

Social Security Income

Estimating your future Social Security benefits used to be a difficult task, but not any longer. For an estimate of your projected benefits, go to www.ssa.gov/estimator. The retirement estimator gives estimates based on your actual Social Security earnings record.

The website form will ask you for a number of facts, including your name, Social Security number, date and place of birth, your mother's maiden name, additional information you provide about future earnings, and the age at which you expect to stop working.

Based on this information and your actual earnings history as maintained by the Social Security Administration, the Retirement Estimator generates an estimate of the amount you would receive if you were to retire at age 62 (the earliest date you can receive benefits), the amount if you waited until full retirement age (which currently ranges from 65 to 67, based on year of birth), and the larger benefit you would receive if you continued working until age 70 before claiming retirement benefits.

It's interesting to note that the 2014 Social Security Trustees Report includes a warning about the serious problems facing Social Security in the future. The trustees indicated that program costs (benefits paid) have been more than non-interest income (Social Security payroll taxes) since 2010, and they expect this situation to continue. Without changes, the Social Security Trust Fund will be exhausted by 2033 and there will be enough money to pay only about 77 cents for each dollar of scheduled benefits at that time, declining to 72 cents by 2088 (based on the current formula).¹ This is a reminder that taxpayers are ultimately responsible for funding their own retirements and that their future Social Security benefits may be lower than indicated by the Retirement Estimator.

Source: 1) Social Security Administration, 2014

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