



Securing today  
and tomorrow

# Retirement Benefits

[SocialSecurity.gov](https://www.SocialSecurity.gov)





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## Social Security and your retirement plan

Social Security is part of the retirement plan of almost every American worker. If you're among the 96 percent of workers covered under Social Security, you should know how the system works. You should also know how much you'll receive from Social Security when you retire. This booklet explains:

- How you qualify for Social Security benefits.
- How your earnings and age can affect your benefits.
- What you should consider in deciding when to retire.
- Why you shouldn't rely only on Social Security for all your retirement income.

This basic information on Social Security retirement benefits isn't intended to answer all questions. For specific information about your situation, talk with a Social Security representative.

## Your retirement benefits

### **How do you qualify for retirement benefits?**

When you work and pay Social Security taxes, you earn "credits" toward Social Security benefits. The number of credits you need to get retirement benefits depends on when you were born. If you were born in 1929 or later, you need 40 credits (10 years of work).

If you stop working before you have enough credits to qualify for benefits, the credits will remain on your Social Security record. If you return to work later, you can add more credits to qualify. We can't pay any retirement benefits until you have the required number of credits.

## How much will your retirement benefit be?

We base your benefit payment on how much you earned during your working career. Higher lifetime earnings result in higher benefits. If there were some years you didn't work or had low earnings, your benefit amount may be lower than if you had worked steadily.

The age at which you decide to retire also affects your benefit. If you retire at age 62, the earliest possible Social Security retirement age, your benefit will be lower than if you wait. Page 4 explains this in more detail.

## Online *my* Social Security account

You can now easily set up a secure online *my* Social Security account. This allows you to access your *Social Security Statement* to check your earnings and get your benefit estimates. You can also use your online *my* Social Security account to request a replacement Social Security number card (available in many states and the District of Columbia). If you receive benefits, you can also:

- Get your benefit verification letter.
- Change your address and phone number.
- Request a replacement Medicare card.
- Get a replacement SSA-1099 or SSA-1042S for tax season.
- Opt out of getting agency notices by mail for those available online.
- Start or change your direct deposit.

You can create a *my* Social Security account if you're age 18 or older, have a Social Security number, a valid U.S. mailing address, and an email address. To create an account, go to [www.socialsecurity.gov/myaccount](http://www.socialsecurity.gov/myaccount). You'll need to provide some personal information to confirm your identity. You'll be asked to choose a

username and password, and then you'll be asked for your email address. You'll also need to select how you would like to receive a one-time security code — to a text-enabled cell phone or to the email address you registered — that you will need to enter to finish creating your account. Each time you sign in with your username and password, we will send a one-time security code to your cell phone or to your email address. The security code is part of our enhanced security feature to protect your personal information. Keep in mind that your cell phone provider's text message and data rates may apply.

### **Get personalized retirement benefit estimates**

As you make plans for your retirement, you may ask, “How much will I get from Social Security?” If you have a *my* Social Security account, you can use our *Retirement Calculator* at **[www.socialsecurity.gov/myaccount](http://www.socialsecurity.gov/myaccount)** to get an estimate of your personal retirement benefits, and to see the effects of different retirement age scenarios. If you don't have a *my* Social Security account, create one at **[www.socialsecurity.gov/myaccount](http://www.socialsecurity.gov/myaccount)** or you can use our online *Retirement Estimator* at **[www.socialsecurity.gov/estimator](http://www.socialsecurity.gov/estimator)**.

### **Full retirement age**

If you were born in 1953 or earlier, you're already eligible for your full Social Security benefit. The full retirement age is 66 if you were born from 1943 to 1954. The full retirement age increases gradually if you were born from 1955 to 1960 until it reaches 67. For anyone born 1960 or later, full retirement benefits are payable at age 67. The following chart lists the full retirement age by year of birth.

| <b>Age to receive full Social Security benefits</b>                                   |                                   |
|---|-----------------------------------|
| <b><i>Year of birth</i></b>   | <b><i>Full retirement age</i></b> |
| 1943-1954   | 66                                |
| 1955  | 66 and 2 months                   |
| 1956  | 66 and 4 months                   |
| 1957  | 66 and 6 months                   |
| 1958  | 66 and 8 months                   |
| 1959  | 66 and 10 months                  |
| 1960 and later  | 67                                |
| <b><i>NOTE:</i></b> People born on January 1 of any year, refer to the previous year. |                                   |

## **Early retirement**

You can get Social Security retirement benefits as early as age 62. However, we'll reduce your benefit if you retire before your full retirement age. For example, if you turn age 62 in 2020, your benefit would be about 28.3 percent lower than it would be at your full retirement age of 66 and 8 months.

Some people will stop working before age 62. But if they do, the years with no earnings will probably mean a lower Social Security benefit when they retire.

Sometimes health problems force people to retire early. If you can't work because of health problems, consider applying for Social Security disability benefits. The disability benefit amount is the same as a full, unreduced retirement benefit. If you're getting Social Security disability benefits when you reach full retirement age, we convert those benefits to retirement benefits. For more information, read *Disability Benefits* (Publication No. 05-10029).

## Delayed retirement

You can choose to keep working beyond your full retirement age. If you do, you can increase your future Social Security benefits in two ways.

Each extra year you work adds another year of earnings to your Social Security record. Higher lifetime earnings can mean higher benefits when you retire.

Also, your benefit will increase a certain percentage from the time you reach full retirement age, until you start receiving benefits, or until you reach age 70. The percentage varies depending on your year of birth. For example, if you were born in 1943 or later, we'll add 8 percent to your benefit for each full year you delay receiving Social Security benefits beyond your full retirement age.

If you retire before age 70, some of your delayed retirement credits (DRCs) will not be applied until the January after you start benefits.

For example, if you reach your full retirement age (67) in June, you may plan to wait until your 69th birthday to start your retirement benefits. Your initial benefit amount will reflect DRCs earned from your full retirement age through the year before your 69th birthday. In January of the following calendar year, your benefit will increase for the credits earned in the year of your 69th birthday. Our *Online Calculator* at [www.socialsecurity.gov/OACT/quickcalc/early\\_late.html](http://www.socialsecurity.gov/OACT/quickcalc/early_late.html) gives you an estimate with all credits applied.

For more information regarding DRCs, please visit “*Delayed Retirement Credits*” at [www.socialsecurity.gov/planners/retire/delayret.html](http://www.socialsecurity.gov/planners/retire/delayret.html).

**NOTE:** *You should sign up for Medicare three months before your 65th birthday, even if you haven't retired yet. In some circumstances, medical insurance costs more if you delay applying for it. Other information about Medicare is on pages 14-17.*

## **Deciding when to retire**

Choosing when to retire is an important and personal decision. No matter the age you retire, contact Social Security in advance to learn your choices and make the best decision. Sometimes, your choice of a retirement month could mean higher benefit payments for you and your family.

Social Security replaces a percentage of a worker's pre-retirement income based on their lifetime earnings. The amount of your average wages that Social Security retirement benefits replaces varies depending on your earnings and when you choose to start benefits. If you start benefits at age 67, this percentage ranges from as much as 75 percent for very low earners, to about 40 percent for medium earners, and about 27 percent for high earners. If you start benefits earlier than age 67, these percentages would be lower, and after age 67 they'd be higher. Most financial advisers say you will need about 70 percent of pre-retirement income to live comfortably in retirement, including your Social Security benefits, investments, and other personal savings. For more information on other factors to consider as you think about when to start receiving Social Security retirement benefits, read *Your Retirement Checklist* (Publication No. 05-10377).

Apply for benefits about four months before you want your benefits to start. If you're not ready to retire, but are thinking about doing so soon, visit Social Security's website to use our convenient and informative *Retirement Planner* at [www.socialsecurity.gov/benefits](http://www.socialsecurity.gov/benefits).



## **Retirement benefits for widows and widowers**

Widows and widowers can begin getting Social Security benefits at age 60, or at age 50, if disabled. Widows and widowers can take reduced benefits on one record, and then switch to full benefits on another record later. For example, a woman can take a reduced widow's benefit at 60 or 62, and switch to her own full retirement benefit at full retirement age. You need to talk to Social Security about your choices, because the rules may be different for your claim.

## **Family benefits**

### **Benefits for family members**

If you're getting Social Security retirement benefits, some members of your family may also get benefits, including:

- Spouses age 62 or older.
- Spouses younger than 62, if they are taking care of a child entitled on your record who is younger than age 16 or disabled.
- Former spouses, if they are age 62 or older (See "Benefits for a divorced spouse" on page 9.).
- Children up to age 18, or up to 19 if full-time students and have not graduated from high school.
- Disabled children, even if they are age 18 or older.

If you become the parent of a child (including an adopted child) after you begin getting benefits, let us know about the child. Then we'll decide if the child is eligible for benefits.

### **Spouse's benefits**

Spouses who never worked or have low earnings can get up to half of a retired worker's full benefit. If you're eligible for both your own retirement benefits and spousal benefits, we always pay your own benefits first. If your

benefits as a spouse are higher than your own retirement benefit, you'll get a combination of benefits equaling the higher spouse benefit.

For example, Mary Ann qualifies for a retirement benefit of \$250 and a spouse's benefit of \$400. At her full retirement age, she will get her own \$250 retirement benefit. We also will add \$150 from her spouse's benefit, for a total of \$400. If she takes her retirement benefit before her full retirement age, we'll reduce both amounts.

**If you were born before January 2, 1954**, are at least full retirement age and qualify for your own retirement benefits and also spouse's (or divorced spouse) benefits, you can choose to restrict your application, apply for one of the benefits, and delay applying for the other until a later date.

**If you were born on or after January 2, 1954**, and qualify for both retirement and spouse's (or divorced spouse's) benefits, you must apply for both benefits. This is called "deemed filing." If you file for one benefit, you are "deemed" to file for the other one, too, even if you don't become eligible for it until later.

If you're receiving a pension based on work for which you didn't pay Social Security taxes, we may reduce your spouse's benefit. More information on pensions from work not covered by Social Security is on page 13.

If spouses get Social Security retirement benefits before they reach full retirement age, we reduce the benefit. The amount we reduce the benefit depends on when the person reaches full retirement age.

For example:

- If full retirement age is 65, a spouse can get 37.5 percent of the worker's unreduced benefit at age 62.
- If full retirement age is 66, a spouse can get 35 percent of the worker's unreduced benefit at age 62.

- If full retirement age is 67, a spouse can get 32.5 percent of the worker's unreduced benefit at age 62.

The benefit increases at later ages up to the maximum of 50 percent at full retirement age. If full retirement age isn't shown here, at age 62 the benefit will fall between 32.5 percent and 37.5 percent.

Your spouse can get full benefits, regardless of age, if taking care of a child entitled on your record. The child must be under age 16, or disabled (before age 22).

**NOTE:** *Your current spouse can't get spouse's benefits until you file for retirement benefits.*

### **Children's benefits**

Your dependent child may get benefits on your earnings record when you start your Social Security retirement benefits. Your child may get up to half of your full benefit.

To get benefits, your child must be unmarried and one of the following:

- Younger than age 18.
- 18-19 years old and a full-time student (no higher than grade 12).
- 18 or older and disabled before age 22.

Under certain circumstances, we can also pay benefits to a stepchild, grandchild, step-grandchild, or adopted child.

**NOTE:** *Disabled children whose parents have limited income or resources may be eligible for Supplemental Security Income benefits. For more information, visit our website or call our toll-free number.*

### **Maximum family benefits**

If you have children eligible for Social Security, each will get up to half of your full benefit. But there's a limit to how much money we can pay to you and your family. This limit varies between 150 and 180 percent of your own

benefit payment. If the total benefits due to your spouse and children are more than this limit, we'll reduce their benefits. Your benefit won't be affected.

## **Benefits for a divorced spouse**

Your divorced spouse can get benefits on your Social Security record if the marriage lasted at least 10 years. Your divorced spouse must be 62 or older and unmarried.

The benefits they get don't affect the amount you or your current spouse can get.

Also, your former spouse can get benefits even if you're not retired. You both must be at least 62 and divorced at least two years.

## **What you need to know when you're eligible for retirement benefits**

### **How do you sign up for Social Security?**

You can apply for retirement benefits online at **[www.socialsecurity.gov](http://www.socialsecurity.gov)**, or call our toll-free number, **1-800-772-1213** (TTY **1-800-325-0778**). Or you can make an appointment to visit any Social Security office to apply in person.

Depending on your circumstances, you'll need some or all the documents listed below. Don't delay in applying for benefits if you don't have all the information. If you don't have a document you need, we can help you get it.

Information and documents you'll need, include:

- Your Social Security number.
- Your birth certificate.
- Your W-2 forms or self-employment tax return for last year.
- Your military discharge papers if you had military service.

- Your spouse’s birth certificate and Social Security number if they’re applying for benefits.
- Your children’s birth certificates and Social Security numbers, if you’re applying for children’s benefits.
- Proof of U.S. citizenship or lawful alien status if you (or a spouse or child applying for benefits) were not born in the United States.
- The name of your financial institution, the routing number, and your account number for direct deposit. If you don’t have an account at a financial institution, or prefer getting your benefits on a prepaid debit card, you can get a Direct Express® card. For more information, visit [www.GoDirect.org](http://www.GoDirect.org).

You must submit original documents or copies certified by the issuing office. You can mail or bring them to Social Security. We’ll make photocopies and return your documents.

### **Right to appeal**

If you disagree with a decision made on your claim, you can appeal it. You can handle your own appeal with free help from Social Security, or you can choose to have a representative help you. We can give you information about organizations that can help you find a representative. For more information about the appeals process and selecting a representative, read *Your Right to Question the Decision Made on Your Claim* (Publication No. 05-10058).

### **If you work and get benefits at the same time**

You can continue to work and still get retirement benefits. Your earnings in (or after) the month you reach your full retirement age won’t reduce your Social Security benefits. We’ll reduce your benefits, however, if your earnings exceed certain limits for the months before you reach full retirement age. (See the chart on pages 3-4 to find your full retirement age.)

*Here is how it works:*

If you're younger than full retirement age, we'll deduct \$1 in benefits for each \$2 you earn above the annual limit.

In the year you reach your full retirement age, we'll reduce your benefits \$1 for every \$3 you earn over an annual limit. This reduction continues until the month you reach full retirement age. Once you reach full retirement age, you can keep working and we won't reduce your Social Security benefit no matter how much you earn.

If, during the year, your earnings are higher or lower than you estimated, let us know as soon as possible so we can adjust your benefits.

### **A special monthly rule**

A special rule applies to your earnings for one year, usually your first year of retirement. Under this rule, you can get a full Social Security payment for any month you earn under a certain limit, regardless of your yearly earnings.

If you want more information on how earnings affect your retirement benefit, read *How Work Affects Your Benefits* (Publication No. 05-10069). This pamphlet has a list of the current annual and monthly earnings limits.

### **Your benefits may be taxable**

About 40 percent of people who get Social Security have to pay income taxes on their benefits. For example:

- If you file a federal tax return as an "individual," and your combined income\* is between \$25,000 and \$34,000, you may have to pay taxes on up to 50 percent of your Social Security benefits. If your combined income\* is more than \$34,000, up to 85 percent of your Social Security benefits is subject to income tax.

- If you file a joint return, you may have to pay taxes on 50 percent of your benefits if you and your spouse have a combined income\* between \$32,000 and \$44,000. If your combined income\* is more than \$44,000, up to 85 percent of your Social Security benefits is subject to income tax.
- If you're married and file a separate return, you'll probably pay taxes on your benefits.

At the end of each year, we'll mail you a *Social Security Benefit Statement* (Form SSA-1099) showing the amount of benefits you received. Use this statement when you complete your federal income tax return to find out if you must pay taxes on your benefits.

Although you're not required to have Social Security withhold federal taxes, you may find it easier than paying quarterly estimated tax payments.

For more information, read *Tax Guide for Seniors* (IRS Publication No. 554) and *Social Security and Equivalent Railroad Retirement Benefits* (IRS Publication No. 915) at **[www.irs.gov/publications](http://www.irs.gov/publications)**, or call the Internal Revenue Service's toll-free telephone number, **1-800-829-3676**.

**NOTE:** *On the 1040 tax return, your "combined income" is the sum of your adjusted gross income plus nontaxable interest plus half of your Social Security benefits.*

## **Pensions from work not covered by Social Security**

If you get a pension from work for which you paid Social Security taxes, that pension won't affect your Social Security benefits. However, if you get a retirement or disability pension from work not covered by Social Security — for example, the federal civil service, some state or local government employment, or work in a foreign country — we may reduce your Social Security benefit.

Government workers, who are eligible for Social Security benefits on the earnings record of a spouse, can read *Government Pension Offset* (Publication No. 05-10007) for more information. People who worked in another country, or government workers who are also eligible for their own Social Security benefits, can read *Windfall Elimination Provision* (Publication No. 05-10045).

## **Leaving the United States**

If you're a U.S. citizen, you can travel to, or live in, most foreign countries without affecting your Social Security benefits. There are, however, a few countries where we can't send Social Security payments. These countries are Azerbaijan, Belarus, Cuba, Kazakhstan, Kyrgyzstan, Moldova, North Korea, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan. We can make exceptions, however, for certain eligible beneficiaries in countries other than Cuba and North Korea. For more information about these exceptions, contact your local Social Security office.

If you work outside the United States, different rules apply in deciding if you can get benefits.

For more information, read *Your Payments While You Are Outside The United States* (Publication No. 05-10137).

## **A word about Medicare**

Medicare is a health insurance plan for people who are age 65 or older. People who are disabled, have End-Stage Renal Disease (permanent kidney failure requiring dialysis or a kidney transplant), or amyotrophic lateral sclerosis (Lou Gehrig's disease), can get Medicare at any age.



## When should I apply for Medicare?

If you're not already getting benefits, you should contact Social Security about three months before your 65th birthday to sign up for Medicare. You should sign up for Medicare even if you don't plan to retire at age 65.

If you're already getting Social Security benefits or Railroad Retirement Board benefits, we'll contact you a few months before you become eligible for Medicare and send you information. If you live in one of the 50 states, Washington, D.C., the Northern Mariana Islands, Guam, American Samoa, or the U.S. Virgin Islands, we'll automatically enroll you in Medicare Parts A and B. However, because you must pay a premium for Part B coverage, you can choose to turn it down.

We will not automatically enroll you in a Medicare prescription drug plan (Part D). Part D is optional and you must elect this coverage. For the latest information about Medicare, visit the website or call the toll-free number listed below.

|                 |  |
|-----------------|--|
| <b>Medicare</b> | Website: <b><i>Medicare.gov</i></b><br>Toll-free number: <b>1-800-MEDICARE</b><br><b>(1-800-633-4227)</b><br>TTY number: <b>1-877-486-2048</b> |
|-----------------|--|

If you don't enroll in Part B and Part D when you're first eligible, you may have to pay a late enrollment penalty for as long as you have Part B and Part D coverage. Also, you may have to wait to enroll, which will delay coverage.

Residents of Puerto Rico or foreign countries won't receive Part B automatically. They must elect this benefit.

If you're 65 or older and covered under a group health plan, either from your own or your spouse's **current employment**, you may qualify for a Special Enrollment Period (SEP) to sign up for Medicare Part B. This means

that you may delay enrolling in Medicare Part B without having to wait for a general enrollment period and paying the penalty for late enrollment.

### **If you have a Health Savings Account (HSA)**

If you have a HSA when you sign up for Medicare, you can't contribute to your HSA once your Medicare coverage begins. If you contribute to your HSA after your Medicare coverage starts, you may have to pay a tax penalty. If you'd like to continue contributing to your HSA, you shouldn't apply for Medicare, Social Security, or Railroad Retirement Board (RRB) benefits.

Premium-free Part A coverage begins six months before the date you apply for Medicare (or Social Security/RRB benefits), but no earlier than the first month you were eligible for Medicare.

**NOTE:** *To avoid a tax penalty, you should stop contributing to your HSA at least six months before you apply for Medicare.*

### **“Extra Help” with Medicare prescription drug costs**

If you have limited resources and income, you may qualify for Extra Help to pay for your prescription drugs under Medicare Part D. Social Security's role in this program is to:

- Help you understand how you may qualify.
- Help you complete the Extra Help application.
- Process your application.

If you apply for Extra Help, we also will start an application for the Medicare Savings Programs, unless you tell us not to. To see if you qualify or to apply, visit our website at [www.socialsecurity.gov/extrahelp](http://www.socialsecurity.gov/extrahelp) or contact us.

## Help with other Medicare costs

If you have limited income and resources, your state may pay your Medicare premiums and, in some cases, other “out-of-pocket” medical expenses, such as deductibles, copayments, and coinsurance.

Only your state can decide whether you qualify for help from the Medicare Savings Programs. For more information, contact your state medical assistance (Medicaid) office or State Health Insurance Assistance Program (SHIP). You can look up your state telephone numbers online at [Medicare.gov/contacts](https://www.medicare.gov/contacts) or call **1-800-MEDICARE (1-800-633-4227)**.

## Parts of Medicare

Social Security enrolls you in Original Medicare (Part A and Part B).

- Medicare Part A (hospital insurance) helps pay for inpatient care in a hospital or limited time at a skilled nursing facility (following a hospital stay). Part A also pays for some home health care and hospice care.
- Medicare Part B (medical insurance) helps pay for services from doctors and other health care providers, outpatient care, home health care, durable medical equipment, and some preventive services.

Other parts of Medicare are run by private insurance companies that follow rules set by Medicare.

- Medicare Advantage Plan (previously known as Part C) includes all benefits and services covered under Part A and Part B — prescription drugs and additional benefits such as vision, hearing, and dental — bundled together in one plan.
- Medicare Part D (Medicare prescription drug coverage) helps cover the cost of prescription drugs.

- Supplemental (Medigap) policies help pay Medicare out-of-pocket copayment, coinsurance, and deductible expenses.

For more information, read *Medicare* (Publication No. 05-10043).

## Contacting Social Security

There are several ways to contact us, such as online, by phone, and in person. We're here to answer your questions and to serve you. For more than 80 years, Social Security has helped secure today and tomorrow by providing benefits and financial protection for millions of people throughout their life's journey.

### Visit our website

The most convenient way to conduct Social Security business from anywhere is online at **[www.socialsecurity.gov](http://www.socialsecurity.gov)**. You can accomplish a lot.

- Apply for Extra Help with Medicare prescription drug plan costs.
- Apply for most types of benefits.
- Find copies of our publications.
- Get answers to frequently asked questions.

When you create a *my* Social Security account, you can do even more.

- Review your *Social Security Statement*.
- Verify your earnings.
- Print a benefit verification letter.
- Change your direct deposit information.
- Request a replacement Medicare card.
- Get a replacement SSA-1099/1042S.
- Request a replacement Social Security card, if you have no changes and your state participates.

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## **Call us**

If you don't have access to the internet, we offer many automated services by telephone, 24 hours a day, 7 days a week. Call us toll-free at **1-800-772-1213** or at our TTY number, **1-800-325-0778**, if you're deaf or hard of hearing.

A member of our staff can answer your call from 7 a.m. to 7 p.m., Monday through Friday, if you need to speak with someone. We ask for your patience during busy periods since you may experience a high rate of busy signals and longer hold times to speak to us. We look forward to serving you.

## **Schedule an office visit**

You can find the closest office location by entering your ZIP code on our office locator webpage.

If you are bringing documents for us to see, remember that they must be original or certified copies that are certified by the issuing agency.



Securing today  
and tomorrow

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