

HELLO
my name is

Social Security
Strategies



Fast facts¹

96 percent of American workers are covered by Social Security

51 percent of the workforce has no private pension

34 percent have no savings set aside for retirement

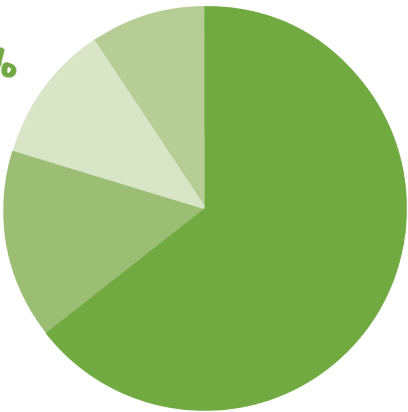
How much money have you saved for retirement?

Who's receiving Social Security?²

Spouses and children of retired or disabled workers 8%

Survivors of deceased workers 8%

Disabled workers 13%

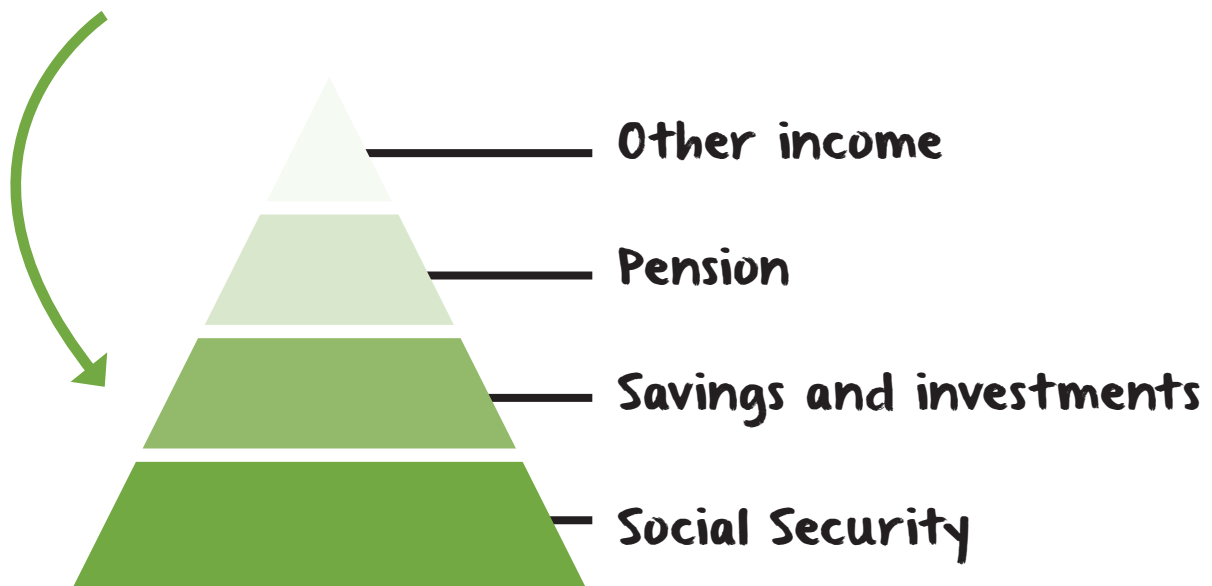


Retired workers 70%

Ratio of covered workers to beneficiaries?³

Year	Covered Workers (in thousands)	Beneficiaries (in thousands)	Ratio
1960	72,530	14,262	_____
1980	113,656	35,118	_____
2000	155,295	45,166	_____
2010	156,725	53,398	_____
2020	174,353	70,394	_____

Sources of retirement income



Social Security was never intended to be the sole source of income during retirement, but rather a _____ to pension plans, private savings, investments, and other sources of income.

According to the Social Security Administration, Social Security replaces only ____ percent of preretirement

Paying for Social Security

Social Security and Medicare employment taxes

- 2021 Taxable wage base – \$142,700
- Current tax rates

	OASDI	HI
Paid by employee	_____	_____
Paid by employer	_____	_____
Total	_____	

How do you qualify?

- Generally need _____ work credits (4 credits per year max)

Calculating retirement benefits⁴

Key variables

- Earnings history
- Age when benefit payments begin

Social Security retirement benefit

- Maximum 2021 monthly benefit: **\$3,148**

Calculation methodology

- Average of the 35 highest years of earnings
- Earnings are “indexed” for inflation

When can you receive your Social Security?⁵

Year of birth	Full retirement age
1943–1954	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

Impact of early retirement⁶

Early retirement eligibility: age _____

- Average reduction is approximately _____ percent of monthly benefits and declines as an individual approaches full retirement age

Variables to consider

- _____
- _____
- _____
- _____

Impact of delayed retirement⁷

- Workers may delay retirement benefits beyond full retirement age
- _____ increase in monthly benefits for each year benefits are delayed, until age 70 or actual retirement (whichever comes first)
- Each additional year worked adds to lifetime earnings calculation – may increase overall benefit

Ratio of covered workers to beneficiaries?⁸

Age	Annual Limit (2021)	Benefit Reduction
Younger than full retirement age	\$18,960	\$1 for every \$2 above limit
Year reach full retirement age	\$50,520	\$1 for every \$3 above limit
Month reach full retirement age	N/A	\$0

What is your ideal age for retirement? _____

Spousal benefits

Spouses

- Each spouse is eligible for their own separate benefit
- A spouse can elect to receive the greater of
 - Their own benefit
 - Benefit equal to half of their spouse's benefit at full retirement age

Widows and widowers

- _____ retirement benefits at full retirement age
- Early retirement benefit options
- _____ benefits for widow(er) if caring for dependents
- Survivor benefits for _____

Divorced spouses

- Eligible to receive a benefit based on former spouse's earnings
 - Married to the former spouse at least _____ years
 - At least age _____
 - _____
- Benefit equal to _____ of former spouse's benefit at full retirement age

Filing strategies

1. File for individual benefits	File for your own individual benefits based on your work history
2. File spousal only	File for your spousal benefits based on their work history
3. File for widow benefits	You file to collect based on your deceased spouse's benefits

Note: Your benefits will not reduce if/when your spouse files.

Filing strategy changes

1. File and suspend

- File and suspend was phased out this year for people born after _____

2. File restricted

- No longer an available strategy to beneficiaries who were not 62 or older by _____
- _____: if primary beneficiary files for either retirement benefits or spousal benefits and is also eligible for the other type of benefit, primary beneficiary will be deemed to have filed for both types of benefits

Social Security taxation⁹

Joint filers earning

- _____ are taxed on _____ percent of their benefits
- More than _____ are taxed on _____ percent of their benefits

Individual filers earning

- _____ are taxed on or up to _____ percent of their benefits
- More than _____ are taxed on or up to _____ percent of their benefits

Go to www.ssa.gov for additional information, including earnings history and online benefit calculators, and to apply for Social Security benefits approximately three months before your benefit start date.

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Takeaways

- The amount of retirement benefits varies depending on an individual's
 - _____ history
 - Age when benefits commence
- Social Security benefits may be _____
- www.ssa.gov features a benefits estimator and other helpful resources

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Actions

Prioritize, from highest to lowest, the top three takeaways you have from this event:

1. _____
2. _____
3. _____

List three areas of interest that you are going to pursue when you return home:

1. _____
2. _____
3. _____

What questions do you have that you need to research?

1. _____
2. _____
3. _____

Additional thoughts

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Notes

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¹Fast Facts & Figures About Social Security

²Social Security Administration, Master Beneficiary Record, 100 percent data. Note: Totals do not necessarily equal the sum of rounded components

³<https://www.socialsecurity.gov/OACT/TR/2011/lr4b2.html>

⁴Fact Sheet 2020, <https://www.ssa.gov/news/press/factsheets/colafacts2020.pdf>

⁵SSA Publication No. 05-10035, Retirement Benefits. Note: People born on January 1 of any year should refer to the previous year

⁶SSA Online FAQ regarding retirement at age 62

⁷SSA Publication No. 05-10035, Retirement Benefits

⁸SSA Publication No. 05-10003, Updated 2016

⁹SSA Publication No. 05-10035, Retirement Benefits

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