**What You Need To Know To Maximize Your Social Security Benefits**

For most Americans, social security retirement benefits typically represent a significant portion of their retirement income and yet over 90% of social security recipients receive less money than they are entitled to. For many filers, this can represent tens of thousands of dollars in lost retirement benefits. These results are not surprising when you consider the sheer complexity of the social security system. For example, a typical married couple has over 567 possible ways to file for their benefits. If you are divorced or widowed, the filing rules can be even more complex.

In addition, agents at the Social Security Administration (SSA) are prohibited from providing advice on filing strategies as well as on the taxation of benefits. Here are six things you should know before filing for benefits:

**1.** **Deferring benefits to age 70**: By delaying receipt of benefits from age 62 to 70, you will increase you retirement income payment by 76% plus any cost of living adjustments (COLA).

**2. “The Do Over”:** If you have already filed for benefits and wish to undo your election, you can do so up to 12 months from the date you filed. You will need to pay back any benefits received but it will allow you to elect an alternate filing election in the future, which may provide you with increased future benefits.

**3. Spousal Benefits:** If you get married, you are eligible for spousal benefits once you have been married for at least one year. At Full Retirement Age (FRA), spousal benefits are equal to 50% of your spouse’s FRA benefit. The earliest you could potentially start to receive spousal benefits is age 62. Prior to FRA, however, the deemed filing rule comes into play and may require that you elect your own reduced benefit versus your spousal benefit.

**4. Survivor Benefits:**  Once you have been married for at least 9 months, you will be eligible for survivor benefits. Once you and your spouse reach Full Retirement Age (FRA), survivor benefits will be 100% of the deceased spouse’s benefit amount, including any delayed retirement credits (DRC’s). Survivor benefits are available as early as age 60 (or 50 if you are disabled) at a reduced amount. For example, at age 60 the survivor benefit is equal to 71.5% of your deceased spouse’s FRA benefit.

**5. Divorced Spouse Benefits:**  If you were married for 10 years or longer, divorced for at least 2 years, not re-married, and you and your ex-spouse are at least age 62 then you will be eligible for ex-spousal benefits, which are similar to benefits you would have received if you were still married. Collecting benefits off of an ex-spouse will not affect their benefits nor will it affect any benefits of his new spouse if he had re-married. Note: you may also be eligible for ex-spousal survivor benefits in the event your ex-spouse predeceases you.

Clearly, the rules governing social security income maximization planning are quite complex. In addition to the numerous rules and filing options, one should also take into account one’s health status, life expectancy, need for income, how long you plan to work and survivor needs. All of these factors should be considered in determining your optimal filing strategy.

Your social security filing election may be the most important financial decision you make in planning for retirement. If you between the ages of 58 and 67 perhaps it is time to take a closer look at all of the numerous and valuable benefits that social security has to offer. Our firm works directly with Ash Ahluwalia, who is an expert in determining your maximum payout. In fact if we do not get you at least $25,000 more in lifetime benefits we will not charge you. If you want to learn how to maximize your social security benefits, call Gregory Spadea at 610-521- 0604.