

Key Information

Cost of Living Adjustments (COLA)

A cost of living adjustment is applied by the Social Security Administration each January based on increases in the Consumer Price Index CPI-W in the third quarter. The purpose of the COLA is to ensure that the purchasing power of Social Security benefits is not eroded by inflation. Effective in January 2023, the COLA increased benefits by 8.7%. In most cases, COLAs begin in the month of January after reaching age 62 and are applied even if benefits have not yet been collected.

Delayed Retirement Credits (DRC)

Delayed retirement credits are applied for each month that benefits are delayed beyond Full Retirement Age (FRA), up to a maximum amount at age 70. The benefit amount increases by 0.66% for each month that benefits are delayed.

Full Retirement Age (FRA)

Full retirement age is the age at which a person may first become entitled to full (unreduced) retirement benefits. This is based on year of birth.

Year of Birth*	Full Retirement Age
1943-1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67

**If born on January 1st of any year, refer to the previous year. If born on the 1st of the month, FRA is figured as if the birthday was in the previous month.*

Sandy Sample

FRA (Full Retirement Age): 67 and 0 month(s)
FRA Date: 01/2027

Steven Sample

66 and 10 month(s)
11/2025

Primary Insurance Amount (PIA)

Primary insurance amount is a calculated value on which retirement benefits are based. The PIA is the benefit received at FRA. At FRA, benefits are neither reduced for early retirement nor increased for delayed retirement. The PIA is based on the highest 35 years of indexed (inflation-adjusted) earnings.

Windfall Elimination Provision (WEP) and Government Pension Offset (GPO)

If a worker has a non-covered pension, the WEP may reduce their retirement or disability benefit. The GPO will reduce a spousal or survivor benefit by two-thirds of the annual pension amount if the beneficiary is collecting a non-covered pension.

Earnings Deduction

If working while collecting Social Security benefits before FRA, earnings deductions may apply. There are two thresholds, depending on the worker's age. In the years before reaching FRA, \$1 for every \$2 earned above the annual limit is subject to earnings deductions. In 2023, the lower limit is \$21,240. In the year of reaching FRA, \$1 for every \$3 earned above a higher annual limit is subject to earnings deductions. In 2023, this limit is \$56,520. Earnings deductions no longer apply after FRA.

Types of Benefits

Retirement Benefits

Retirement benefits are payable starting at age 62 and based on earnings on which Social Security tax was paid and generally have achieved 40 or more quarters of coverage.

Spousal Benefits

Spousal benefits are based on the other spouse's earnings record. One spouse must be collecting their own retirement or disability benefit for the other spouse to collect a spousal benefit. The maximum is 50% of the other spouse's PIA if the spouse collecting is FRA or older. The benefit is reduced if collected prior to FRA. When eligible for multiple benefits, only the higher amount is paid. These benefits may also apply for divorced spouses.

Survivor Benefits

Benefits are paid to the surviving spouse of a deceased worker based on the earnings of the deceased. Generally, the survivor is entitled to receive the amount the deceased worker was collecting if the survivor files at FRA or older. The survivor can elect to start benefits as early as age 60 at a reduced amount. Survivor benefits do not increase if collected after the FRA of the surviving spouse. These benefits may also apply for divorced spouses.

Benefits for Other Dependents

Spousal and survivor benefits may be available for a spouse who is caring for a minor or disabled child, subject to earnings limits and age restrictions.

Surviving dependents of an eligible worker may be entitled survivor benefits up to 75% of the deceased worker's PIA. These dependents include biological or adopted children, stepchildren, or dependent grandchildren. The child must be unmarried and may qualify if they are younger than 18, or up to age 19 if still in high school, or over age 18 if disabled prior to age 22. Dependent parents may also be eligible for survivor benefits if they receive the majority of their financial support from the worker.

Disability Benefits

Social Security Disability Insurance (SSDI) provides assistance to people with disabilities. The application for disability benefits requires a complete history of the applicant's medical and work history. Supplemental Security Income (SSI) programs provide assistance to adults and children with a disability or blindness who have income and resources below specific financial limits, or people age 65 and older who meet the financial qualifications

Annual & Monthly Benefits

Annual Benefits

Not Applicable		Lower Benefit					Higher Benefit		Maximum Benefit		
		Sandy									
Steven		2022	2023	2024	2025	2026	2027	2027	2028	2029	2030
		62	63	64	65	66	FRA	67	68	69	70
2021	62	\$47,688	\$47,808	\$49,200	\$51,072	\$52,932	\$54,792	\$54,792	\$57,024	\$59,256	\$61,488
2022	63	\$47,688	\$47,808	\$49,200	\$51,072	\$52,932	\$54,792	\$54,792	\$57,024	\$59,256	\$61,488
2023	64	\$47,688	\$47,808	\$49,200	\$51,072	\$52,932	\$54,792	\$54,792	\$57,024	\$59,256	\$61,488
2024	65	\$47,688	\$47,808	\$49,200	\$51,072	\$52,932	\$54,792	\$54,792	\$57,024	\$59,256	\$61,488
2025	66	\$47,856	\$47,976	\$49,368	\$51,240	\$53,100	\$54,960	\$54,960	\$57,192	\$59,424	\$61,656
2025	FRA	\$49,440	\$49,560	\$50,952	\$52,824	\$54,684	* \$56,544	\$56,544	\$58,776	\$61,008	\$63,240
2026	67	\$49,824	\$49,944	\$51,336	\$53,208	\$55,068	\$56,928	\$56,928	\$59,160	\$61,392	\$63,624
2027	68	\$52,116	\$52,236	\$53,628	\$55,500	\$57,360	\$59,220	\$59,220	\$61,452	\$63,684	\$65,916
2028	69	\$54,408	\$54,528	\$55,920	\$57,792	\$59,652	\$61,512	\$61,512	\$63,744	\$65,976	\$68,208
2029	70	\$56,700	\$56,820	\$58,212	\$60,084	\$61,944	\$63,804	\$63,804	\$66,036	\$68,268	\$70,500

Monthly Benefits

		Sandy									
Steven		2022	2023	2024	2025	2026	2027	2027	2028	2029	2030
		62	63	64	65	66	FRA	67	68	69	70
2021	62	\$3,974	\$3,984	\$4,100	\$4,256	\$4,411	\$4,566	\$4,566	\$4,752	\$4,938	\$5,124
2022	63	\$3,974	\$3,984	\$4,100	\$4,256	\$4,411	\$4,566	\$4,566	\$4,752	\$4,938	\$5,124
2023	64	\$3,974	\$3,984	\$4,100	\$4,256	\$4,411	\$4,566	\$4,566	\$4,752	\$4,938	\$5,124
2024	65	\$3,974	\$3,984	\$4,100	\$4,256	\$4,411	\$4,566	\$4,566	\$4,752	\$4,938	\$5,124
2025	66	\$3,988	\$3,998	\$4,114	\$4,270	\$4,425	\$4,580	\$4,580	\$4,766	\$4,952	\$5,138
2025	FRA	\$4,120	\$4,130	\$4,246	\$4,402	\$4,557	* \$4,712	\$4,712	\$4,898	\$5,084	\$5,270
2026	67	\$4,152	\$4,162	\$4,278	\$4,434	\$4,589	\$4,744	\$4,744	\$4,930	\$5,116	\$5,302
2027	68	\$4,343	\$4,353	\$4,469	\$4,625	\$4,780	\$4,935	\$4,935	\$5,121	\$5,307	\$5,493
2028	69	\$4,534	\$4,544	\$4,660	\$4,816	\$4,971	\$5,126	\$5,126	\$5,312	\$5,498	\$5,684
2029	70	\$4,725	\$4,735	\$4,851	\$5,007	\$5,162	\$5,317	\$5,317	\$5,503	\$5,689	\$5,875

* Results displayed are based on the year the youngest spouse reaches age 71.

Claiming Options

The chart below provides results for the maximum lifetime benefits claiming strategy and the alternative filing options. Only retirement and spousal benefits (if applicable) are included here. See appendix for detailed benefit breakdowns.

	Maximum		Option A		Option B		Option C	
	Sandy	Steven	Sandy	Steven	Sandy	Steven	Sandy	Steven
Filing Age(s)	70	70	FRA	FRA	65	62	62	62
Filing Month	Jan 2030	Jan 2029	Jan 2027	Nov 2025	Jan 2025	Feb 2021	Feb 2022	Feb 2021
Lifetime*	\$1,123,530		\$1,061,477		\$1,037,286		\$1,010,045	
Annual**	\$34,620	\$35,880	\$27,924	\$28,620	\$24,204	\$26,868	\$20,820	\$26,868
Combined	\$70,500		\$56,544		\$51,072		\$47,688	
Monthly**	\$2,885	\$2,990	\$2,327	\$2,385	\$2,017	\$2,239	\$1,735	\$2,239
Combined	\$5,875		\$4,712		\$4,256		\$3,974	

* Lifetime benefits are shown as the present value of all future benefits.

** Annual and monthly benefits are shown in today's dollars and are based on the year the youngest spouse reaches age 71.

Filing Sequence

	Maximum		Option A		Option B		Option C	
	Sandy	Steven	Sandy	Steven	Sandy	Steven	Sandy	Steven
Age	70	70	FRA	FRA	65	62	62	62
Filing Step 1	Steven files for retirement benefit in January 2029.		Steven files for retirement benefit in November 2025.		Steven files for retirement benefit in February 2021.		Steven files for retirement benefit in February 2021.	
Filing Step 2	Sandy files for retirement benefit in January 2030.		Sandy files for retirement benefit in January 2027.		Sandy files for retirement benefit in January 2025.		Sandy files for retirement benefit in February 2022.	

Net Benefits for Survivor

Social Security provides survivor benefits for spouses and other dependents of the worker. The amount and rules surrounding this benefit are often misunderstood and can vary based on:

- The age the deceased started collecting benefits
- The age the deceased died
- Whether the survivor is collecting other benefits
- The age that the survivor begins collecting the survivor benefit

	Maximum	Option A	Option B	Option C
Survivor	Steven	Steven	Steven	Steven
Annual*	\$35,880	\$28,620	\$26,868	\$26,868
Monthly*	\$2,990	\$2,385	\$2,239	\$2,239

*Total amount received after the death of the other spouse including retirement and survivor benefit.

Payment Amounts

The amounts shown above assume that the survivor collects this benefit at or after their own full retirement age. They will be paid their own retirement amount first, then a separate payment for the difference up to the amount shown above. If the survivor has the higher retirement benefit, there will be no change in payments.

Eligibility

Deceased spouse

The current spouse and the deceased retired worker must have been married at least nine months and the spouse must either (1) be at least 60 years old or (2) be at least 50 years old and disabled or (3) have a child under age 16 or a disabled adult child in their care.

Deceased ex-spouse

The survivor can qualify for benefits if they were married for over 10 years, currently not married or remarried after age 60, and either (1) be at least 60 years old or (2) be at least 50 years old and disabled or (3) have a child under age 16 or a disabled adult child in their care who can also collect benefits on the deceased's earnings record.

Other Considerations

A special rule which could apply if the deceased started collecting early is known as the "Widow's Limit," or the Retired Insurance Benefit – Limitation, RIB-LIM. The rule states that the survivor is entitled to the higher of the two amounts: the actual benefit of the deceased or 82.5% of the deceased's PIA.

It is important to note that the full retirement age for survivor benefits is not always the same as for your own benefit if born between 1956 and 1961. It is four months before your full retirement age if born in these years.

A one-time lump-sum death payment of \$255 can be paid once to a spouse or eligible child and must be collected within two years of the death.

Lifetime Benefits

Total lifetime benefits in this heatmap are shown as the present value of all future benefits for the estimated life expectancies. This is based on an assumed nominal rate of return and inflation rate.

Not Applicable		Lower Benefit					Higher Benefit		Maximum Benefit		
		Sandy									
Steven	2022	2023	2024	2025	2026	2027	2027	2028	2029	2030	
	62	63	64	65	66	FRA	67	68	69	70	
2021 62	\$1,010,045	\$1,016,398	\$1,023,834	\$1,037,286	\$1,047,258	\$1,056,890	\$1,056,890	\$1,072,499	\$1,084,398	\$1,092,672	
2022 63	\$1,013,797	\$1,020,150	\$1,027,586	\$1,041,038	\$1,051,010	\$1,060,642	\$1,060,642	\$1,076,251	\$1,088,150	\$1,096,424	
2023 64	\$1,017,496	\$1,023,850	\$1,031,285	\$1,044,737	\$1,054,710	\$1,064,341	\$1,064,341	\$1,079,950	\$1,091,850	\$1,100,123	
2024 65	\$1,013,142	\$1,019,496	\$1,026,931	\$1,040,383	\$1,050,356	\$1,059,987	\$1,059,987	\$1,075,596	\$1,087,496	\$1,095,770	
2025 66	\$1,006,334	\$1,012,688	\$1,020,123	\$1,033,575	\$1,043,548	\$1,052,729	\$1,052,729	\$1,068,338	\$1,080,238	\$1,088,511	
2025 FRA	\$1,017,461	\$1,023,814	\$1,031,250	\$1,044,702	\$1,054,674	* \$1,061,477	\$1,061,477	\$1,075,222	\$1,087,122	\$1,095,396	
2026 67	\$1,020,793	\$1,027,146	\$1,034,582	\$1,048,033	\$1,058,006	\$1,064,809	\$1,064,809	\$1,077,526	\$1,089,426	\$1,097,699	
2027 68	\$1,038,248	\$1,044,601	\$1,052,037	\$1,065,488	\$1,075,461	\$1,082,264	\$1,082,264	\$1,091,896	\$1,100,742	\$1,109,016	
2028 69	\$1,051,842	\$1,058,196	\$1,065,631	\$1,079,083	\$1,089,056	\$1,095,859	\$1,095,859	\$1,105,490	\$1,111,412	\$1,116,472	
2029 70	\$1,061,663	\$1,068,017	\$1,075,452	\$1,088,904	\$1,098,877	\$1,105,680	\$1,105,680	\$1,115,311	\$1,121,233	\$1,123,530	

Longevity Comparison

The results of your report are generated based on the life expectancies provided, though this cannot be accurately predicted. As a result, additional longevity scenarios are provided below to help better understand lifetime benefits in those cases. Results may vary significantly based on the actual lifespan.

If your results are consistently higher in your preferred vertical option, you should have confidence in that option, even if actual lifespan does not match life expectancy.

	Maximum		Option A		Option B		Option C	
	Sandy	Steven	Sandy	Steven	Sandy	Steven	Sandy	Steven
Age	70	70	FRA	FRA	65	62	62	62
Filing Month	Jan 2030	Jan 2029	Jan 2027	Nov 2025	Jan 2025	Feb 2021	Feb 2022	Feb 2021
Sandy: 88 Steven: 93	\$1,123,530		\$1,061,477		\$1,037,286		\$1,010,045	
Steven: 75 Sandy: 88	\$656,792		\$685,871		\$706,198		\$715,187	
Sandy: 75 Steven: 93	\$781,942		\$785,958		\$798,470		\$804,619	