



BOB CARLSON'S

Retirement Watch  
SPOTLIGHT SERIES

# Spouses and Social Security: Resolving the Confusion About Spousal and Survivor's Benefits



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# Three Potential Benefits

- **Review them separately**
  - **Retirement**
  - **Spousal**
  - **Survivor's**
- **General rule: You are paid the higher of the three**



# Retirement Benefits

- **Based on own earnings history**
- **Can claim independent of spouse**
- **Can be basis of other's claims**
- **Other claims won't affect your benefits**



# Spousal Benefits

- **Separate from own retirement benefits**
- **50% of spouse's full retirement benefit (FRB)**
- **Reduced if claim < your full retirement age (FRA), but no benefit from delay**
- **Married at least one year**
- **Spouse also must claim benefits**



# Example 1

- **Wife qualifies for retirement benefit**
- **Wife claims retirement benefit at FRA**
- **Husband claims at 70**
- **Wife switches to spousal benefit, if higher**
- **Spousal benefit will be 50% of husband's FRB**



## Example 2

- **Wife claims retirement benefit at 64**
- **Will be reduced for early claim**
- **Husband claims at 70**
- **Wife switches to spousal benefit, if higher**
- **Wife's spousal benefit will be less than 50% of husband's FRB**



# Divorced Spouse Benefits

- **Called spousal benefits**
- **Married at least 10 years**
- **Divorced at least two years**
- **Claiming ex-spouse still unmarried**
- **Both ex-spouses at least 62**
- **Other ex-spouse doesn't have to claim**



# Divorced Spouse Benefits

- **Benefit = 50% of ex's FRB**
- **Reduced if you claims before your FRA**
- **Doesn't matter what ex-spouse is doing**
- **No contact or notice**
- **Doesn't affect other spouse's benefit**
- **Consider before remarrying**
- **Can receive ex-spouse survivor's benefits**





# Surviving Spouse Benefits

- **Key consideration when claiming**
- **Maximize survivor's benefit**
- **Higher-earning spouse should delay**
- **Surviving spouse has flexibility**



# Surviving Spouse Benefits

- **Claim as early as 60**
- **Can be divorced**
- **Married for previous nine months**
- **Deceased earned retirement benefits**
- **Claiming before survivor's FRA reduces benefit**



# Surviving Spouse Benefits

- **Survivor's benefit reduced if deceased claimed before own FRA**
- **Survivor might not benefit from delay**
- **Otherwise paid what deceased was receiving or entitled to at death**
- **Reduced if survivor younger than FRA**



# Survivors Have Choices

- **Unique choices of survivors**
- **Can claim one benefit first, if not already taking spousal benefits**
- **Can later switch to other benefit**
- **No survivor reduction for claiming own retirement benefit early**
- **Important from ages 60 to 70**



# Key Points for Survivors

- **Survivor's benefit maximized at FRA**
- **Survivor's benefit not changed if remarry after 60**
- **Survivor can maximize lifetime benefits**
- **Choices made earlier determine survivor's options**



# Don't Rely on SSA

- **High percentage of errors**
- **Most errors for surviving spouses**
- **Use software/financial advisor**



# Key Ideas

- **Spouses should coordinate claiming**
- **Focus on surviving spouse**
- **Survivor's should know choices**
- **Maximize the highest benefit**