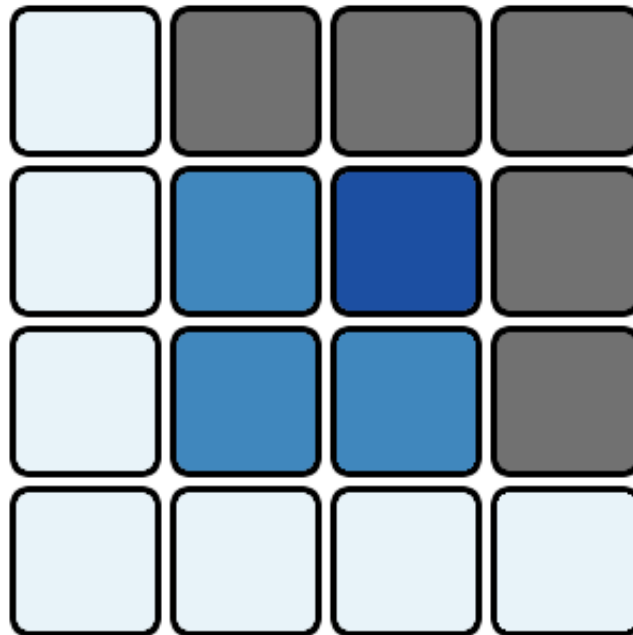


Social Security



Choices

Maximizing Your Social Security Benefits

Your Personal Roadmap

Your Order

Order: #9999
Date: September 6, 2013

Need Help?

Email: help@socialsecuritychoices.com
Phone: (443)-990-1675

WHAT YOU'LL FIND IN THIS GUIDE

1. **Introduction:** Your Personal Roadmap to Maximizing Your Social Security Benefits, and a Chance to Review the Information You Gave Us

2. **Your Optimal Claiming Strategies:** A Summary of the Actions You Should Take to Optimize Your Social Security Benefits
 1. Short Life Expectancy
 2. Exceptional Life Expectancy
 3. Long Life Expectancy

3. **The Details Behind the Numbers:** Explanation of Your Strategies and Alternative Strategies Available to You
 1. Short Life Expectancy
 2. Exceptional Life Expectancy
 3. Long Life Expectancy

4. **Answers to Frequently Asked Questions**

Your Personal Roadmap to Maximizing Your Social Security Benefits

One of the most important financial decisions you will ever make is when to start taking your Social Security benefits. Using the information you provided, we've analyzed every one of your options (also known as claiming strategies) and outlined your Optimal Claiming Strategy (the actions you should take to maximize your Social Security benefits) as it pertains to three life expectancy scenarios.

We used this information to get started:

Your year of birth:	1954
Your Full Retirement Age (FRA):	66.00
Monthly Social Security Retirement Benefit at FRA:	\$1,666
Primary Insurance Amount (PIA) of the Deceased Spouse:	\$239
Maximum Available Monthly Benefit on your Deceased Spouse's Record:	\$239

Your monthly retirement benefit is increased by 8% for each year you wait to start claiming your Social Security benefits after your FRA, up to age 70. Conversely, depending on your individual FRA, you'll get 25% - 30% less than your FRA benefit if you cash in at 62. Your widow(er)'s benefit increases up to your full retirement age. Claiming before your FRA reduces your benefit. For example, claiming at age 60 reduces the widow(er)'s benefit by 28.5% - 33.5%, depending on your individual FRA.

Next we looked at several life expectancy scenarios. These scenarios enable you to think about the number of years you expect to collect Social Security benefits. For your report, a "normal" lifespan is based on the typical life expectancies of men and women approaching full retirement age. A "long" lifespan makes the assumption that 25% of men or women will outlive you. Finally, a "short" lifespan makes the assumption that 75% of men or women will outlive you.

You chose to analyze these scenarios:

1. Short:

You collect until age 75

2. Exceptional:

You collect until age 72

3. Long:

You collect until age 88

Now let's take a look at what you need to do to maximize your Social Security benefits.

Your Optimal Claiming Strategies:

A Summary of the Actions You Should Take to Optimize Your Social Security Benefits

1. SHORT LIFE EXPECTANCY

In this scenario you wanted to consider a Short life expectancy. Let's see how your claiming strategy, and your lifetime benefits, will change if you expect to live to age 75.

1. You file for widow's benefits on your spouse's record at age 60. You should be careful not to take retirement benefits on your own record at this time.
2. You file for and begin to receive retirement benefits at age 62.

Let's take a look at what your monthly benefits will be using this strategy:

Your Age	Your Retirement Benefit	Your Widow(er)'s Benefit	Total Monthly Benefits	Claiming Action
60	\$0	\$170	\$170	You claim widow's benefits.
61	\$0	\$170	\$170	-
62	\$1,250	\$0	\$1,250	You claim retirement benefits.
63	\$1,250	\$0	\$1,250	-
64	\$1,250	\$0	\$1,250	-
65	\$1,250	\$0	\$1,250	-
66	\$1,250	\$0	\$1,250	-
67	\$1,250	\$0	\$1,250	-
68	\$1,250	\$0	\$1,250	-
69	\$1,250	\$0	\$1,250	-
70	\$1,250	\$0	\$1,250	-

After taking the above actions your Total Monthly Benefits under this strategy will be \$1,250. **The total lifetime value of this strategy is \$168,000 in today's dollars.**

2. EXCEPTIONAL LIFE EXPECTANCY

In this scenario you wanted to consider a Exceptional life expectancy. Let's see how your claiming strategy, and your lifetime benefits, will change if you expect to live to age 72.

1. You file for widow's benefits on your spouse's record at age 60. You should be careful not to take retirement benefits on your own record at this time.
2. You file for and begin to receive retirement benefits at age 62.

Let's take a look at what your monthly benefits will be using this strategy:

Your Age	Your Retirement Benefit	Your Widow(er)'s Benefit	Total Monthly Benefits	Claiming Action
60	\$0	\$170	\$170	You claim widow's benefits.
61	\$0	\$170	\$170	-
62	\$1,250	\$0	\$1,250	You claim retirement benefits.
63	\$1,250	\$0	\$1,250	-
64	\$1,250	\$0	\$1,250	-
65	\$1,250	\$0	\$1,250	-
66	\$1,250	\$0	\$1,250	-
67	\$1,250	\$0	\$1,250	-
68	\$1,250	\$0	\$1,250	-
69	\$1,250	\$0	\$1,250	-
70	\$1,250	\$0	\$1,250	-

After taking the above actions your Total Monthly Benefits under this strategy will be \$1,250. **The total lifetime value of this strategy is \$139,000 in today's dollars.**

3. LONG LIFE EXPECTANCY

In this scenario you wanted to consider a Long life expectancy. Let's see how your claiming strategy, and your lifetime benefits, will change if you expect to live to age 88.

1. You file for widow's benefits on your spouse's record at age 60. You should be careful not to take retirement benefits on your own record at this time.
2. You file for and begin to receive retirement benefits at age 70.

Let's take a look at what your monthly benefits will be using this strategy:

Your Age	Your Retirement Benefit	Your Widow(er)'s Benefit	Total Monthly Benefits	Claiming Action
60	\$0	\$170	\$170	You claim widow's benefits.
61	\$0	\$170	\$170	-
62	\$0	\$170	\$170	-
63	\$0	\$170	\$170	-
64	\$0	\$170	\$170	-
65	\$0	\$170	\$170	-
66	\$0	\$170	\$170	-
67	\$0	\$170	\$170	-
68	\$0	\$170	\$170	-
69	\$0	\$170	\$170	-
70	\$2,199	\$0	\$2,199	You claim retirement benefits.

After taking the above actions your Total Monthly Benefits under this strategy will be \$2,199. **The total lifetime value of this strategy is \$308,000 in today's dollars.**

The Details Behind the Numbers

1. SHORT LIFE EXPECTANCY

Now, using today's dollars, let's compare the lifetime value of your benefits under your Optimal Claiming Strategy to the lifetime value you'd receive by claiming Retirement benefits at 62 and claiming Retirement benefits at 66 if you expect to live to age 75.

This graph approximates the purchasing power of your combined Social Security checks over time. The actual dollar amounts you receive will depend on future COLA adjustments.



Your Lifetime Benefit utilizing your Optimal Claiming Strategy is:	\$168,000
Your Lifetime Benefit using the Strategy of solely claiming Retirement Benefits at 66:	\$147,000
Your Lifetime Benefit using the Strategy of solely claiming Retirement Benefits at 62:	\$164,000

By implementing the optimal strategy, you begin receiving checks earlier and ultimately make more money over the course of your lifetime. If instead, you wait to claim Retirement benefits at age 62, you will lose the equivalent of \$4,000 in today's dollars over your lifetime. That's like offering to pay Uncle Sam an extra \$4,000 in taxes on top of what you already owe! Similarly, if you wait to claim Retirement benefits at age 66, you will lose the equivalent of \$21,000 in today's dollars over your lifetime.

If you enjoy "what-if" analysis, then we created this next table for you. In it we compare your benefits under the Optimal Claiming Strategy for this scenario (identified in blue) to benefits from other possible age combinations/strategies and show you in an easy-to-understand format the "losses" associated with following strategies other than your Optimal Claiming Strategy. Remember that your Optimal Claiming Strategy is worth \$168,000 in today's dollars? You can see here that if you choose to claim Retirement benefits at 62 and take no further actions, you'll be leaving approximately \$4,000 on the table. Similarly, if you choose to only take Retirement benefits at 66, you will lose approximately \$21,000.

		RETIREMENT BENEFITS CLAIMING AGE									
		62	63	64	65	66	67	68	69	70	OW
WIDOWS BENEFITS CLAIMING AGE	60	\$168k	-\$2k	-\$3k	-\$5k	-\$10k	-\$15k	-\$21k	-\$30k	-\$41k	-\$142k
	61	-\$2k	-\$4k	-\$4k	-\$7k	-\$11k	-\$16k	-\$22k	-\$31k	-\$42k	-\$142k
	62	-	-\$6k	-\$6k	-\$9k	-\$13k	-\$17k	-\$24k	-\$33k	-\$43k	-\$143k
	63	-\$130k	-	-\$8k	-\$11k	-\$15k	-\$19k	-\$26k	-\$34k	-\$44k	-\$144k
	64	-\$117k	-\$130k	-	-\$13k	-\$17k	-\$21k	-\$27k	-\$36k	-\$46k	-\$145k
	65	-\$105k	-\$117k	-\$131k	-	-\$19k	-\$23k	-\$29k	-\$38k	-\$48k	-\$146k
	66	-\$93k	-\$105k	-\$117k	-\$131k	-	-\$25k	-\$31k	-\$40k	-\$50k	-\$147k
	OR	-\$4k	-\$8k	-\$11k	-\$15k	-\$21k	-\$28k	-\$36k	-\$47k	-\$59k	-

-- **OW** means that *Only Widow(er)*'s benefits are collected and you never switch to your retirement benefits.

-- **OR** means that *Only Retirement* benefits are collected and you never switch to your widow(er)'s benefits.

How Can You Use This Table?

In some cases, the variance in benefits you'll receive by using a strategy different from your Optimal Claiming Strategy may be relatively small. This table lets you explore other options that get you very close to the maximum benefits, but might fit better into your overall retirement plan. It also shows the effect of claiming only widow(er)'s benefits (denoted OW) or only retirement benefits (OR).

You might also be in a situation where you just can't put your Optimal Claiming Strategy into action. For example, you may not have the financial resources to delay claiming to the optimal age, so you don't have the flexibility to fully coordinate your claiming decisions. The table shows what you give up by claiming earlier than the optimum age.

2. EXCEPTIONAL LIFE EXPECTANCY

Now, using today's dollars, let's compare the lifetime value of your benefits under your Optimal Claiming Strategy to the lifetime value you'd receive by claiming Retirement benefits at 62 and claiming Retirement benefits at 66 if you expect to live to age 72.

This graph approximates the purchasing power of your combined Social Security checks over time. The actual dollar amounts you receive will depend on future COLA adjustments.



Your Lifetime Benefit utilizing your Optimal Claiming Strategy is:	\$139,000
Your Lifetime Benefit using the Strategy of solely claiming Retirement Benefits at 66:	\$107,000
Your Lifetime Benefit using the Strategy of solely claiming Retirement Benefits at 62:	\$135,000

By implementing the optimal strategy, you begin receiving checks earlier and ultimately make more money over the course of your lifetime. If instead, you wait to claim Retirement benefits at age 62, you will lose the equivalent of \$4,000 in today's dollars over your lifetime. That's like offering to pay Uncle Sam an extra \$4,000 in taxes on top of what you already owe! Similarly, if you wait to claim Retirement benefits at age 66, you will lose the equivalent of \$31,000 in today's dollars over your lifetime.

If you enjoy "what-if" analysis, then we created this next table for you. In it we compare your benefits under the Optimal Claiming Strategy for this scenario (identified in blue) to benefits from other possible age combinations/strategies and show you in an easy-to-understand format the "losses" associated with following strategies other than your Optimal Claiming Strategy. Remember that your Optimal Claiming Strategy is worth \$139,000 in today's dollars? You can see here that if you choose to claim Retirement benefits at 62 and take no further actions, you'll be leaving approximately \$4,000 on the table. Similarly, if you choose to only take Retirement benefits at 66, you will lose approximately \$31,000.

		RETIREMENT BENEFITS CLAIMING AGE									
		62	63	64	65	66	67	68	69	70	OW
WIDOWS BENEFITS CLAIMING AGE	60	\$139k	-\$4k	-\$7k	-\$13k	-\$20k	-\$28k	-\$38k	-\$50k	-\$64k	-\$116k
	61	-\$2k	-\$6k	-\$9k	-\$14k	-\$21k	-\$29k	-\$39k	-\$51k	-\$64k	-\$117k
	62	-	-\$8k	-\$11k	-\$16k	-\$23k	-\$30k	-\$40k	-\$52k	-\$66k	-\$118k
	63	-\$105k	-	-\$13k	-\$18k	-\$25k	-\$32k	-\$42k	-\$53k	-\$67k	-\$119k
	64	-\$92k	-\$106k	-	-\$20k	-\$27k	-\$34k	-\$44k	-\$55k	-\$69k	-\$120k
	65	-\$81k	-\$93k	-\$106k	-	-\$29k	-\$36k	-\$46k	-\$57k	-\$70k	-\$122k
	66	-\$69k	-\$81k	-\$93k	-\$107k	-	-\$38k	-\$48k	-\$59k	-\$72k	-\$123k
	OR	-\$4k	-\$10k	-\$15k	-\$22k	-\$31k	-\$41k	-\$52k	-\$66k	-\$82k	-

-- **OW** means that *Only Widow(er)*'s benefits are collected and you never switch to your retirement benefits.

-- **OR** means that *Only Retirement* benefits are collected and you never switch to your widow(er)'s benefits.

How Can You Use This Table?

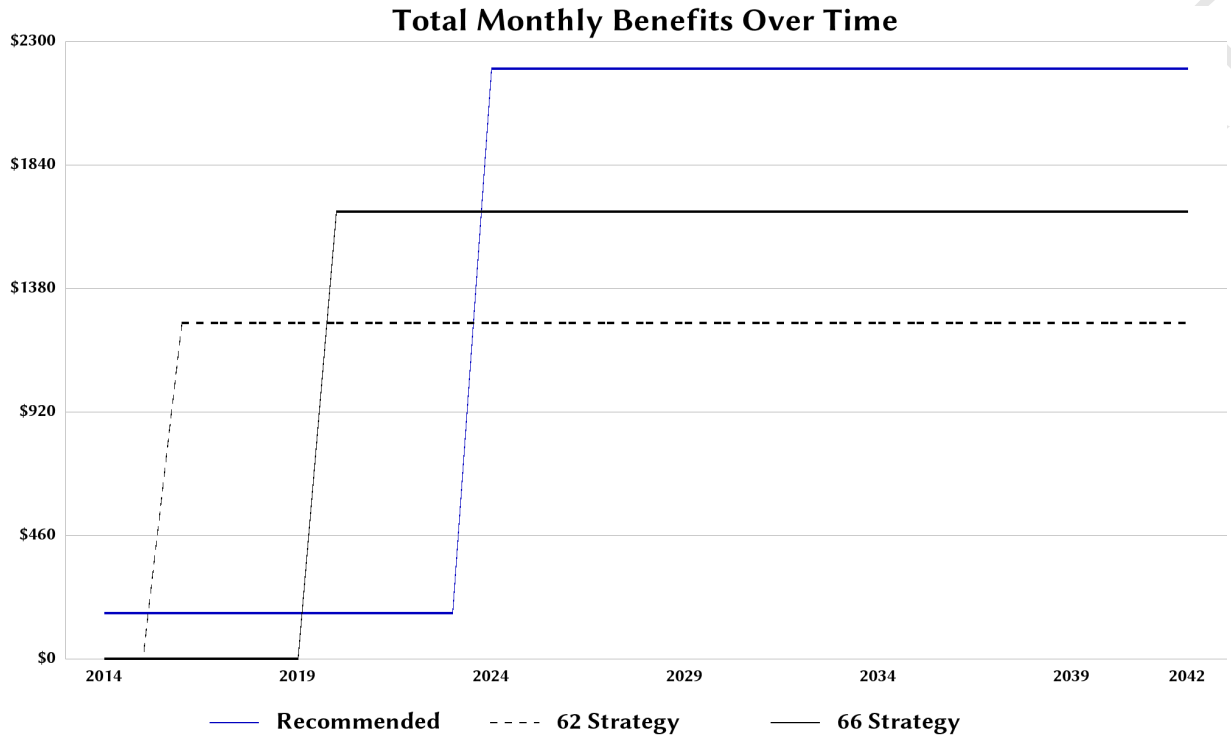
In some cases, the variance in benefits you'll receive by using a strategy different from your Optimal Claiming Strategy may be relatively small. This table lets you explore other options that get you very close to the maximum benefits, but might fit better into your overall retirement plan. It also shows the effect of claiming only widow(er)'s benefits (denoted OW) or only retirement benefits (OR).

You might also be in a situation where you just can't put your Optimal Claiming Strategy into action. For example, you may not have the financial resources to delay claiming to the optimal age, so you don't have the flexibility to fully coordinate your claiming decisions. The table shows what you give up by claiming earlier than the optimum age.

3. LONG LIFE EXPECTANCY

Now, using today's dollars, let's compare the lifetime value of your benefits under your Optimal Claiming Strategy to the lifetime value you'd receive by claiming Retirement benefits at 62 and claiming Retirement benefits at 66 if you expect to live to age 88.

This graph approximates the purchasing power of your combined Social Security checks over time. The actual dollar amounts you receive will depend on future COLA adjustments.



Your Lifetime Benefit utilizing your Optimal Claiming Strategy is:	\$308,000
Your Lifetime Benefit using the Strategy of solely claiming Retirement Benefits at 66:	\$284,000
Your Lifetime Benefit using the Strategy of solely claiming Retirement Benefits at 62:	\$267,000

By implementing the optimal strategy, you begin receiving checks earlier and ultimately make more money over the course of your lifetime. If instead, you wait to claim Retirement benefits at age 62, you will lose the equivalent of \$41,000 in today's dollars over your lifetime. That's like offering to pay Uncle Sam an extra \$41,000 in taxes on top of what you already owe! Similarly, if you wait to claim Retirement benefits at age 66, you will lose the equivalent of \$24,000 in today's dollars over your lifetime.

If you enjoy "what-if" analysis, then we created this next table for you. In it we compare your benefits under the Optimal Claiming Strategy for this scenario (identified in blue) to benefits from other possible age combinations/strategies and show you in an easy-to-understand format the "losses" associated with following strategies other than your Optimal Claiming Strategy. Remember that your Optimal Claiming Strategy is worth \$308,000 in today's dollars? You can see here that if you choose to claim Retirement benefits at 62 and take no further actions, you'll be leaving approximately \$41,000 on the table. Similarly, if you choose to only take Retirement benefits at 66, you will lose approximately \$24,000.

		RETIREMENT BENEFITS CLAIMING AGE									
		62	63	64	65	66	67	68	69	70	OW
WIDOW'S BENEFITS CLAIMING AGE	60	-\$37k	-\$32k	-\$24k	-\$17k	-\$13k	-\$6k	-\$2k	-\$1k	\$308k	-\$267k
	61	-\$39k	-\$34k	-\$25k	-\$19k	-\$14k	-\$8k	-\$3k	-\$1k	-\$1k	-\$267k
	62	-	-\$36k	-\$27k	-\$21k	-\$16k	-\$9k	-\$5k	-\$3k	-\$2k	-\$266k
	63	-\$252k	-	-\$29k	-\$23k	-\$18k	-\$11k	-\$6k	-\$4k	-\$4k	-\$266k
	64	-\$239k	-\$252k	-	-\$25k	-\$20k	-\$13k	-\$8k	-\$6k	-\$5k	-\$266k
	65	-\$225k	-\$238k	-\$251k	-	-\$22k	-\$15k	-\$10k	-\$8k	-\$7k	-\$267k
	66	-\$213k	-\$224k	-\$237k	-\$251k	-	-\$17k	-\$12k	-\$10k	-\$9k	-\$267k
	OR	-\$41k	-\$38k	-\$32k	-\$27k	-\$24k	-\$20k	-\$17k	-\$17k	-\$18k	-

-- **OW** means that *Only Widow(er)*'s benefits are collected and you never switch to your retirement benefits.

-- **OR** means that *Only Retirement* benefits are collected and you never switch to your widow(er)'s benefits.

How Can You Use This Table?

In some cases, the variance in benefits you'll receive by using a strategy different from your Optimal Claiming Strategy may be relatively small. This table lets you explore other options that get you very close to the maximum benefits, but might fit better into your overall retirement plan. It also shows the effect of claiming only widow(er)'s benefits (denoted OW) or only retirement benefits (OR).

You might also be in a situation where you just can't put your Optimal Claiming Strategy into action. For example, you may not have the financial resources to delay claiming to the optimal age, so you don't have the flexibility to fully coordinate your claiming decisions. The table shows what you give up by claiming earlier than the optimum age.

Answers to Frequently Asked Questions

Social Security is a complicated system, so we expect that an attentive reader may have some questions after reading through the above analysis. Below, we answer some common questions, but if you have additional questions, don't hesitate to email us at help@socialsecuritychoices.com.

Q: How do you determine my optimal strategy?

A: We evaluate each of the claiming choices you face and rank them based on what we call "Social Security Wealth." Social Security Wealth is based on your lifetime Social Security benefits. It is expressed in today's dollars and takes into account the time value of money by using a 3 percent interest rate. For more, [click here](#).

Q: Does this analysis take into account my other assets?

A: No. We show you how to maximize your lifetime Social Security Wealth. You may want to consult with a financial planner to see how this information best fits into your personal financial plan. Perhaps our recommended claiming scenario is not appropriate for you. If it's not, we provide detailed information on dozens of other claiming scenarios so that you can find the best one for your overall financial plan.

Q: Why do some of my monthly benefit estimates differ from those from the SSA or from other sources?

A: These values are an approximation based on the information you gave us. Some other sources base their numbers on assumptions about your future earnings or future cost of living adjustments. Our number represents your purchasing power, assuming your full retirement benefit does not change.

Q: Does my claiming strategy change if I continue to work?

A: That depends. Earnings have no effect on your benefits if you claim after you reach your full retirement age (FRA). However, if you claim before your FRA, earnings above a modest threshold amount will defer, reduce, or eliminate your benefits. Usually people with substantial earnings between age 62 and their FRA find it financially advantageous to delay claiming until their FRA or later. For more, read [here](#).

Q: I expect my future tax bracket to drop, but only after your recommended claiming age. Should I defer claiming until my tax rates drop?

A: A substantial reduction in your future tax rates might make it advisable to delay claiming. A modest reduction usually does not alter a person's optimal claiming pattern. For more details, click [here](#).