



## Don't start early because Social Security has money problems

If nothing is done, the Social Security Trust Fund will be depleted in 2037 and benefits cut 22%.

Something, however, will likely be done—taxes raised or benefits cut—well before 2037.

But essentially all proposals to cut benefits protect the benefits of those age 55 and older.

So you won't get less if you start later.

## What you can do now



Estimate how much retirement income you and your spouse will need ( $\frac{3}{4}$  of your current income is usually reasonable) and how much of that income needs to be secure.

Target when you would like to retire, considering the effect on your retirement income and how difficult (or easy) it would be to work longer. Social Security's estimator should be a big help: [www.socialsecurity.gov/estimator](http://www.socialsecurity.gov/estimator).

Now make a plan that allows you to work to that age. It could mean learning new skills, taking on a new role at work, and seeing that your employer, or perhaps a new employer, has plans that allow you to stay on that long.

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## A CRITICAL LIFE DECISION

## When to Start Social Security

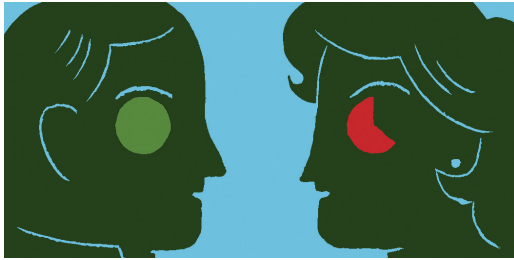
When you start Social Security has a *dramatic* effect on your monthly benefit



If you start to collect at:	62	66	70
Your monthly benefit is:	<b>your minimum</b>	<b>at least <math>\frac{1}{2}</math> more</b>	<b>at least <math>\frac{3}{4}</math> more</b>
For example:	<b>\$1,000</b>	<b>\$1,333</b>	<b>\$1,760</b>

Working longer and starting later could be the best way to get the income you'll need *for the rest of your life*.

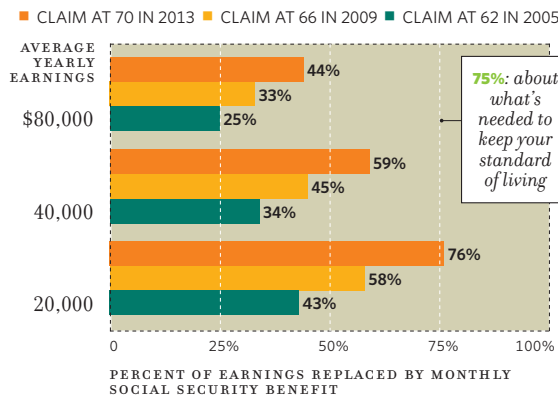
The complete guide is available at:  
[http://crr.bc.edu/social\\_security\\_guide](http://crr.bc.edu/social_security_guide)



## Meeting your retirement income needs

Experts say you need about  $\frac{3}{4}$  of your current income to maintain your standard of living.

Starting later can help you reach that goal.



As the Full Retirement Age rises, benefits begun at any age will replace a smaller share of pre-retirement earnings.

So working longer will be even more important for securing an adequate income.

## Meeting your spouse's needs

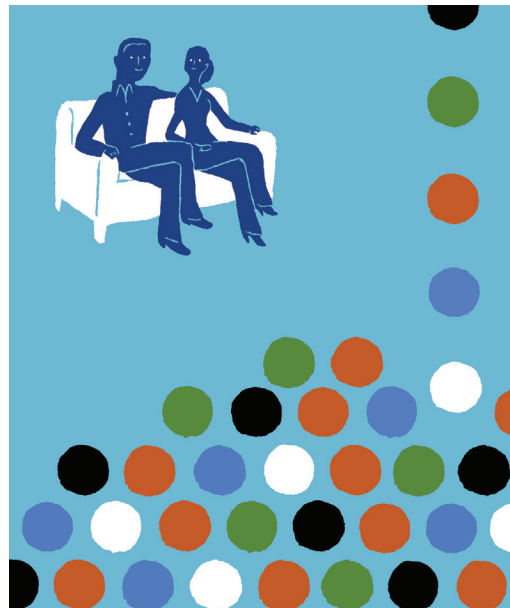
Survivors can get the greater of their own or their spouse's monthly benefit (reduced if started before the survivor's Full Retirement Age).

One in four widows over 65 is poor or near poor.



And Social Security survivor benefits typically make up a very large share of the income of older widows.

So a husband can make his wife far more secure by starting later and increasing his survivor's benefit.



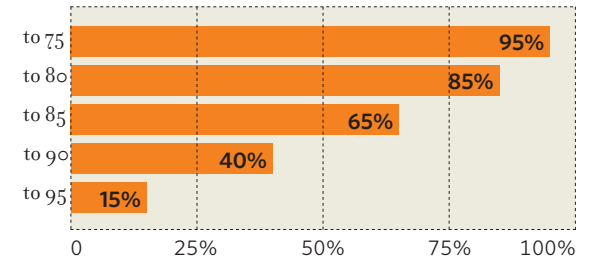
## Should you bet that your life will be short?

Lifetime benefits are much the same no matter when the average person starts to collect. So if you delay and *don't* live as long as the average person—to about 80—you won't collect the higher monthly benefit long enough to make up for starting later.

### But be careful!

Your chances for long life are excellent:

Chances that either husband or wife, both age 62, live...



So if you lose the bet and live "too long," you might barely scrape by in your 80s.