

# THE COMPLETE SOCIAL SECURITY GUIDE

*Maximize Your Benefits & Secure Your Retirement*

## Introduction

Social Security is one of the most important sources of retirement income for millions of Americans. Yet many people don't fully understand how the system works or how their claiming decisions can impact their lifetime benefits. This guide is designed to help you navigate Social Security and make informed decisions about when and how to claim your benefits.

## Chapter 1: Understanding Social Security Basics

Social Security is a federal insurance program that provides benefits to workers, retirees, and their families. The program is funded through payroll taxes (FICA) that both employees and employers contribute. Your Social Security benefits are based on your lifetime earnings record.

### Primary Insurance Amount (PIA)

Your Primary Insurance Amount (PIA) is the benefit amount you receive at your full retirement age. This amount is calculated based on your 35 highest-earning years. If you have fewer than 35 years of earnings, zeros are included in the calculation.

### Full Retirement Age (FRA)

Your Full Retirement Age depends on the year you were born. For people born in 1943-1954, the FRA is 66. For those born in 1955-1959, it gradually increases from 66 and 2 months to 66 and 10 months. For those born in 1960 and later, the FRA is 67.

## **Chapter 2: Claiming Strategies**

When you claim Social Security is one of the most important financial decisions you'll make. The age you choose can significantly impact your lifetime benefits.

### **Claiming at Age 62 (Early Claiming)**

If you claim at 62, your benefit is reduced by approximately 30% compared to your full retirement age benefit. However, you start receiving benefits immediately, which can be advantageous if you have health concerns or need income now.

### **Claiming at Full Retirement Age**

If you wait until your full retirement age, you receive 100% of your Primary Insurance Amount. This is the break-even point where the reduction from early claiming is eliminated.

### **Claiming at Age 70 (Delayed Claiming)**

If you delay claiming until age 70, your benefit increases by 8% for each year you wait past your full retirement age. This results in a benefit that is approximately 24-32% higher than your full retirement age benefit, depending on your birth year.

## **Chapter 3: Spousal and Survivor Benefits**

If you're married, your spouse may be eligible for benefits based on your work record, even if they have little or no work history. Divorced individuals may also be eligible for spousal benefits if the marriage lasted at least 10 years.

### **Spousal Benefits**

A spouse can receive up to 50% of the worker's Primary Insurance Amount at their full retirement age. If they claim before their full retirement age, the benefit is reduced.

### **Survivor Benefits**

If you pass away, your family members may be eligible for survivor benefits. This includes your spouse, children under 19 (or 19 if still in high school), and dependent parents.

## **Chapter 4: Tax Considerations**

Up to 85% of your Social Security benefits may be subject to federal income tax, depending on your combined income (adjusted gross income + tax-exempt interest + 50% of Social Security benefits).

### **Provisional Income Thresholds**

For single filers, if your provisional income is between \$25,000 and \$34,000, up to 50% of your benefits may be taxable. If it exceeds \$34,000, up to 85% may be taxable. For married couples filing jointly, the thresholds are \$32,000 and \$44,000 respectively.

## **Chapter 5: Common Scenarios & Case Studies**

Every situation is unique, but understanding how Social Security works in different scenarios can help you plan better.

### **Scenario 1: High Earner**

A high earner may benefit from delaying Social Security to age 70 while using other retirement assets for living expenses. This maximizes the benefit amount and reduces the tax impact of other income sources.

### **Scenario 2: Married Couple**

A married couple can coordinate their claiming strategies. For example, one spouse might claim at full retirement age while the other delays to 70, maximizing household benefits.

### **Scenario 3: Early Retiree**

Someone who retires early at 55 might claim Social Security at 62 to bridge the gap until other retirement income begins, while planning for the reduced benefit amount.

## Conclusion

Social Security is a valuable benefit that can provide a foundation for your retirement income. By understanding how the system works and carefully considering your claiming strategy, you can maximize your benefits and achieve greater financial security in retirement.

*This guide is for educational purposes only and does not constitute financial advice. Please consult with a qualified financial advisor for personalized recommendations. Document prepared by Goldstein & Co. LLC on December 18, 2025.*