

Social security for married couples

How to boost your benefits

Paying attention to the timing of when to file for Social Security could mean increased benefits for married couples. Ideally, the decision should also take full account of one's savings, expenses, health, life expectancy, and other personal circumstances.

Married couples are eligible to receive two Social Security payments, but knowing the options for coordinating how and when to start collecting benefits may have a significant impact on the amount a couple receives. The difference could be thousands of dollars' worth of benefits each month.

Timing your benefits

First, married couples should think about when it makes sense for each partner to file for Social Security, considering that the age at which you file for Social Security affects the size of your monthly benefit. For example, you are entitled to your full benefit when you hit full retirement age (FRA), which varies depending on when you were born—age 66 for those born between 1943 and 1954. However, you can file as early as age 62, which would reduce your monthly payments by up to 30 percent.* It's only an option if you need the money now or are in poor health and are not able to wait.

On the other hand, if you have enough savings or income to cover your expenses, are in good health, and are planning for a long retirement, then you might want to consider filing beyond your FRA. Your benefits will increase by up to 8 percent each year you delay after your normal retirement age, up until you reach age 70. It makes sense to consider how the age you file for Social Security affects the amount of your benefits.

Spousal benefits

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Your individual work histories are another factor that could affect the amount of your benefits. Social Security benefits are based on up to 35 years of work history, so spouses could be entitled to very different benefits. For example, does one of you make more money than the other? Maybe one of you doesn't work at all.

Married couples are allowed to make the most of their work histories through spousal benefits. At age 62, a married individual can currently file for a Social Security benefit based on his or her own work history or based on up to 50 percent of the size of the spouse's full retirement benefit if that spouse has already filed—whichever is greater.

Again, age and health matter. If you both are healthy and can wait until 70, then you could both expect a bigger monthly payment when you begin collecting benefits.

Boost your benefits

Next, it's possible to combine your two benefits to boost the amount you receive

every month. Some married couples opt for a 62/70 split in which the lower-earning spouse takes Social Security as early as age 62, whereas the higher earner delays their own benefit until 70. This strategy could provide a steady stream of income and potentially a much larger benefit once the higher earner hits 70.

Taxes

For married couples filing jointly, up to 85 percent of Social Security income may be taxable if the modified adjusted gross income (MAGI) is more than \$32,000. MAGI includes income from sources such as regular salary, required minimum distributions, investment income (including tax-exempt income), and capital gains. When you have questions, it's always worthwhile to talk with a tax professional or financial planner.

Survivor benefits

When a spouse dies, the surviving spouse can collect up to 100 percent of the deceased partner's benefit if that benefit is greater than the survivor's own.

Important information

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*Percentages based on current Social Security guidelines.

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Social Security and divorce

It's still possible to collect spousal benefits based on your ex-spouse's work record.

There are a few requirements:

- You must be at least 62 years old, and your benefit based on your own work record must be less than the spousal benefit you'd receive.
- Your marriage must have lasted for at least 10 years. Whether your ex-spouse remarried has no bearing on your spousal benefit.
- If you remarried, that marriage must also have ended before you start collecting. You could then choose to collect benefits based on either spouse's work history, whichever benefit is higher—but you can't collect on both.
- You can collect the spousal benefit even if your ex-spouse hasn't applied for Social Security but is eligible for it—if you have been divorced for at least two years.

As you can see, married couples have numerous options that could boost their benefits. To get the greatest amount possible, it takes a team approach.