

KSRE Southwind District  
FACS News Column  
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Release March 4, 2022

## **When to Take Your Social Security Retirement Benefits**

*The most important financial decision of your life.*

Social Security retirement benefits provide a secure income during retirement years. Eligibility for this benefit is between 62 and 70 years old. The most important financial decision of your life will be to determine when is the best time to take it. Read on for a few statistics and tips to help you make this decision.

Americans reaching age 65 will live to about 85, sufficient income and savings is needed to cover 20 years or more in retirement. Healthcare and housing are the two highest expenses that continually increase during retirement years.

Those who retire at age 65, Social Security benefits could equal half of the monthly income. In later years if other retirement savings are depleted, Social Security benefits may equal 70% of the total monthly income.

Acquiring complete and accurate information can help you plan and determine what is right for you. Here are five things to consider to help you make an informed decision:

- **Know your *full retirement age*.** It varies depending on the year you were born. It is the starting point for SSA's calculations of increases and decreases to your monthly benefits. The *full retirement age* is the age at which you can start working and collecting Social Security benefits without facing a reduction in benefits.
- **Don't claim early if you don't have to.** Allowing your benefits to grow for even one year makes a difference in your benefits. You'll get an additional 5 to 8 percent in benefits for every year you claim after age 62. A higher monthly benefit could be important when you are older, which is when Social Security may play a more central role in your retirement income. At that point, your other sources of income and savings may be depleted.
- **Know your retirement budget.** Be aware of how much money comes in and goes out each month. Consider both your actual income and expenses before and after retirement. This can help you understand how a reduced or increased benefit will affect

your ability to meet your needs in retirement. This can also help you decide if you should reduce your expenses and pay off any debts before retiring.

- **Keep working if you can.** Staying in the workforce-full or part time- for even one or two additional years can earn you an even bigger increase in your Social Security benefit by replacing years with low or no earnings from your earnings record. Working longer also gives you more time to save for retirement.
- **Consider your spouse's long-term needs.** Because surviving spouses receive the higher of the two spouses' benefits, it makes sense for higher earning spouses to claim at their *full retirement age* or after to get the full or highest possible benefit. This can minimize the reduction in income a surviving spouse may experience.

Setup up a *my* Social Security account to view your actual earnings record, estimated retirement and survivor's benefits. You can also verify the estimated Social Security and Medicare taxes you've paid. Open or view your account at [ssa.gov/myaccount](https://ssa.gov/myaccount).

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