



## When to claim Social Security benefits - part IV

This email continues our discussion about when to start claiming Social Security benefits.

There is one other strategy to consider, sometimes referred to as “Repay and Reapply” or the “Do-Over.” Within the first twelve months of claiming benefits, you can repay the accumulated benefits received – without interest – and reapply immediately or later for a new higher benefit based upon your age at the time. Until December 2010 you could repay and reapply no matter how long you had been receiving benefits, but the Social Security Administration has now restricted that option to the first twelve months after beginning to receive benefits.

\*\*\*\*\*

The Social Security Administration is no longer mailing annual Social Security benefit estimate statements to all workers. You can still obtain a personalized estimate of your benefits by going to the Social Security website at [www.ssa.gov/estimator](http://www.ssa.gov/estimator). This online tool enables you to see what your anticipated monthly benefit will be, based upon the age you start collecting and other variables. The SSA may resume mailing annual statements later this year, but only to people age 60 and over who are not already receiving benefits.

\*\*\*\*\*

Many people are tempted to start collecting Social Security benefits as soon as they become eligible at age 62. However, instead of looking at the immediate benefit, consider what strategy will provide the greatest cumulative benefit during the course of your lifetime, or the combined lifetimes of you and your spouse if you are married.

Here is a summary of some of the reasons why claiming at age 62 may not be in your best interest:

- Your monthly benefit will be permanently reduced, compared to your benefit at Full Retirement Age. If you are the higher earning spouse, your spouse’s survivor benefit upon your death is also permanently reduced.
- Your benefit will be subject to the earnings test, until you reach FRA.
- There will be no possibility of earning Delayed Retirement Credits beyond FRA.

For more information, please refer to the previous installments in this series of emails.

The decision when to start collecting Social Security is different and specific to the individual or couple, depending upon considerations such as your health, life expectancy and financial circumstances. We recommend that you consult with a financial advisor who can help you sort through the factors that go into making the decision. Please do not hesitate to contact us for assistance.