

THINKING ABOUT RETIREMENT?

If you wait to start taking Social Security retirement benefits...



Will Social Security still be there?



Watch
the video:

<http://bit.ly/PaysToWait>

If you are age 62 or older and you need Social Security to make ends meet, you should take it. But there is no risk in waiting to claim Social Security retirement benefits. Your personal decision about when to claim benefits will not affect Social Security's overall finances. And its finances are stronger than many people realize.

Social Security has never missed a payment

Social Security's trustees constantly monitor the system's finances. Every year they project its income and outgo over the short term (10 years) and long term (75 years). The 75-year projection is longer than almost all other public or private systems.

In the short term, Social Security is fully financed. Over the 75-year projection period, it faces a revenue shortfall. If no action is taken before 2033, Social Security will be able to pay about 77 percent of scheduled benefits after that date. This need not occur. Lawmakers have many policy options to eliminate the shortfall and ensure that all scheduled benefits will be paid in full over the next 75 years.

Social Security first paid benefits in 1940. Since then, **the program has never failed to pay benefits in full and on time.** Over the years Congress has amended the program from time to time to meet new needs and ensure that promised benefits will be paid. In the past, when Congress took steps to reduce the cost of future benefits, changes were phased in very gradually so as not to disrupt the plans of workers nearing retirement. **Lawmakers know that workers and their families are counting on Social Security to be there for them.**

Americans strongly support Social Security

Studies confirm that large majorities of Americans support Social Security and are willing to pay more if necessary to keep it strong. A recent survey by the National Academy of Social Insurance found that 8 in 10 Americans agree that it is important to preserve Social Security for future generations even if that means increasing what working Americans pay into the system. Agreement is strong across generations and income levels – and among Republicans, Democrats, and independents. Americans of all generations value Social Security and are willing to pay for it.

So when you're thinking about when to take Social Security, you should focus on one key question: **Can I afford to wait past age 62?** If you can, your benefits will be higher – for the rest of your life.

It pays to wait

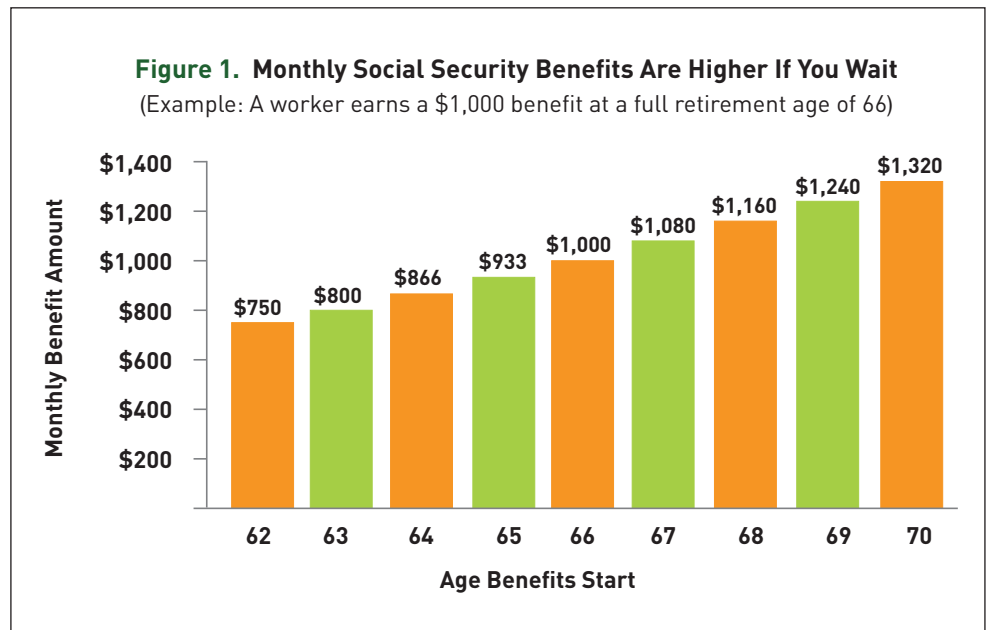
You can claim Social Security retirement benefits at any age from 62 to 70. The longer you can wait, the higher your monthly benefits will be.

Your **full retirement age** is the age when you become eligible for full, unreduced benefits. The full retirement age was 65 for people born in 1937 and earlier. For people born between 1943 and 1954, the full retirement age is 66. It increases gradually for people born between 1955 and 1959. For people born in 1960 and later, the full retirement age will be 67.

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This example is for a person who is eligible for a monthly benefit of \$1,000 at her full retirement age of 66. **If she can wait until age 66 to start Social Security, her benefit will be 33% higher than if she started at age 62. For each year she waits past age 66, her benefit increases 8%. If she can wait until age 70, the oldest age to start collecting benefits, her benefits will be 76% higher than if she had started at age 62.**

Consider carefully when deciding whether you can afford to wait to start Social Security. It can make a **big** difference in your monthly income – for the rest of your life.



This fact sheet is part of a toolkit for workers and their families:

When To Take Social Security: It Pays To Wait

www.nasi.org/WhenToTakeSocialSecurity



Brief: *When Should I Take Social Security Benefits?*

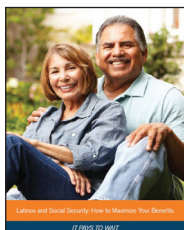


Video: *Social Security: It Pays to Wait* (available in English and Spanish)



Fact Sheet: *When Should I Take Social Security?*

Other Helpful Resources:



National Council of La Raza: *Latinos and Social Security: How to Maximize Your Benefits*



National Urban League Washington Bureau: *When Should I Take Social Security? It Pays to Wait*



National Women's Law Center: *Making the Most of Your Retirement Income*

This brief was supported by the Alfred P. Sloan Foundation and The Retirement Research Foundation as part of an Academy project to help Americans understand how they can enhance their long-term retirement security by working longer and delaying Social Security benefits when feasible, and to strengthen workers' confidence that Social Security will be there for them if they do delay claiming benefits.

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