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## **If You Want to Maximize Your Social Security Income, You Need to Start Planning Now**

[According to one recent study](#), about 27% of people in the United States between the ages of 55 and 67 years old have less than \$10,000 saved for retirement. If you needed just one statistic to outline how important it is to plan ahead when you're younger, let it be that one.

Similarly, you need to understand that planning isn't about simply making sure that you CAN retire. It's also about doing what you can to maximize those benefits when they do start to arrive. The system itself is designed to reward certain actions and, if you make the right financial decisions today, you'll be able to succeed after you retire.

Thankfully, getting to that point isn't necessarily as difficult as many believe it to be. If your goal is to maximize your Social Security benefits by planning ahead, all you need to do is keep a few key things in mind.



### **Maximize Your Social Security, Maximize Your Retirement**

One of the most important reasons why you want to start planning now about what your retirement years actually look like comes down to the fact that a lot of the decisions you'll be faced with aren't ones you can make overnight.

Case in point: the choice of when, exactly, you'll end up formally retiring. While it's undoubtedly true that you've already worked incredibly hard and would probably like to retire sooner rather than later, it isn't always necessarily a good idea to do so. The longer you delay your retirement, the bigger those benefits get.

Everybody has a "full retirement age" which, as the term suggests, is when you get to start collecting your full benefits. Full benefits are dictated based on how much money you've earned in your lifetime. If you retire before you hit this age, you'll still get money - but you won't get as much as you would if you had delayed.

If your full retirement age is 67, and you retire at 62, for example. You'll only get 70% of your benefits. If you wait until the age of 70 to retire, you'll get 124% of your benefits.

However, this may not be an easy choice to make depending on what you have going on in your life

(with your health being a top consideration), which is why you should start thinking about it and planning now.

Another reason why it's so important to start planning today to maximize your Social Security income has to do with how the system works, to begin with. Remember that while your age is important, ultimately it is the amount of money that you make that will dictate how much you get in benefits after you retire.

Therefore, the more you make, the more you'll eventually get. While "make more money" may seem like obvious advice if you still have 30 years before you retire simply keeping this in mind could influence a lot of the decisions you'll make during your career. It may be a motivating factor when deciding to move from one employer to the next, or whether you should switch careers altogether. Again, these are not decisions that will come to you instantly - they'll take a lot of careful consideration to get right which is why you should always be proactive.



Planning is also critical to maximize your income because it allows you to work certain elements into your long-term strategy that may have otherwise gone overlooked. Case in point: spousal benefits. If you happen to be married but haven't earned too much in the way of your own income during your relationship, you might be able to sign up for what is called spousal benefits. This allows you to get up to 50% of your husband or wife's eligible amount after you retire. Even divorced people are eligible for spousal benefits, so long as they haven't gotten married to someone else.

Dependent benefits are similar in concept, albeit from a different perspective. If you're about to retire but still have a dependent who is under 19 years old, they may be able to get up to 50% of your benefits without decreasing the amount of money you get, too.

As so much of success in terms of retirement involves a solid long-term financial strategy, it stands to reason that these are all things that you'll want to incorporate now so that you can reap the benefits (no pun intended) later on.

Finally, one of the biggest reasons why planning ahead will help you maximize your financial strategy is because it helps bring your spouse into the conversation as early on in the process as possible.

If you're married, both of you will eventually retire. Depending on your situation, it may make more sense for one of you to delay collecting Social Security benefits while the other retires either at or possibly even before their "full benefits age." In some scenarios, this would be a way to protect whoever makes less money.

You won't know whether this is the case, however, if you don't A) plan your retirement alongside that

spouse, and B) start planning as soon as you're able to. Doing so will allow you to come up with the type of joint strategy you need to make sure that both of you can retire without worry or regret when the time comes.



### **Your Financial Future Begins Now**

In the end, it's pivotal to understand that retirement success is all about playing the long game. It's not like you'll just hit a certain day on the calendar, leave your job for the last time and everything is guaranteed to go smoothly from there on out.

If you truly want to enjoy the retirement lifestyle you've always seen for yourself, you need a financial plan. You need to look at the moves you're making as an investment in your future. That requires not just the best strategy to help accomplish your goals but years of action to get to that point.

Ultimately, that's why if you want to maximize your Social Security income, you need to start planning - not next year, not six months from now, but today.

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