



Suggested Changes to “Thinking of Retiring” Special Insert for Workers 55 or Older

Section	Current Content	Suggested Content (Italics Used to Note New Text)
Some things to consider – second paragraph	If you retire early, you may not have enough income to enjoy the years ahead of you. Likewise, if you retire late, you’ll have a larger income, but fewer years to enjoy it. Everyone needs to try to find the right balance, based on his or her own circumstances.	If you retire early, you may not have enough income to enjoy the years ahead of you <i>because benefits are reduced to reflect the longer period over which you receive your benefits.</i> Likewise, if you retire late, you’ll have a larger <i>benefit</i> , but fewer years to enjoy it, <i>and your access to the money from your benefits will be available later than if you had retired sooner. Waiting a few more years to retire may be a powerful way to make retirement more affordable. Instead of drawing down savings and benefits, you can continue to build them up.</i> Everyone needs to try to find the right balance, based on his or her own circumstances.
What is the best option for you? – third paragraph	<p>There is one more thing you should remember as you crunch the numbers for your retirement. You may need your income to be sufficient for a long time, because people are living longer than ever before, and generally, women tend to live longer than men. For example:</p> <ul style="list-style-type: none"> • The typical 65-year-old today will live to age 83; • One in four 65-year-olds will live to age 90; and • One in 10 65-year olds will live to age 95. 	<p>There is one more thing you should remember as you review your income sources for your retirement. You may need your income to be sufficient for a long time, because people are living longer than ever before <i>[removed text on women to a new section below to keep it a separate issue]</i>. For example:</p> <ul style="list-style-type: none"> • The typical 65-year-old today will live on average to age 83, <i>with some living to a later age and some dying sooner;</i> • <i>One in three 65-year-olds will live to age 89;</i> • One in four 65-year-olds will live to age 92; and • One in 10 65-year-olds will live to age 97. <p><i>In general, many wives outlive their husbands, which can lead to greater risk of elderly women outliving their income, especially because:</i></p> <ul style="list-style-type: none"> • <i>Older women are more likely to be single than older men;</i> • <i>Women tend to live longer than men;</i> • <i>A spouse’s income from work or company-sponsored pension may stop or be reduced at death.</i> <p><i>It’s not unusual for a woman to be widowed for 15 to 20 years and rely almost exclusively on Social Security. A widow may be eligible for a benefit from Social Security equal to her husband’s Social Security benefit if his benefit was greater than hers; therefore, consideration should be given as to whether it makes sense to build up a widow’s benefit by</i></p>

		<i>not starting the husband's Social Security benefit early.</i>
Retirement age considerations – before the subsection on full retirement age	N/A	<p><i>Your Social Security benefit is determined payable at your full retirement age. The expected value of a worker's benefits payable over his or her expected future lifetime is about the same regardless of when the benefit starts. Therefore, if you want to retire before your full retirement age, your benefit will be reduced to reflect the extended time you are expected to receive your benefits. If you want to retire after your full retirement age, your benefit will be increased to reflect the shorter time you are expected to receive your benefits.</i></p> <p><i>A spouse's benefit is sometimes payable based on the worker's benefit. If the spouse is much younger than the worker, the value of benefits received may be higher if retirement is delayed.</i></p> <p><i>In deciding when to retire, you want to consider many questions, including:</i></p> <ul style="list-style-type: none"> • <i>Am I able to continue working at my current job or at a job with wages that support my cash needs without starting my Social Security benefit?</i> • <i>What is my level of personal savings or other retirement benefits or income sources that can help support me and my family in retirement?</i> • <i>What is my current health and family health history and how does that affect the expected length of my period of retirement?</i> • <i>If I am married, how is my spouse affected by the decisions I make about my retirement? What are my spouse's other sources of income after my death?</i> • <i>What are my current and future cash needs?</i> <p><i>More information can be found in Social Security publication No. 05-10147, "When To Start Receiving Retirement Benefits".</i></p>
Retirement age considerations – Retiring early	<p>If you've earned 40 credits (credits are explained on page 2 of your <i>Statement</i>), you can start receiving Social Security benefits at 62 or at any month between 62 and full retirement age. However, your benefits will be reduced based on the number of months you receive benefits before you reach full retirement age.</p> <p>If your full retirement age is 66, benefits will be reduced: 25 percent at age 62; 20 percent at age 63;</p>	<p>If you've earned 40 credits (credits are explained on page 2 of your <i>Statement</i>), you can start receiving Social Security benefits at 62 or at any month between 62 and full retirement age. However, your benefits will be reduced based on the number of months you receive benefits before you reach full retirement age.</p> <p>If your full retirement age is 66, benefits will be reduced: 25 percent at age 62; 20 percent at age 63;</p>

	13 1/3 percent at age 64; or 6 2/3 percent at age 65.	13 1/3 percent at age 64; or 6 2/3 percent at age 65. <i>If your full retirement age is older than 66, benefits will be reduced even more than these amounts.</i>																				
Retirement age considerations – Delaying retirement	<p>You may decide to wait beyond your full retirement age before choosing to receive benefits. If so, your benefit will be increased by a certain percentage for each month you don't receive benefits between your full retirement age and age 70. This table shows the rate your benefits increase if you delay retiring</p> <table border="1"> <thead> <tr> <th>Year of birth</th> <th>Yearly increase rate</th> </tr> </thead> <tbody> <tr> <td>1937-1938</td> <td>6.5%</td> </tr> <tr> <td>1939-1940</td> <td>7.0%</td> </tr> <tr> <td>1941-1942</td> <td>7.5%</td> </tr> <tr> <td>1943 or later</td> <td>8.0%</td> </tr> </tbody> </table>	Year of birth	Yearly increase rate	1937-1938	6.5%	1939-1940	7.0%	1941-1942	7.5%	1943 or later	8.0%	<p>You may decide to wait beyond your full retirement age before choosing to receive benefits. If so, your benefit will be increased by a certain percentage for each month you don't receive benefits between your full retirement age and age 70. This table shows the rate your benefits increase if you delay retiring</p> <table border="1"> <thead> <tr> <th>Year of birth</th> <th>Yearly increase rate</th> </tr> </thead> <tbody> <tr> <td>1937-1938</td> <td>6.5%</td> </tr> <tr> <td>1939-1940</td> <td>7.0%</td> </tr> <tr> <td>1941-1942</td> <td>7.5%</td> </tr> <tr> <td>1943 or later</td> <td>8.0%</td> </tr> </tbody> </table> <p><i>Therefore, if you are currently age 66 and were born in 1944, delaying retirement until age 68 would increase your benefit by 16 percent (two times 8 percent). However, once you reach age 70, your benefits will be increased to age 70 only and will not be increased for delayed retirement beyond that age. There is no added benefit for delaying the start of Social Security benefits beyond age 70.</i></p>	Year of birth	Yearly increase rate	1937-1938	6.5%	1939-1940	7.0%	1941-1942	7.5%	1943 or later	8.0%
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Retirement age considerations – Rules that may affect your survivor	<p>If you are married and die before your spouse, he or she may be eligible for a benefit based on your work record. If you start benefits before your full retirement age, we cannot pay your surviving spouse a full benefit from your record. Also, if you wait until after your full retirement age to begin benefits, the surviving spouse benefits based on your record will be higher.</p>	<p>If you are married and die before your spouse, he or she may be eligible for a benefit based on your work record.</p> <p><i>If you start benefits before your full retirement age, you will receive lower benefits for your lifetime. Consequently, if your spouse's benefit is based on your benefit, your surviving spouse may also receive a reduced benefit.</i></p> <p><i>If you wait until after your full retirement age to begin benefits, you will receive higher benefits for your lifetime. As a result, if your spouse's benefit is based on your benefit, your surviving spouse may also receive an increased benefit.</i></p>																				

**Suggested Changes to “When To Start Receiving Retirement Benefits”
Social Security Publication 05-10147**

Section	Current Content	Suggested Content (Italics Used to Note New Text)
Your decision is a personal one	Would it be better for you to begin receiving benefits early with a smaller monthly amount or wait for a larger monthly payment later that you may not receive as long? The answer is highly personal and depends on a number of factors, such as your current cash needs, your health and family longevity, whether you plan to work in retirement, whether you have other retirement income sources, your anticipated future financial needs and obligations, and , of course, the amount of your future Social Security benefit. We hope you will weigh all the facts carefully and consider your own circumstances before making the important decision about when to begin receiving Social Security benefits.	Would it be better for you to begin receiving benefits early with a smaller monthly amount or wait for a larger monthly payment later that you may not receive as long? The answer is highly personal and depends on a number of factors, such as your current cash needs, your health and family longevity, whether you plan to work in retirement, whether you have other retirement income sources, your anticipated future financial needs and obligations, and , of course, the amount of your future Social Security benefit. <i>If you are married, you should also consider additional factors, such as the size of your spouse’s Social Security benefit relative to yours, whether your retirement decision affects your spouse’s benefit after your death and the impact of your death on other income sources in retirement.</i> We hope you will weigh all the facts carefully and consider your own circumstances before making the important decision about when to begin receiving Social Security benefits.
Monthly payments differ substantially based on when you start receiving benefits <i>(add new content to the end of the section)</i>	N/A	<i>Therefore, the expected value of a worker’s benefits is about the same regardless of when the benefit starts. But if a spouse’s benefit is also payable based on the worker’s benefit and the spouse is much younger than the worker, the value of benefits received may be higher if retirement is delayed.</i>
Retirement may be longer than you think	When thinking about retirement, be sure to plan for the long term. Many of us will live much longer than the “average” retiree, and, generally, women tend to live longer than men. About one out of every four 65-year-olds today will live past age 90, and one out of 10 will live past age 95. Social Security benefits, which last as long as you live, provide valuable protection against outliving savings and other sources of retirement income. Again, you will want to choose a retirement age based on your circumstances so you will have sufficient income when you need it.	When thinking about retirement, be sure to plan for the long term. Some of us will live much longer than the “average” retiree, and <i>[removed text on women to the family section below to keep it a separate issue]</i> some of us will not live as long as the “average” retiree. About one out of every three 65-year-olds today will live past age 90, and one out of 10 will live past age 97. Social Security benefits, which last as long as you live, provide valuable protection against outliving savings and other sources of retirement income. Again, you will want to choose a retirement age based on your circumstances so you will have sufficient income when you need it.
Your decision could affect your family – first paragraph	Your spouse may be eligible for a benefit based on your work record (spouse benefits are reduced if claimed before the spouse’s full retirement age). If you die before your spouse, he or she may be eligible for a	Your spouse may be eligible for a benefit based on your work record (spouse benefits are reduced if claimed before the spouse’s full retirement age). If you die before your spouse, he or she may be eligible for a survivor benefit based on your work record, particularly if you

	<p>survivor benefit based on your work record, particularly if you have earned more than your spouse over your lifetime. If you begin receiving Social Security benefits early, we cannot pay your surviving spouse a full benefit from your record. Also, if you wait until after the full retirement age to get benefits, your surviving spouse – if he or she is at least full retirement age – generally will receive the same benefit amount that you would have received.</p>	<p>have earned more than your spouse over your lifetime. If you begin receiving Social Security benefits early, we cannot pay your surviving spouse a full benefit from your record. <i>Instead, your surviving spouse’s benefit will be reduced because you started your benefit before full retirement age.</i> Also, if you wait until after the full retirement age to get benefits, your surviving spouse – if he or she is at least full retirement age – generally will receive the same benefit amount that you would have received, <i>increased because you started your benefit after full retirement age.</i></p> <p><i>In general, many wives outlive their husbands, which can lead to greater risk of elderly women outliving their income, especially because:</i></p> <ul style="list-style-type: none"> • <i>Older women are more likely to be single than older men;</i> • <i>Women tend to live longer than men;</i> • <i>A spouse’s income from work or company-sponsored pension may stop or be reduced at death.</i> <p><i>It’s not unusual for a woman to be widowed for 15 to 20 years and rely almost exclusively on Social Security. A widow may be eligible for a benefit from Social Security equal to her husband’s Social Security benefit if his benefit was greater than hers; therefore, consideration should be given as to whether it makes sense to build up a widow’s benefit by not starting the husband’s Social Security benefit early.</i></p>
<p>You can keep working – third paragraph</p>	<p>Here is how this works: after you reach full retirement age, we will recalculate your benefit amount to give you credit for any months in which you did not receive some benefit because of your earnings. In addition, as long as you continue to work and receive benefits, we will check your record every year to see whether the additional earnings will increase your monthly benefit.</p>	<p>After you reach full retirement age, we will recalculate your benefit amount to give you credit for any months in which you did not receive some benefit because of your earnings. In addition, as long as you continue to work and receive benefits, we will check your record every year to see whether the additional earnings will increase your monthly benefit. <i>However, note that your benefit may have been even higher if you had continued to work and delayed starting your Social Security benefit until you stopped working or reached age 70..</i></p>



Thinking of retiring?

www.socialsecurity.gov

Some things to consider

Retirement can have more than one meaning these days. It can mean that you have applied for Social Security retirement benefits ... or that you are no longer working. Or it can mean that you have chosen to receive Social Security while still working, either full or part-time. All of these choices are available to you. And your retirement decisions can have very real effects on your ability to maintain a comfortable retirement.

If you retire early, you may not have enough income to enjoy the years ahead of you. Likewise, if you retire late, you'll have a larger income, but fewer years to enjoy it. Everyone needs to try to find the right balance, based on his or her own circumstances.

We hope the following information will help you as you plan for your future retirement and consider your retirement options.

It's so easy to apply online for benefits

The easiest way to apply for Social Security retirement benefits is to go online at www.socialsecurity.gov/applyforbenefits. If you do not have access to the Internet, you can call **1-800-772-1213** (TTY number, **1-800-325-0778**) between 7 a.m. and 7 p.m., Monday through Friday, to apply by phone. You also can apply at any Social Security office. To avoid having to wait, call first to make an appointment.

What is the best option for you?

Everyone's situation is different. That is why Social Security has created several retirement planners to help you decide what would be best for you and your family. Social Security has a new online calculator that can provide immediate and accurate retirement benefit estimates to help you plan for your retirement.

The online Retirement Estimator is a convenient, secure and quick financial planning tool. It uses your own earnings record information, thereby eliminating any need to manually key in years of earnings information. The estimator also will let you create "what if" scenarios. You can, for example, change your "stop work" date or expected future earnings to create and compare different retirement options. To use the Retirement Estimator, go to our website at www.socialsecurity.gov/estimator.

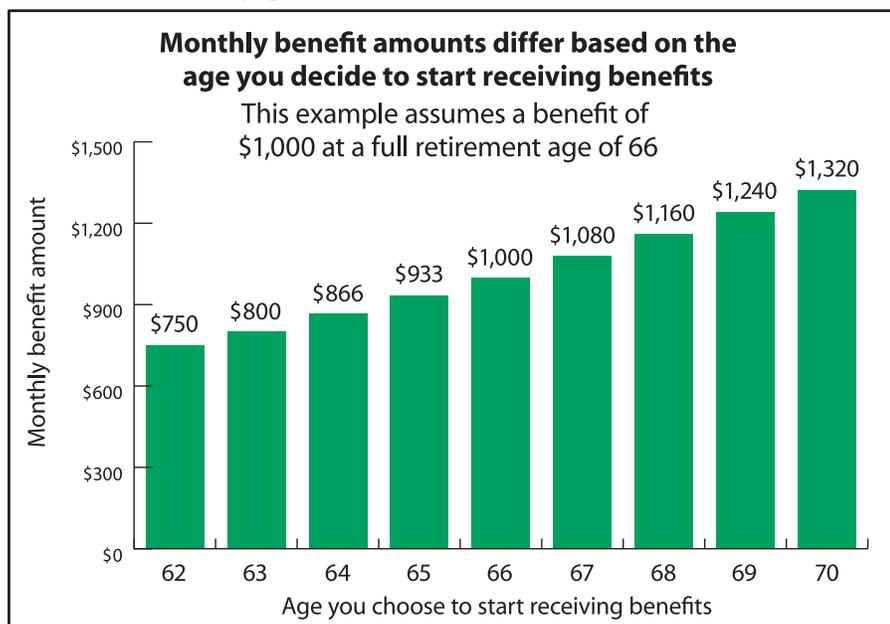
There is one more thing you should remember as you crunch the numbers for your retirement. You may need your income to be sufficient for a long time, because people are living longer than ever before, and generally, women tend to live longer than men. For example:

- The typical 65-year-old today will live to age 83;
- One in four 65-year-olds will live to age 90; and
- One in 10 65-year-olds will live to age 95.

Once you decide on the best age for you to actually retire, remember to complete your application *three months before* the month in which you want retirement benefits to begin.

Don't forget Medicare

Even if you don't plan to receive monthly benefits, you should sign up for Medicare *three months before* reaching age 65. Otherwise, your Medicare medical insurance, as well as prescription drug coverage, could be delayed and you could be charged higher premiums. For more information about eligibility and costs, visit www.medicare.gov.



Receiving benefits while you work

When you reach your full retirement age, you can work and earn as much as you want and still receive your full Social Security benefit payment. If you are younger than full retirement age and if your earnings exceed certain dollar amounts, some of your benefit payments during the year will be withheld.

This does not mean you must try to limit your earnings. If we withhold some of your benefits because you continue to work, we will pay you a higher monthly benefit amount when you reach your full retirement age. In other words, if you would like to work and earn more than the exempt amount, you should know that it will not, on average, reduce the total value of lifetime benefits you receive from Social Security—and may actually increase them.

Here is how this works: after you reach full retirement age, we will recalculate your benefit amount to give you credit for any months in which you did not receive some benefit because of your earnings. In addition, as long as you continue to work, we will check your record every year to see whether the additional earnings will increase your monthly benefit.

Many people can continue to work and still receive retirement benefits. If you want more information on how earnings affect your retirement benefits, ask for *How Work Affects Your Benefits* (Publication No. 05-10069), which has current annual and monthly earnings limits, and is available on our website.

Retirement age considerations

Full retirement age

For persons born during the years 1943-1954, the full retirement age is 66. If you were not born in this period, you can find your full retirement age on page 2 of your *Social Security Statement*.

Retiring early

If you've earned 40 credits (credits are explained on page 2 of your *Statement*), you can start receiving Social Security benefits at 62 or at any month between 62 and full retirement age. However, your benefits will be reduced based on the number of months you receive benefits before you reach full retirement age.

If your full retirement age is 66, benefits will be reduced:

- 25 percent at age 62;
- 20 percent at age 63;
- 13 1/3 percent at age 64; or
- 6 2/3 percent at age 65.

Delaying retirement

You may decide to wait beyond your full retirement age before

choosing to receive benefits. If so, your benefit will be increased by a certain percentage for each month you don't receive benefits between your full retirement age and age 70. This table shows the rate your benefits increase if you delay retiring.

<i>Year of birth</i>	<i>Yearly increase rate</i>
1937 - 1938	6.5%
1939 - 1940	7.0%
1941 - 1942	7.5%
1943 or later	8.0%

Rules that may affect your survivor

If you are married and die before your spouse, he or she may be eligible for a benefit based on your work record. If you start benefits before your full retirement age, we cannot pay your surviving spouse a full benefit from your record. Also, if you wait until after your full retirement age to begin benefits, the surviving spouse benefits based on your record will be higher.

Need more information?

You can find answers to frequently asked questions about Social Security, learn about factors that could affect your benefits and much more by visiting Social Security online at www.socialsecurity.gov.

If you do not have access to the Internet, you can get information about Social Security by calling **1-800-772-1213 (1-800-325-0778** for the deaf or hard of hearing) or by visiting a local Social Security office.

Other useful websites

www.mymoney.gov

This website contains calculators for financial planning and information on money-related matters, such as retirement planning and starting a small business.

www.dol.gov/ebsa/pdf/nearretirement.pdf

Have you determined how much money you will need in retirement? There are many tools available to help you, such as the *Taking the Mystery Out of Retirement Planning Workbook* available at this link.

www.sec.gov/investor/seniors.shtml

Are you looking for information about the investment options available to you as you enter retirement? The Securities and Exchange Commission has a wealth of information on different investment products and topics available at this website.

www.usa.gov/topics/seniors.shtml

This website has a variety of resources for seniors on topics including retirement planning, housing and health.

www.socialsecurity.gov

When To Start Receiving Retirement Benefits



At Social Security, we're often asked, "What is the best age to start receiving retirement benefits?" The answer is that there is no one "best age" for everyone and, ultimately, it is your choice. You should make an informed decision about when to apply for benefits based on your individual and family circumstances. We hope the following information will help you understand how Social Security can fit into your retirement decision.

Your decision is a personal one

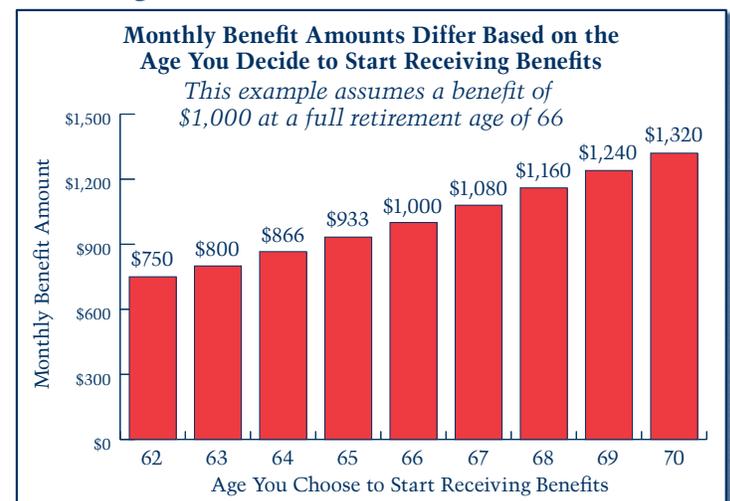
Would it be better for you to begin receiving benefits early with a smaller monthly amount or wait for a larger monthly payment later that you may not receive as long? The answer is highly personal and depends on a number of factors, such as your current cash needs, your health and family longevity, whether you plan to work in retirement, whether you have other retirement income sources, your anticipated future financial needs and obligations, and, of course, the amount of your future Social Security benefit. We hope you will weigh all the facts carefully and consider your own circumstances before making the important decision about when to begin receiving Social Security benefits.

Monthly payments differ substantially based on when you start receiving benefits

If you live to the average life expectancy for someone your age, you will receive about the same amount in lifetime benefits no matter whether you choose to start receiving benefits at age 62, full retirement age, age 70 or any age in between. However, monthly benefit amounts can differ substantially based on your retirement age. Basically, you can get lower monthly payments for a longer period of time or higher monthly payments over a shorter period of time. The amount you receive when you first get benefits sets the base for the amount you will receive for the rest of your life, though you do receive annual cost-of-living adjustments and, depending on

your work history, may receive higher benefits if you continue to work.

The following chart provides an example of how your monthly benefit amount can differ based on the age at which you decide to start receiving benefits.



Let's say your full retirement age is 66 and your monthly benefit starting at that age is \$1,000. If you choose to start getting benefits at age 62, your monthly benefit will be reduced by 25 percent to \$750 to account for the longer period of time you receive benefits. This is generally a permanent reduction in your monthly benefit.

If you choose to not receive benefits until age 70, you would increase your monthly benefit amount to \$1,320. This increase is from delayed retirement credits you get for your decision to postpone receiving benefits past your full retirement age. The benefit amount at age 70 in this example is 32 percent more than you would receive per month if you chose to start getting benefits at full retirement age.

Retirement may be longer than you think

When thinking about retirement, be sure to plan for the long term. Many of us will live much longer than the "average" retiree, and, generally, women tend to live longer than men. About one out of every four 65-year-olds

(over)

today will live past age 90, and one out of 10 will live past age 95. Social Security benefits, which last as long as you live, provide valuable protection against outliving savings and other sources of retirement income. Again, you will want to choose a retirement age based on your circumstances so you will have sufficient income when you need it.

Your decision could affect your family

Your spouse may be eligible for a benefit based on your work record (spouse benefits are reduced if claimed before the spouse's full retirement age). If you die before your spouse, he or she may be eligible for a survivor benefit based on your work record, particularly if you have earned more than your spouse over your lifetime. If you begin receiving Social Security benefits early, we cannot pay your surviving spouse a full benefit from your record. Also, if you wait until after the full retirement age to get benefits, your surviving spouse—if he or she is at least full retirement age—generally will receive the same benefit amount that you would have received.

Your children also may be eligible for a benefit on your work record if they are under age 18 or if they have a disability that began before age 22. For them to receive benefits, you must be getting benefits, too.

You can keep working

When you reach your full retirement age, you can work and earn as much as you want and still receive your full Social Security benefit payment. If you are younger than full retirement age and if your earnings exceed certain dollar amounts, some of your benefit payments during the year will be withheld.

This does not mean you must try to limit your earnings. If we withhold some of your benefits because you continue to work, we will pay you a higher monthly benefit amount when you reach your full retirement age. In other words, if you would like to work and earn more than the exempt amount, you should know that it will not, on average,

reduce the total value of lifetime benefits you receive from Social Security—and may actually increase them.

Here is how this works: after you reach full retirement age, we will recalculate your benefit amount to give you credit for any months in which you did not receive some benefit because of your earnings. In addition, as long as you continue to work and receive benefits, we will check your record every year to see whether the additional earnings will increase your monthly benefit.

Don't forget Medicare

If you plan to delay receiving benefits because you are working, you should sign up for Medicare three months before reaching age 65, regardless of when you reach full retirement age. Otherwise, your Medicare medical insurance, as well as prescription drug coverage, could be delayed, and you could be charged higher premiums.

Additional resources

You can estimate benefit amounts and find more information to help you decide when to start receiving retirement benefits by using our Benefits Planners online at www.socialsecurity.gov/planners. When you're ready to apply for benefits, you also can apply online at www.socialsecurity.gov/applyforbenefits. Many people can continue to work and still receive retirement benefits. If you want more information on how earnings affect your retirement benefits, ask for *How Work Affects Your Benefits* (Publication No. 05-10069), which has current annual and monthly earnings limits.

A wealth of other information—including copies of our publications—is available on our website at www.socialsecurity.gov. You also can call our toll-free number, **1-800-772-1213** (for the deaf or hard of hearing, call our TTY number, **1-800-325-0778**). We can answer specific questions from 7 a.m. to 7 p.m., Monday through Friday. We can provide information by automated phone service 24 hours a day.