



UNDERSTANDING SOCIAL SECURITY

Social Security seems complicated — until someone explains it to you.

There are many Social Security claiming strategies — choosing the optimal strategy for you could mean a difference of thousands of dollars every year in retirement. Transamerica wants to show you how Social Security can fit into your retirement income plan and share different strategies for when to claim your benefit.

CURRENT STATUS OF SOCIAL SECURITY

- The average monthly benefit in 2017 was approximately \$1,400 a month (\$17,000 a year).*
- Reserves projected to pay full benefits until 2034.**
- Trust income projected to cover 77% of benefits from 2034 to 2092, even if nothing is changed.**

\$17k
Average annual benefit*

HOW ARE MY BENEFITS DETERMINED?

- Need 40 credits for full eligibility (usually 10 years in workforce).
- Credits only determine eligibility — not the amount of payments.
- Primary insurance amount (PIA) based on the 35 years of your work history in which you earned the most.
- Only relates to individual benefits; you may still be eligible for spousal or survivor benefits regardless of credits earned.

FRA	Full retirement age
PIA	Primary insurance amount

* Source: USA Today, "Ten States with the Highest Social Security Benefit," May 2018

** Social Security Administration, 2018

CLAIMING STRATEGIES

- **OPTION #1: FILING AT FULL RETIREMENT AGE (FRA):** Waiting until FRA to claim benefits will allow you to receive 100% of your primary insurance amount (PIA) as your benefit amount.
- **OPTION #2: FILING EARLY:** You can claim Social Security benefits as early as age 62, but at a reduced rate. *Can I work and still receive benefits?* If you elect to begin benefits prior to reaching FRA, you must be aware of earning limits. Surpassing these will result in a reduction of benefits.
- **OPTION #3: FILING AFTER FRA:** Social Security provides yearly increases for those who delay the start of benefits.

SPOUSAL BENEFITS

- If you file for spousal benefits at FRA, spousal benefit will be equal to 50% of your spouse's PIA.
- You must be 62 or older to qualify.
- You cannot collect benefits on current spouse's record until he or she files for their own benefit.
- Amount is reduced if taken before FRA, but won't increase if delayed.
- These rules also apply for divorced-spouse benefits, as long as the marriage lasted at least 10 years and the beneficiary spouse is currently unmarried. Those who qualify for divorced-spouse benefits may collect before former spouse files.
- Some exceptions to the above guidelines apply.

RESOURCES:

- Find useful information as you get ready to retire at transamerica.com/grtr
- Learn more about Social Security at ssa.gov

MEET INDIVIDUALLY WITH A RETIREMENT PLANNING CONSULTANT, WHO CAN:

- Guide you through Social Security estimate calculators and workbooks.
- Connect you to a Transamerica financial advisor to start building your personalized retirement income plan.

NOTES:

We look forward to connecting with you.



CALL
800-755-5801



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