

# How to Maximize Social Security with Spousal Benefits

Spousal Social Security benefits can be complex but understanding them can help maximize your retirement income.

If you're married or have ever been married, it's worth considering whether spousal Social Security benefits should be part of your retirement plan.

When a worker files for Social Security retirement benefits, their spouse may also be eligible for benefits based on the worker's earnings.

Here's how that works:

- The worker's spouse must be at least 62 or caring for a qualifying child. To qualify, the child must be below age 16 or entitled to Social Security disability benefits.
- According to the Social Security Administration, "the spousal benefit can be as much as half of the worker's primary insurance amount, depending on the spouse's age at retirement." For example, if you want to claim a benefit from your spouse's earnings, and they begin taking benefits before full retirement age, which is 67 for anyone born in 1960 or later, you will receive a reduced benefit.
- If a spouse provides care for a qualifying child, the spousal benefit is not reduced.
- If you're eligible for a retirement benefit based on your earnings, and if that benefit is higher than the spousal benefit, the Social Security Administration will pay your retirement benefit. Otherwise, it pays the spousal benefit.
- If you choose to receive spousal benefits before you reach full retirement age, your benefits will be permanently reduced.

"When applying for spousal Social Security benefits, it is important to gather the necessary documentation, such as marriage certificates and Social Security numbers," Marcus Miller, certified financial planner and financial advisor at Mainstay Capital in Jacksonville, Florida, said in an email.

You must provide proof of your relationship to the working spouse and meet the eligibility requirements, which include being married for at least one year, Miller said.

He advises contacting the Social Security Administration to schedule an appointment or apply online. It will review your application and determine your eligibility for spousal benefits.

To claim a spousal benefit, you must first understand the overall process for claiming Social Security. For example, a worker can apply for Social Security benefits up to three months before turning 62.

Conducting a cost-benefit analysis before applying for Social Security is key to understanding the guidelines that may impact your benefits, Nicole Birkett-Brunkhorst, senior wealth advisor at 1834 Wealth Management in St. Louis, said in an email.

"That includes, but is not limited to, claiming benefits before full retirement age, earnings limitations and federal and, if applicable, state income taxes," she said.

For married couples, deciding when to claim Social Security retirement benefits is a more involved decision.

"Spousal benefits are payable to the spouse of a retired worker and are generally up to 50% of the worker's primary insurance amount when the spouse reaches full retirement age," Birkett-Brunkhorst said. "A spouse may be eligible for these benefits as early as age 62, or younger if they meet certain requirements."

### **How Much to Expect for Spousal Social Security Benefits**

If you start receiving payments at full retirement age or older, your spousal benefit will be half your spouse's primary insurance benefit.

Your full retirement age depends on your birth year, and you can wait to take Social Security up to age 70. Here's how to determine your full benefit age if you were born in 1954 or later:

<b>Birth year</b>	<b>Full benefit age</b>
1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67

For example, say you're married and your spouse begins taking a benefit of \$3,000 per month at their full retirement age. Because your benefit is 50% of your spouse's benefit, your amount will be \$1,500 if you start Social Security payments at your full retirement age.

### **When to Claim Social Security Spousal Payments**

If you start collecting spousal benefits before reaching full retirement age, your benefit will be permanently reduced. Waiting until the full retirement age allows you to receive your full spousal benefit, which is up to half the amount your spouse is eligible for.

"To claim Social Security spousal payments, the individual you are entitled to collect a spousal benefit from must also be receiving Social Security benefits," Birkett-Brunkhorst said.

If your spouse has not applied for retirement benefits yet, she added, your initial benefit would be based on your earnings history if you earned the 40 credits to qualify for retirement benefits.

"Once your spouse files for their benefit, you can switch to the spousal benefit," Birkett-Brunckhorst said. Your payment will ultimately be a combination of the two benefits that equals the higher amount you qualify for, she noted.

If you're the higher earner, the spousal Social Security benefit won't decrease the amount you receive; it's separate from your benefit.

### **Divorce and Social Security Spousal Benefits**

If you're divorced, you may be eligible to receive a Social Security benefit based on your former spouse's earnings.

"There are a few points to understand before claiming a divorced spouse benefit," Aviva Pinto, managing director of New York-based Wealthspire Advisors, said in an email.

"If you did not work or worked but earned much less than your ex and were married for at least 10 years before divorcing, have not remarried and are at least 62 years of age, you can get up to a maximum of 50% of your ex-spouse's Social Security benefits without impacting their payments," Pinto said.

If your ex-spouse is not yet taking Social Security benefits after you reach the age of 62 and you have been divorced for at least two years, you can receive benefits, Pinto added.

If your ex-spouse is taking benefits and you are already 62 years old, you can claim benefits immediately.

"If you are already receiving Social Security benefits, you can also claim your ex-spouse's benefits, and you will receive whichever is higher," Pinto said.

In addition, if your former spouse dies, you could get the same benefits as a surviving spouse, provided that the marriage lasted 10 years or more, according to the Social Security Administration.