



When Should I Claim Social Security Benefits?

While retirement can be a different experience for each person, once you stop working, you'll need sources of income to support yourself. Retirement income can come from savings and social assistance programs such as social security retirement benefits.

Social Security, also called 'Old Age, Survivors, and Disability Insurance' (OASDI), is a federal program that provides income for qualified retirees. Eligibility for social security retirement benefits is based on factors such as age and payments into the social security system.

When may I claim social security retirement benefits?

For eligible people, receiving social security retirement benefits can begin at age 62. However, you may want to wait until a later age like 'full retirement age,' which can result in a higher monthly benefit amount. You can find more information, such as the monthly amount you would receive at specific ages, by creating an account at [SSA.gov](https://ssa.gov).

What is 'full retirement age' for social security benefits?

Your 'full retirement age' is the age that you can receive your 'full retirement benefit amount.' For anyone born in 1960 and after, your 'full retirement age' is 67.

If you start receiving your benefits before your 'full retirement age' then the monthly amount will be less than it would be at age 67.

When should I claim social security retirement benefits?

Choosing when to claim your social security retirement benefits is a very important decision. There is not a single answer that works best for everyone. Your marital status, health, other sources of retirement income, and other factors influence the decision. You may want to talk with a financial advisor to make the best decision.

It's important to know how your benefit amount can change based 'claiming age.' Here is an example:

Joan, a single person, will turn 62 in a few months and plans to retire at that time. Remember, Joan can claim social security retirement benefits starting at age 62. She

knows that if she claims benefits when she turns 62 that her monthly benefit would be \$1,400. If Joan waits until age 67 to claim benefits then her monthly benefit would be \$2,000. Also, if she waits until age 70 then her monthly benefit would be \$2,480.



Joan has many options. 3 of those options are:

- waiting to claim until her monthly benefit amount is the highest (age 70). However, if Joan dies before age 70 then she will not receive any of her social security retirement benefits.
- claiming when she turns 62 because she needs the income and believes receiving a lower monthly benefit is ok in her situation.
- claiming at age 67 because she does not want her benefit to have a 'benefit reduction' for claiming benefits before her 'full retirement age.'

Also, if Joan wants, she can claim social security benefits at age 62 and continue to work and earn an income. If she does this, she should know that her monthly benefits will be reduced if her earned income reaches a certain limit. If she claims at age 70, she could receive the highest monthly benefit possible and her earned income would have no impact on her benefit.

You can talk about educational resources focused on social security with your county's financial educator. Visit <https://counties.extension.wisc.edu/> for more information.