

DISABILITY & AGING RIGHTS



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PUBLIC BENEFITS

Social Security Retirement Benefits

This is an overview of Social Security retirement benefits. The information applies to people with disabilities, including older Americans with physical, cognitive, sensory or mental impairments.

The Social Security retirement program was created when many workers were also entitled to pensions. It was not intended to be the only money that people relied on for income in retirement.

Today, many workers do not have pensions, nor do they have much saved for retirement. Social Security has become the main income for many people and their spouses.

How do I qualify for Social Security retirement benefits?

The number of work credits you need to receive retirement benefits depends on your date of birth.

If you were born in 1929 or later, you need 40 credits (10 years of work). People born before 1929 need fewer than 40 credits (39 credits if born in 1928; 38 credits if born in 1927, etc.).

When can I start receiving retirement benefits?

You can start your Social Security retirement benefits as early as age 62 or as late as age 70. Your monthly benefit amount will be different depending on the age you start receiving it.

If I take my retirement benefits at 62, will they be reduced?

If you elect to take your benefits at 62, your benefits will be reduced based on the number of months you receive benefits before you reach your full retirement age. The reduction in your benefit amount depends on the year you were born. The maximum reduction at age 62 will be 25 percent for people who reach age 62 in 2013 or 30 percent for people born after 1959.

What is my full retirement age?

Your full retirement age depends on the year you were born. If you were born before 1943, your full retirement age is 65 plus a few months. If you were born between 1943 and 1954, your full retirement age is 66 years. For those born after 1954, your retirement age will be 66 years plus a certain number of months. You can find your full retirement age at the following link: <http://www.socialsecurity.gov/pubs/ageincrease.htm>.

If you take your benefits at your full retirement age, your benefits will not be reduced.

NOTE: If you are full retirement age, you can apply for retirement benefits and then request to have payments suspended. That way, your spouse can receive a spouse's benefit and you will continue to earn delayed retirement benefits until age 70.

Is there any reason not to take my retirement benefits at my full retirement age?

If you can wait financially to take your retirement benefits until after your full retirement age, your benefit will be increased based on the number of months you do not receive benefits between full retirement age and age 70.

What if I wait until I am 70 to take my retirement benefits?

As mentioned earlier, you can receive a higher benefit amount if you wait until you are 70. There is no additional benefit increase after you reach age 70, even if you continue to delay taking benefits.

A number of factors can affect when you choose to take your retirement benefits. If you are not already receiving benefits, be sure to contact Social Security at the beginning of the year you reach full retirement age. Even if you are still working you may be able to receive some or all of your benefits for the months before you reach full retirement age.

It is advisable to talk to a financial planner or a Social Security representative to discuss your options if you do not have to get your benefits early (at 62 or before your full retirement age).

Working and receiving retirement benefits

Can I work while I am receiving Social Security retirement benefits?

Yes you can. However, while you are working, your earnings will reduce your benefit amount only until you reach your full retirement age. After you reach full retirement age, Social Security will recalculate your benefit amount to leave out the months when Social Security reduced or withheld benefits due to your excess earnings.

How does Social Security decide how much to reduce my benefit?

Social Security uses a formula to determine how much your benefit must be reduced:

- If you are under full retirement age for the entire year, Social Security deducts \$1 from your benefit payments for every \$2 you earn above the annual limit. For 2015, that limit on earnings is \$15,720.
- In the year you reach full retirement age, Social Security deducts \$1 in benefits for every \$3 you earn above a different limit, but Social Security only counts earnings before the month you reach your full retirement age. If you will reach full retirement age in 2015, the limit on your earnings for the months before full retirement age is \$41,880.
- Starting with the month you reach full retirement age, you can receive your benefits with no limit on your earnings. ■

For more information:

Visit www.socialsecurity.gov, or call **1-800-772-1213** or **1-800-325-0778** (TTY), or visit your local Social Security office.

To get more information about public benefits in Illinois, call the Illinois Public Benefits Hotline at **1-888-893-5327**



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