



NATIONWIDE RETIREMENT INSTITUTE*

Social Security facts and benefit information

2017 Social Security facts¹

0.3% Cost of living adjustment

Provides inflation protection for benefits based on the percentage increase in the consumer price index for urban wage earners.

\$127,200 Maximum taxable earnings

Maximum amount of earnings that is taxed for Social Security.

Earning Social Security credits

(Amount of 2017 net income² needed to earn work credits.)

\$1,300 for one Social Security work credit

\$5,200 for maximum four credits per year

40 total credits needed to qualify for full Social Security benefits.

Social Security tax rates

Federal Insurance Contributions Act (FICA) *Self Employed Contributions Act (SECA)*

6.2% employee

12.4% self-employment

6.2% employer

2.9% Medicare

12.4% total

15.3% total

Earnings test exempt amount

(Amount you can earn and still receive full monthly benefit. No earnings limit if at or beyond full retirement age.)

\$16,920 Under full retirement age (\$1,410/mo)

\$44,880 Year of full retirement age (\$3,740/mo)

Eligibility requirements

Retired worker

Fully insured (40 earned credits), attained age 62, filed an application.

Spousal benefit *(married at least one year)*

Be the spouse of the worker entitled to retirement insurance benefit (RIB) or disability insurance benefit, attained age 62, filed an application, claimant must not be entitled to a RIB based on a primary insurance amount, which is greater than or equal to half the primary insurance amount of the worker.

Divorced spouse benefit

(been divorced two years or less; married totaling 10 years)

Be the divorced spouse of the worker entitled to retirement insurance benefit (RIB) or disability insurance benefit, attained age 62, filed an application, not currently married, claimant must not be entitled to a RIB based on a primary insurance amount greater than or equal to half the primary insurance amount of the worker.

Independently—entitled divorced spouse

(divorced at least two continuous years; married totaling 10 years)

Be the divorced spouse of a fully insured worker age 62, attained age 62, filed an application, not currently married, claimant must not be entitled to a retirement insurance benefit based on a primary insurance amount greater than or equal to half the primary insurance amount of the worker.

Widow (survivor) benefit *(married at least nine months)*

Be the widow of a worker who died fully insured, attained age 60, be unmarried unless you remarried after reaching age 60, filed an application, not be entitled to retirement insurance benefit greater than or equal to the deceased worker's primary insurance amount, proof of worker's death.

Surviving divorced spouse

Be the surviving divorced spouse of a worker who died fully insured, attained age 60, be unmarried unless you remarried after reaching age 60, filed an application, not be entitled to retirement insurance benefit greater than or equal to the deceased worker's primary insurance amount, proof of worker's death.

¹ Social Security Administration. OASDI and SSI Program Rates & Limits, 2017.

² Social Security Administration, ssa.gov, 2016.

Filing options

Married/Divorced/Widowed

Filing options after 2015 Bi-Partisan Budget Act

Auxiliaries, such as spouses or children, may claim benefits based on a worker who claimed benefits and requested a voluntary suspension prior to April 30, 2016. Suspensions requested on or after April 30, 2016 preclude any other beneficiary from collecting child or spousal benefits during the suspension.

- **People born on or before Jan. 1, 1954** may restrict an application to only spousal benefits, while delaying receipt of their retirement benefits and collecting an 8% per-year delayed retirement credit
- **People born Jan. 2, 1954 and later** should focus on whether to file early or file late while considering the implications of the decision for the surviving spouse

Widow options *if the deceased did file*

- **Filed prior to full retirement age:** maximum widow benefit equals the larger of deceased reduced benefit or 82.5% of deceased primary insurance amount
- **Filed after full retirement age:** maximum widow benefit equals the deceased benefit, including delayed retirement credits

Widow options *if the deceased did not file*

- **Died prior to full retirement age:** maximum widow benefit equals the primary insurance amount of the deceased
- **Died after full retirement age:** maximum widow benefit equals the deceased benefit as if deceased elected on date of death, including delayed retirement credits



Financial professionals with questions should call their wholesaler or the Retirement Institute Income Planning Team at 1-877-245-0763.



Clients should speak with their financial advisor for more information.



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NFM-13655AO.6 (01/17)

Age/year impact on benefits

Full retirement benefits

Birth year	Full retirement age
1937 or earlier	65
1938	65 yrs 2 mos
1939	65 yrs 4 mos
1940	65 yrs 6 mos
1941	65 yrs 8 mos
1942	65 yrs 10 mos
1943-1954	66
1955	66 yrs 2 mos
1956	66 yrs 4 mos
1957	66 yrs 6 mos
1958	66 yrs 8 mos
1959	66 yrs 10 mos
1960 or later	67

Widow full retirement age

Date of Birth	Full retirement age
Through 1/1/40	65
1/2/40 - 1/1/41	65 yrs 2 mos
1/2/41 - 1/1/42	65 yrs 4 mos
1/2/42 - 1/1/43	65 yrs 6 mos
1/2/43 - 1/1/44	65 yrs 8 mos
1/2/44 - 1/1/45	65 yrs 10 mos
1/2/45 - 1/1/57	66
1/2/57 - 1/1/58	66 yrs 2 mos
1/2/58 - 1/1/59	66 yrs 4 mos
1/2/59 - 1/1/60	66 yrs 6 mos
1/2/60 - 1/1/61	66 yrs 8 mos
1/2/61 - 1/1/62	66 yrs 10 mos
1/2/62 or later	67

Reduction/credit by election age (Born between 1943-1954)

Age	Worker	Spouse
62	75%	70%
63	80%	75%
64	86.66%	83.33%
65	93.33%	91.67%
66	100%	100%
67	108%	100%
68	116%	100%
69	124%	100%
70	132%	100%

Benefit reduction calculations

Reduction %	First 36 mos	37 mos & beyond
Spousal	25/36 of 1%/mo	5/12 of 1%/mo
Retirement	5/9 of 1%/mo	5/12 of 1%/mo