. If you start collecting before your full retirement age, your benefit will be permanently reduced. If you wait to collect after your full retirement age, your benefit will be permanently increased. After age 70, there is no further increase, known as the Delayed Retirement Credit, so there is no reason to further delay benefit collection. Be aware that Social Security will not automatically start your retirement benefit at age 70 for you. You need to file for it. Indeed, Social Security will not automatically provide you with any benefits even if they know you are eligible for them.

If you are single and divorced (after having been married at least 10 years), you can elect to collect a spousal benefit based on your ex-spouse's work history once your ex reaches age 62. If you apply for your spousal benefit prior to your full retirement age and can collect it because your ex-spouse is 62 or over, you will be deemed by law to be applying for early retirement benefits as well. And if you apply for early retirement benefits, you will be deemed by law to also be applying for your reduced spousal benefit as well if your ex is 62 or over. For those born on or after January 2, 1954, the deeming provision is extended through age 70.

If you were born on or before January 1, 1954, and your ex is under 62 at the time you apply for your reduced retirement benefit, you will be free to wait up to full retirement age to apply for your spousal benefit regardless of when your ex reaches age 62. Social Security reduces both retirement and spousal benefits based on separate retirement and spousal benefit reduction schedules.

Your total divorced spousal benefit will equal your retirement benefit, reduced, if you've taken it prior to full retirement age (or were deemed to be taking it), plus your excess spousal benefit, which will also be reduced if you are taking spousal benefits early (because you want to or are being deemed to be applying for them). Your excess spousal benefit is the difference between one half of your ex's full retirement benefit and your full retirement benefit IF you filed for or were forced (via deeming) to apply for your retirement benefit. Otherwise, the excess spousal benefit is simply equal to half of your ex's full retirement benefit. The full retirement benefit is called the Primary Insurance Amount (PIA). So the formula for the excess spousal benefit (before any reduction for taking spousal benefits early) is .5 x your ex's PIA less your PIA, except that if you have never filed for (or been forced via deeming to file for) your retirement benefit, Social Security views you as not having a PIA for purposes of computing the excess spousal benefit. As one of the chief actuaries put it, "Your PIA doesn't exist until you apply for it (your retirement benefit)."

If you are collecting your retirement benefit, then your PIA exists and the excess spousal benefit formula is .5 times your ex's PIA less your PIA. If this amount is negative, your excess spousal benefit is zero, so all you get is your own retirement benefit. If you are following all this, and we know it's not easy, what this means is that if you take your retirement benefit and your spousal benefit at the same time, your retirement benefit (your PIA, which would exist) may wipe out your spousal benefit.

As long as you were born on or before January 1, 1954, to completely avoid wiping out or reducing your excess spousal benefit you need to not apply for either benefit until full retirement age and then apply only for your spousal benefit. Since you will never have applied for your retirement benefit, your PIA will not exist and the excess spousal benefit formula will equal simply half of your ex's PIA. If you wait until age 70 to collect your own retirement benefit, you'll receive half of your spouse's excess spousal benefit between full retirement age and age 70. And, by waiting until 70, you'll get the highest possible retirement benefit. If your retirement benefit, when you take it at, say, 70, wipes out your excess spousal benefit (makes it zero), you will have received "full" spousal benefits for several years without sacrificing getting the maximum possible retirement benefit.

Note that both you and your ex can collect spousal benefits on the other's work record. Married couples aren't able to do this. Only one can collect a spousal benefit.

If you are single and widowed, you can take your survivor (also called widow(er)'s) benefit at any time between age 60 and your full retirement age. If you take your widow(er)'s benefit early, it will be reduced. Your widow(er)'s benefit will not be increased if you delay taking it past your full retirement age, so there is no reason to defer collecting it beyond that point.

If your former spouse was collecting reduced retirement benefits before he or she passed away and you take you survivor benefit early (before full retirement age), your survivor benefit will equal one of three calculated amounts -- your former spouse's reduced benefit amount, 82.5% of your former spouse's full retirement benefit (Primary Insurance Amount), or your former spouse's full retirement benefit reduced based on early survivor benefit reduction factor that applies to you.

If your deceased spouse didn't take retirement benefits early and died before reaching full retirement, your spousal benefit will equal 100 percent of your deceased spouse's full retirement benefit (his or her PIA). And if your deceased spouse waited beyond full retirement age to take retirement benefits, your survivor benefit will equal his or her full retirement benefit augmented by the delayed retirement credit. I.e., you'll get the same check as he or she was receiving. And if your deceased spouse was over full retirement age when he or she passed away and had never collected his or her retirement benefit or had filed for his or her retirement benefit and suspended its collection, your survivor benefit will equal your deceased spouse's PIA (full retirement benefit) augmented by the delayed retirement credits that he or she would have earned had he or she started receiving retirement benefits at his or her date of death.

Unlike spousal benefits, you can apply for your widow(er)'s benefit early without being deemed to be also applying for your retirement benefit. Hence, one strategy for widow(er)s is to start taking their survivor (widow(er)'s) benefit at age 60 and defer taking their retirement benefit until age 70. An alternative strategy is to take the retirement benefit early, e.g., at age 62, and to wait until full retirement to take the widow(er)'s benefit. This may make sense if the retirement benefit is smaller than the survivor benefit.

If your retirement benefit exceeds the survivor benefit and you have applied to collect both, you will receive only your retirement benefit. If your survivor benefit exceeds your retirement benefit, you will receive your retirement benefit and a redefined survivor benefit which is limited to the amount by which your survivor benefit exceeds your retirement benefit.

This is like the excess spousal benefit formula. What you receive as a survivor is really your own retirement benefit (potentially reduced if you took it early) plus an excess survivor benefit defined as your survivor benefit less your own retirement benefit, including any reduction for early retirement or any increment due to taking it after full retirement age. By taking your survivor benefit when you aren't taking your retirement benefit, you can receive your full survivor benefit, rather than your excess survivor benefit. The only way to do this is to take your survivor benefit before you take your retirement benefit or are deemed by law to be taking your retirement benefit.

## Choosing When to Collect Particular Benefits -- Married Couples

If you are married, you or your spouse, but not both, at least not simultaneously, can potentially collect a spousal benefit based on your spouse's work history. If you apply for your retirement benefit early (before full retirement age) you will be deemed by law to be applying of your spousal benefit as well provided your spouse is either collecting his or her retirement benefit or has filed for his or her retirement and suspended its collection. If you were born on or after January 2, 1954, you'll be subject to the deeming provision up to age 70.

If you are married and apply for your spousal benefit early and are eligible to receive it because your spouse is either collecting a retirement benefit or has filed for his or her retirement benefit and suspended its collection, you will be deemed by law to be also applying for your retirement benefit early as well. In this case, both benefits will be subject to separate reduction factors.

The deeming provision only applies at the time of initial application. Hence, if you apply for an early retirement benefit and want to wait to full retirement to take your spousal benefit, you can do so if, as mentioned above, your spouse is not collecting a retirement benefit and has not filed and suspended at the time you apply for your retirement benefit. Furthermore, if your spouse starts collecting his or her retirement benefit before you reach full retirement age, you still won't be deemed to be applying for a spousal benefit. I.e., you are free to wait to retirement age to collect an unreduced spousal benefit.

Once you reach full retirement age, if you have not yet applied for a spousal benefit and your spouse is at or beyond full retirement age, you can apply for your unreduced spousal benefit and defer collecting your retirement benefit until age 70. To collect your spousal benefit, your partner must either be collecting his or her retirement benefit or have filed to collect his or her retirement benefit, but suspended its collection. By **filing and suspending** his or her retirement benefit collection, your partner can defer taking his or her retirement benefit until age 70 and receive a higher benefit when he or she does begin collecting thanks to the delayed retirement credit.

Since Social Security's benefit calculations preclude both spouses filing and suspending and both collecting spousal benefits on their partner's record, this tool asks you, if you are married, whether you or your spouse will file and suspend collection of benefits at full retirement age or whether neither spouse will do so. The tool will find the collection dates for spousal and retirement benefits for each spouse conditional on the choice you entered with respect to filing and suspending. Hence, you should try both choices for which spouse files and suspends and see how the maximum present value of household lifetime benefits compares in the two cases.

The ability to file and suspend and, thereby, let one spouse receive a "full" spousal benefit and let both spouses delay taking their retirement benefits and take advantage of the Delayed Retirement Credit can make a significant difference to the total present value of benefits received by the household.

The total benefit you'll collect as a spouse is your own retirement benefit plus your excess spousal benefit. Your excess spousal benefit is the difference between one half of your spouse's full retirement benefit and your full retirement benefit IF you filed for or were forced (via deeming) to apply for your retirement benefit. Otherwise, the excess spousal benefit is simply equal to half of your spouse's full retirement benefit. The full retirement benefit is called the Primary Insurance Amount (PIA). So the formula for the excess spousal benefit (before any reduction for taking spousal benefits early) is .5 x your spouse's PIA less your PIA, except that if you have never filed for (or been forced via deeming to file for) your retirement benefit, Social Security views you as not having a PIA for purposes of computing the excess spousal benefit. As one of the chief actuaries put it, "Your PIA doesn't exist until you apply for it (your retirement benefit)."

The bottom line for those born on or before January 1, 1954 is that to get your largest possible spousal benefit, you need to wait until full retirement to apply for any benefit and at that point apply only for your spousal benefit. Those born on or after January 2, 1954 are unable to use this strategy.

## Which Spouse Should File and Suspend?

For those born on or before January 1, 1954, is it always best for the low earning spouse to be the one to collect spousal benefits and have the higher earning spouse always file and suspend? No, not if the higher earning spouse is younger. Then it may be better for the higher earning spouse to collect the full spousal benefits because he or she will be collecting for more years than would be the case if the other spouse went for the full spousal benefits. Again, you can quickly use the tool to see which option gives you the highest present value of lifetime household benefits. Simply run the tool twice, once with the husband filing and suspending and once with the wife filing and suspending.

Having both spouses wait to collect retirement benefits may not be optimal. In a small number of atypical cases involving those born on or before January 1, 1954, it might be optimal for one spouse (say the wife) to collect retirement benefits early, say at 62, and then wait until full retirement to collect unreduced spousal benefits from that point forward. This is feasible when the other spouse (the husband) doesn't start collecting or file for and suspend his retirement benefit in or before the month that the wife files for her early retirement benefit. That is, when she is not eligible for spouse's benefits at the time she files for early retirement benefits.

If you file earlier than necessary, or before your full retirement age (FRA) in order to get partial month benefit due to the Earnings Test and the Adjustment of the Reduction Factor (ET/ARF), *you may lose "full" widow(er)'s benefits*. If your spouse (or ex-spouse) dies on or after your FRA but before you would otherwise file and suspend or would otherwise just file for your retirement benefit, then you will not be eligible for full widow(er)'s benefits. Since you will have already filed by the time of their death, your widow(er)'s benefit will be reduced by your full retirement age retirement benefit. In fact, if your retirement benefit is higher than your widow(er)'s benefit, you will not get any widow(er)'s benefit. In sum, you can file and suspend earlier than necessary, or before your FRA in order to get partial month benefit due to the ET/ARF, but there is a risk that you may lose "full" widow(er)'s benefits. And if you were married for 10 or more years, there is a risk your ex will die and you will lose "full" divorced widow(er)'s benefits.

## Start/Stop/Restart Retirement Benefit Collection Strategies

We consider this strategy for people already receiving benefits and for those who have not yet filed. Once you start collecting your retirement benefit, you can stop receipt provided you have attained your full retirement age (FRA). You can then restart receipt of retirement benefits at a later date, having earned permanent increases in your retirement amount by delaying receipt up to age 70.

If you are enrolled in Medicare Part B and you start and then stop receipt of your retirement benefit, you will be billed by the Center for Medicare & Medicaid Services (CMS) for future Part B premiums since these premiums should not be deducted from your suspended retirement benefits. If you do have your Medicare Part B premiums deducted from your Social Security, then you will not earn delayed retirement credits.

Not paying the premiums in a timely manner may cause you to lose your Medicare Part B coverage. *Exception*: if you also receive benefits as a spouse or ex-spouse, Social Security can deduct your Part B premium from that benefit amount. **Make sure you send a check each month to CMS for your Medicare Part B premium if you are enrolled in Medicare Part B and the exception does not apply to you**.

Why would using the retirement benefit Start/Stop/Restart strategy potentially be worth using? Well, consider a high earner, Sandy, who is 62 married to Daryl, who has reached full retirement age. Both were born on or before January 1, 1954. If Sandy applies for her retirement benefit at 62, Daryl can immediately begin to collect a spousal benefit based on Sandy's earnings record. He can also postpone his own retirement benefit through age 70. When Sandy reaches full retirement age, she can suspend her benefit and wait until, say, 70, to collect a permanently higher benefit, namely the reduced benefit she was collecting augmented by the delayed retirement credits she earns during the months her benefit is suspended.

This might generate higher benefits in present value than, for example, having Sandy a) wait until full retirement to file and suspend for her retirement benefit at which point Daryl can start collecting a spousal benefit, while waiting until 70 to collect his retirement benefits, and then b) begin collecting her retirement benefit at 70.

## Taking Early Retirement to Enable Child's Benefits and Child in Care Spousal Benefits

You must file for retirement benefits in order to enable child's benefits and child in care spousal benefits on your record. In some cases, it will be beneficial to claim early reduced retirement benefits in order to enable these benefits. Then, once you reach your full retirement age in these cases, you would suspend receipt of your retirement benefits and begin recouping part, and in some cases potentially nearly all, of the early retirement reduction by continuing to suspend receipt up to age 70. If you are already receiving retirement benefits we tell you if this strategy will result in increased lifetime benefits based on the data you provide.

## Selecting an Early Widow(er) Start Date When Deceased Took Retirement Benefits Early

We consider whether it's advantageous for a widow(er) to begin receiving widow(er)'s benefit before reaching Full Retirement Age if the deceased spouse was ever entitled to reduced retirement benefits.

Your widow(er)'s benefit is limited if your deceased spouse was ever entitled to reduced retirement benefits. The benefit you can claim as a widow(er) on his or her record is limited to the higher of either 82.5% of your deceased spouse's retirement benefit at his or her Full Retirement Age, or the amount your deceased spouse was collecting at the time of death. In cases such as this, since your widow(er)'s benefit is limited, it will be advantageous to take a reduced widow(er)'s benefit before your Full Retirement Age.

## Imposing the System's Restrictions on Benefit Collection Dates

This tool's interface will not let you specify spousal and retirement benefit collection ages independently when taking either one early. It will tell you the earliest possible dates you can apply for each benefit.

## Comparing Our Benefit Calculations with Social Security's Benefit Statement

Social Security provides a quick retirement benefit estimator at www.ssa.gov. But this calculator does not currently take into account the spousal, divorcee, survivor, and child benefits to which you and your children may be eligible based on the work histories of your current or former spouse.

In addition, Social Security's quick retirement benefit estimator forms its benefit estimates assuming zero future economy-wide real wage growth and zero future inflation. Neither of these assumptions is realistic. Both differ from the assumptions made by the Social Security Trustees in their Annual

Report. Social Security underestimates benefits to be conservative in telling people what they will be receiving. Our tool, in contrast, uses the Social Security Trustees' assumptions about future real wage growth and future inflation.

Social Security provides another, more detailed calculator, called AnyPIA, which lets you specify your own estimate of your future covered earnings as well as tell the tool to assume positive future real wage growth and inflation in forming its estimates.

But like its quick retirement benefit calculator, AnyPIA does not give you the ability to optimize over your own retirement benefit and benefits you can receive based on your current or former spouse's work history.

## Using ESPlanner to Understand the Living Standard Implications of Alternative Social Security Benefit Collection Dates

Deciding when to take particular Social Security benefits is, as indicated above, a complicated decision. We hope this tool helps make this decision much easier. But this tool goes only so far. It does not show you your annual living standard under different choices of when to take particular benefits. Our download financial planning programs, ESPlanner, ESPlannerPLUS, and ESPlannerPRO (our only program licensed for professional use), which we market at www.esplanner.com, let you see what happens to your living standard each year based on your chosen collection dates. These programs take full account of the taxation of Social Security benefits by federal and state governments, which can also influence optimal benefit collection dates. Most important, the programs incorporate cash/borrowing constraints, showing users precisely what short-run living standard sacrifice might be needed in delaying taking benefits.

The download programs also let you consider different drawdown strategies with respect to your taxable retirement accounts (e.g., 401(k)s and regular IRAs) and your Roth IRAs and 401(k)s. By timing these withdrawals carefully, you may be able to reduce the taxation of your Social Security benefits. The reason is that withdrawals from taxable retirement accounts, but not withdrawals from Roth IRAs and Roth 401(k)s, are included as part of your Adjusted Gross Income for purposes of calculating taxes due on your Social Security benefits.

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# Inputs

## Family

**Current Marital Status:** Married

## Joe

**Date of Birth:** 15 Aug 1950
**Maximum Age:** 100

### Earnings

We did not require earnings history because we were able to determine an accurate strategy based on the following:

**Benefit Estimate as of Full Retirement Age:** $2,117
**Last Earnings Amount:** $85,000

### Selected What-If Dates

**Retirement:** Aug 2016
**Spousal:** Oct 2019
**Widow(er)'s:** Aug 2016

## Jane

**Date of Birth:** 31 Oct 1953
**Maximum Age:** 100

### Earnings

We did not require earnings history because we were able to determine an accurate strategy based on the following:

**Benefit Estimate as of Full Retirement Age:** $1,567
**Last Earnings Amount:** $35,000

### Selected What-If Dates

**Retirement:** Oct 2019
**Spousal:** Oct 2019
**Widow(er)'s:** Oct 2019

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## Settings

**Inflation Rate:** 3%
**Nominal Rate of Return:** 5%