

The Basics of Social Security Planning

What is the current state of the Social Security benefits program?

- \$ 1.06 trillion** Every single year about **1.06 trillion** leaves the system via benefit payments.
- 2035 = zero** Without reform, it's projected that by **2035 the trust fund depletes to \$0** and SSA can only pay out how much comes in each year. Resulting in a decrease in benefit payments to 79% at that time.
- 2100 Act** Currently there is a bill called the **Social Security 2100 Act** that would guarantee benefits paid at 100% until the year 2100.

How do you calculate Social Security benefits and when should you apply?



How to Calculate:

Your Social Security statement shows your estimated benefit amount based on your Full Retirement Age.

Benefits are calculated **based on the highest 35 years of your earnings history**. This data is then input into a standard formula to calculate your benefits amount.

There are several resources offered by the social security administration website that can help you view and estimate your benefits.



How and When to Apply:

If you are trying to determine when you should take your benefit, keep in mind that what's right for you may be different than what makes sense for your friends or family.

It's important to understand that you can begin collecting benefits early or delay benefits. Whichever route you take will impact your benefit amount and **once you elect to take your social security benefit, you are locked into that amount for life**.

To Apply for Social Security or Review Current Benefits:

Visit the Social Security Administration website:

<https://www.ssa.gov>

Or contact the Social Security Administration at

1-800-772-1213 (TTY 1-800-325-0778)

How do you maximize Social Security benefits?



Here are some strategies you can use to maximize your benefit:

SPOUSAL BENEFITS

You can elect to **receive the greater of your personal benefit or 50% of your spouse's benefit**.

DIVORCED SPOUSE BENEFITS

If you qualify, you can elect to receive the greater of your personal benefit or **50% of your ex-spouse's benefit amount**.

SURVIVOR BENEFITS

You can elect to collect the greater of your personal benefit or **100% of your deceased spouse's benefit**.

DEPENDENT BENEFITS

Applies if you have a child under the age of 18 or disabled under the age of 22 **your children are eligible to collect 50% of your benefit**.

RESTRICTED APPLICATION

Allows you to **separate your spousal benefit from your retirement benefit**.

Keep in mind that additional rules apply to each of these benefits and contributions to government pension programs can also impact your benefit amount and eligibility. Discuss your unique circumstances with a trusted advisor before making your benefit elections.

Contact your HORAN Wealth representative at 513.745.0707 and visit www.horanwealth.com for more information.

For additional HORAN WealthBeing resources visit: horaneducation.com

©HORAN Wealth 2024. For Educational Purposes Only, Not a Solicitation to Buy or Sell any Securities. Information provided complimentary by HORAN Wealth Management, an SEC Registered Investment Advisor. All Rights Reserved.