



## CAN YOU RECEIVE SOCIAL SECURITY BENEFITS IF YOU'RE STILL WORKING?

If you're 62 or over, you can receive Social Security retirement benefits and work at the same time. However, your benefit amount may be reduced based on a combination of your age and earnings. That's because wage income is subject to the Social Security "earnings test," if you haven't yet reached your "full retirement age." For someone turning age 62 in 2019, that's age 66 and 6 months, according to the Social Security Administration (SSA).

### How the earnings test works

If you haven't yet reached full retirement age and are receiving Social Security retirement benefits, you can earn up to \$17,640 in wage income in 2019 without being penalized. However, for every \$2 you earn above that level, you'll lose \$1 in benefits.<sup>1</sup> For example, if you earn \$27,640, you would earn \$10,000 over the limit and your Social Security benefit would be reduced by \$1 for every \$2 of that, which would result in a \$5,000 reduction in annual benefits.<sup>2</sup>

For those who will reach full retirement age in 2019, the earnings limit is \$46,920. For every \$3 earned above that limit, you'll lose \$1 in benefits up until the month you hit your full retirement age. However, once you reach your full retirement age, the earnings test no longer applies. Your earnings no longer reduce your benefits, no matter how much you earn.<sup>1</sup>

### Recouping benefits withheld

It's important to understand that if some of your retirement benefits are withheld based on your earnings, they aren't lost. After you reach full retirement age, the Social Security will recalculate your benefit amount to give you credit for any months in which you did not receive a benefit because of your earnings. Once you reach full retirement age, your monthly benefit will be increased permanently to account for the months in which benefits were withheld.<sup>3</sup> To determine how working in retirement may affect your Social Security benefit payments, use the [Social Security earnings test calculator](#) at SSA.gov.

Keep in mind, whether you're still working or not, if you begin taking Social Security benefits before reaching your full retirement age, your benefit will be permanently reduced. You'll receive approximately 30% less each month for the remainder of your life, than if you had waited until your full retirement age to begin taking benefits.<sup>4</sup> That's among many reasons why it's important to develop a comprehensive income plan for retirement before you begin taking Social Security. To learn more about how benefit amounts vary based on the age you claim Social Security, or to determine your full retirement age, [visit SSA.gov](#).

If you have questions about when to claim your Social Security benefits, or ways to turn your savings into a regular income stream in retirement, call the office today to schedule time to talk.

<sup>1</sup> <https://www.ssa.gov/pubs/EN-05-10069.pdf>

<sup>2</sup> <https://www.usatoday.com/story/money/2019/07/24/retirement-social-security-benefits-claimed-at-full-retirement-age/39792275/>

<sup>3</sup> <https://www.ssa.gov/oact/cola/rtea.html>

<sup>4</sup> <https://www.ssa.gov/planners/retire/retirechart.html>

# TUITION-FREE EDUCATION OPPORTUNITIES FOR SENIORS

If you're nearing or in retirement, and thinking about heading back to school, you're in luck! All fifty states in the U.S. offer some form of tuition assistance to seniors choosing to pursue a degree or non-degree program.<sup>1</sup> While some institutions only allow senior students to audit classes, many offer the chance to earn credits toward a degree at a reduced rate or tuition-free.

For example, South Carolina law provides a tuition exemption for residents age 60 and older taking classes at state colleges. While seniors can generally take any class offered, many South Carolina colleges also have specialized senior learning programs.<sup>2</sup> In Vermont, students age 65 and older may audit one undergraduate state college course per enrollment period, tuition-free. After auditing the first course tuition-free, seniors can take an undergraduate course for a 50% discount off the tuition rate as long as they don't take the place of students paying full tuition. Those seeking academic credit can complete a certificate or undergraduate degree program for a 50% discount off the tuition rate for each course.<sup>3</sup>

While programs can vary broadly by state and institution, most require proof of residency for senior discounts. Other fees may also apply, including administrative fees, costs for class-related materials, and on-campus parking. Many traditional courses also have online components, so you may need a computer and Internet access even if you're attending on-campus classes.

## Prefer to attend from home?

A growing number of colleges and universities in every state offer online education programs. Distance-learning opportunities are a flexible and convenient solution for those who prefer a "virtual" campus experience or the convenience of learning at home. Online education is also ideal for seniors with mobility limitations, those who don't drive, and those without access to public transportation.

## MIT free-for-all

One of the most innovative distance learning programs is [OpenCourseWare](https://ocw.mit.edu/) (OCW) from the Massachusetts Institute of Technology (MIT). OCW is a free, web-based publication of virtually all MIT course content. The program is open and available to anyone in the world and is a permanent MIT activity. You can immediately download courses in business, energy, health sciences, mathematics, fine arts, humanities, and more—at no cost, and on your own time.

To learn about courses available to you at a reduced rate or tuition-free, visit the websites for colleges and universities in your state. You can also find information by state at [The Penny Hoarder](https://www.thepennyhoarder.com/save-money/free-college-courses-for-senior-citizens/) and [A Senior Citizen Guide for College](https://www.sciway.net/edu/colleges/sc-senior-citizen-education.html).

<sup>1</sup> <https://www.thepennyhoarder.com/save-money/free-college-courses-for-senior-citizens/>

<sup>2</sup> <https://www.sciway.net/edu/colleges/sc-senior-citizen-education.html>

<sup>3</sup> <https://www.vsc.edu/i-am-a/senior-citizen/>

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