Making smart Social Security decisions if you are married

For married couples, deciding when to start collecting Social Security benefits can be especially important. That's because you may have a greater number of choices that will impact the benefits you and your spouse receive for life, as well as your survivors.

If you are married, you will generally receive the greater of:

- **Your own benefit:** based on your individual earnings record, if applicable, or
- **The spousal benefit:** up to 50% of your spouse's full benefit

Other things to consider:

- The spousal benefit cannot be collected until your spouse files for benefits. It is available if you are at least age 62 and have been married for at least 12 months prior to your application for benefits.
- The spousal benefit is reduced permanently if you collect it prior to your Full Retirement Age. It is based on your spouse's Primary Insurance Amount at Full Retirement Age—and does not include delayed retirement credits that your spouse may earn by waiting to collect benefits.
- You should also know that the spousal benefit can provide a benefit to a spouse who has no earnings record under Social Security.

Sources: ssa.gov, "Social Security Benefits - Benefits for Spouses" and "Benefits Planner - Retirement - Benefits for Your Family," accessed November 7, 2022.

Think about coordinating your benefits

As a married couple, you may be able to coordinate the timing of when each spouse starts taking benefits, which may help generate a stream of benefits that's aligned with your income needs and goals. For example, one spouse may choose to collect benefits at his/her Full Retirement Age, while the other spouse may choose to wait until age 70 to collect. This can be an especially powerful strategy for couples when there is a younger, lower-earning spouse, and the older, higher-earning spouse waits to collect benefits.

Coordinating benefits with your spouse may allow you to:

- Take advantage of the annual 8% increase[1] (delayed retirement credit) available each year that benefits are delayed past Full Retirement Age—up to age 70
- Potentially maximize total lifetime benefits paid to you and your spouse
- Provide a potentially larger survivors benefit to your spouse

[1] Assumes individual is born in 1943 or later.

Explore your Social Security options

Different filing strategies produce different monthly benefit amounts—and potentially differing total lifetime benefits. Below are three different filing strategies that married couples may want to consider.

Of course, there are other filing strategies you may want to consider depending on your personal situation and income needs.

1. **Early election**
   Both spouses start receiving reduced benefits at age 62.
2. **Full Retirement Age**
   Both spouses start receiving their full benefits at Full Retirement Age.
3. **Staggered election**
   One spouse starts receiving benefits at Full Retirement Age, while the other spouse waits until age 70.

Note: This material contains hypothetical examples that assume a Full Retirement Age of 67. Your Full Retirement Age may differ based on your year of birth.

See how filing strategies compare over time

Aside from monthly benefit amounts, it's also important to consider total potential benefits paid over your lifetime and your spouse's lifetime, based on longevity. The table on the next page shows the hypothetical cumulative benefits paid over time from three different filing strategies. These examples are for illustrative purposes only, and are not intended to be a projection of your actual benefits.

Each strategy assumes the following: The lower-earning spouse is eligible for a monthly benefit of $1,000 at Full Retirement Age (67). The higher-earning spouse is eligible for a monthly benefit of $2,400 at Full Retirement Age (67). Both spouses are the same age.

Strategy overview

1 Early election strategy: Both spouses start benefits at age 62.

- The higher-earning spouse receives a monthly benefit of $1,680 beginning at age 62.
- The lower-earning spouse receives a monthly spousal benefit of $830 beginning at age 62.

2 Full retirement age: Both spouses start benefits at age 67.

- The higher-earning spouse receives a monthly benefit of $2,400 beginning at age 67.
- The lower-earning spouse receives a monthly spousal benefit of $1,200 beginning at age 67.

3 Staggered election: One spouse starts benefits at age 67; the other spouse starts at age 70.

- The lower-earning spouse receives a monthly benefit of $1,000 beginning at age 67.
- The higher-earning spouse receives a monthly benefit of $2,976 beginning at age 70. (This amount is 124% of the Primary Insurance Amount, reflecting 3 years of 8% delayed retirement credits.

  Note: At this point, the lower-earning spouse is now eligible for a spousal benefit of $1,200 (50% of the higher-earning spouse's benefit at Full Retirement Age).
- One of the key benefits of this strategy is that it provides a higher survivors benefit ($2,976 in this example) if the higher-earning spouse dies before the lower-earning spouse.

Total benefits paid over time*

At age	1. Early Election	2. Full Retirement Age	3. Staggered Election
62	$30,120	$0	$0
67	180,720	43,200	12,000
70	271,080	172,800	86,112
80	577,280	604,800	587,232
90	873,480	1,036,800	1,088,352

* These summarized results are hypothetical and do not reflect any cost-of-living increases and do not represent actual client scenarios.

ACTION PLANNER Action steps

- [ ] **Talk to your financial professional** about the role Social Security will play in your overall retirement income plan. A financial professional can help you understand your options and make a more informed decision about one of your most valuable retirement benefits.
- [ ] **Work with the Social Security Administration** for a full discussion of your available benefits and options. The examples included here are not meant to be exhaustive.
- [ ] **Consult with your qualified tax advisor before making any decisions.** These strategies can get complex.

Your financial professional can also work with you to position your investments to help provide for your income needs throughout retirement.

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